NOTICE OF REGULAR MEETING AND AGENDA



November 8, 2017

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
Debbie Lammers, Secretary
Dr. Richard Martyr, Member
Paula Peairs, Treasurer
Joie Siegrist, Vice President
Amory Siscoe, Asst Secretary
Robert J. Smith, President

1. CALL TO ORDER:

5:00 pm Reception 6:30 pm 1st Quarter Financials/Comprehensive Annual Financial Report 7:00 pm Regular Business Meeting

2. ADDENDUMS/CHANGES TO THE AGENDA:

- 3. AUDIENCE PARTICIPATION:
- 4. VISITORS:
- 5. BOARD/SUPERINTENDENT REPORTS:
- 6. REPORTS:
 - 1. Frederick High School Student Advisory Council Feeder Report
 - 2. District Financial Statements Quarter Ending September 30, 2017

7. CONSENT ITEMS:

1. Approval: Staff Terminations/Leaves

2. Approval: Staff Appointments

3. Approval: Approval of Minutes for the October 11, 2017 Regular

Meeting, the October 18, 2017 Study Session, and the

October 25, 2017 Regular Meeting

4. Approval: First Reading, Adoption, Board Exhibit JQ-E – Schedule

of Student Fees

5. Approval: Approval of Change Order 2 to Construction Manager/

General Contractor (CMGC) Contract for Carbon Valley

Academy Renovation Project

8. ACTION ITEMS:

1. Recommendation: Adoption of Resolution Proclaiming American

Education Week, November 13-17, 2017

2. Recommendation: Acceptance of the 2017 FY Comprehensive

Annual Financial Report

3. Recommendation: Approval of District's 2017 FY Assurances for

Financial Accreditation

4. Recommendation: Adoption of Resolution to Change Custodial/

Paying Agent

5. Recommendation: Approval of Contract Award-Elementary Schools'

Security Camera Systems

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Robert J. Smith, President

6. Recommendation: Approval of New District Directors and Oath of

Office for New Board Members

7. Recommendation: Election of Board President

8. Recommendation: Election of Board Vice President

9. Recommendation: Appointment of Secretary of the Board

10. Recommendation: Appointment of Assistant Secretary of the

Board

11. Recommendation: Appointment of Treasurer of the Board

12. Recommendation: Appointment of Assistant Treasurer and

Secretary to the Board

13. Recommendation: Adoption of Resolution for Signature

Authorization

9. DISCUSSION ITEMS:

Board Member Signing of Code of Ethics/Confidentiality Affidavit

10. ADJOURNMENT:

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

Wednesday, November 15 6:00 – 8:00 pm Study Session Wednesday, December 13 7:00 pm Regular Meeting

MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

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

<u>PURPOSE</u>

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

BACKGROUND

The Student Advisory Council is comprised of 4-5 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 eleven years ago so that students could give input to the superintendents about what students were feeling about the District.

MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: District Financial Statements – Quarter Ending September 30, 2017

PURPOSE

To provide the Board of Education with the financial report for the first quarter of Fiscal Year 2018.

BACKGROUND

Colorado Revised Statute (C.R.S.) 22-45-102(1)(b)(I-IV) requires the Board of Education to review the financial condition of the school district at least quarterly during the year. In addition to first and second quarter reports, the District has elected to present monthly financial statements during the remainder of the year.

At the worksession prior to this Board meeting, information related to the financial statements for the quarter ending September 30, 2017 will be provided to the Board in compliance with all aspects of Colorado Revised Statutes.



September 2017 Quarterly Financial Report

"The community is the foundation of our school system. Working together we can give our children expanded opportunities in safe, high performing 21st century schools."

Don Haddad, Ed.D., Superintendent

St. Vrain Valley School District RE-1J Financial Executive Summary

For the period July 1, 2017 to September 30, 2017

Note: The detailed financial statements are an integral part of this summary.

	PDF				Ţ.
Fund	page	B/S	A2A	B2A	Notes
General Fund	6 — 7 — 8-9	General F	und, Majo	or & Non-	Major Funds & Special Revenue Funds CY "cash & investments" 20% increase due to FY17 out performance CY "deferred revenues" decrease due to Medicaid reclassification in Jan'17 CY "SOT" \$587k increase due to increased collections in BoCo & Weld Co CY "invest inc" \$172k increase due to increased invest bal, rate CY "chgs for svc" \$192k increase due to increased internal charges CY "misc rev" \$528k increase primarily due to e-rate collections CY "oth fed'l sources" \$187k decrease due to Medicaid, Nat'l Forest CY "sal/bene" \$2.6m increase due to increased wages CY "charter alloc" \$309k increase due to increased FPC Based on passage of time, 25% through the fiscal year
Colo Preschool	10-11	n/a	n/a		
Risk Management	13-15	n/a			CY "claims paid" \$241k decrease due to workers' comp deductibles
Bond Redemption	18-19	n/a	n/a		
Building	20-21	n/a	n/a		District sold \$200m of the \$260m voter-approved bonds in Dec 2016
Capital Reserve	23-25	n/a			
Comm Education	27-29	n/a			CY decrease in community grants/awards due to timing of awards CY decrease in C/S facility use due to PY Vance Brand upgrades
Fair Contributions	30-31	n/a	n/a		Amended budget will be updated to adjust for prior year ending balance
Grants	33-35	n/a			RttT grant ended in Jul 2017
Nutrition Services	36-39				CY "cash & invest" \$163k decrease due to increase grants receivable & net decrease in 'income'
Student Activity (23)	41-43	n/a			Amended budget will be updated to adjust for prior year ending balance
Proprietary Fund, the L	District's	only inter	nal service	fund	
Self Insurance Fund	46-49				CY claims paid decreased due to shorter lag time (claims paid vs claims processed & paid)
Fiduciary Funds					
Student Activity (74)	51-53	n/a			District to 'relook' at Fiduciary Funds in accordance with GASB Stmt No. 84
Student Scholarship	54-55	n/a	n/a		PY & CY scholarships at 45% & 57%, respectively, of budget due to timing
Other financial informa	ation				
Investment Summary	57		n/a	n/a	
LEGENDS: To be reviewed w/ BOI Non-talking point	E			<u> </u>	No issues or concerns; operating w/in expectations Matters of slight concern; monitoring closely Major issue or concern; requires immediate attention or action

St. Vrain Valley School District RE-1J Financial Executive Summary (continued)

For the period July 1 to September 30

Note: Not all funds have been included in the summary shown below. The detailed financial statements are an integral part of this summary.

		5)//5			F)///0	
		FY17 Actual	% of	_	FY18 Actual	% of
		to Date	% OI Budget		to Date	% 01 Budget
General Fund		to Date	<u>Daaget</u>		to Bate	<u>Daaget</u>
Revenues	\$	43,194,082	16%	\$	48,764,529	17%
Expenditures		51,834,568	19%		54,225,926	19%
Net change in fund balance		(8,640,486)			(5,461,397)	
Beg fund balance		90,856,158			107,386,605	
End fund balance		82,215,672			101,925,208	
Liabilities		14,812,188			14,079,976	
Total liabilities and fund balance	\$	97,027,860		\$	116,005,184	
Assets	\$	97,027,860			116,005,184	
Colorado Preschool Program Fund						
End fund balance	\$	901,897		\$	922,447	
Risk Management Fund						
Change in fund balance	\$	(166,532)		\$	170,386	
Beg fund balance	Ť	4,296,018		•	2,638,631	
End fund balance	\$	4,129,486		\$	2,809,017	
Building Fund Expenditures	æ	1 520 755	23%	æ	12 476 042	8%
·	\$	1,538,755	23%	\$	12,476,943	070
End fund balance	\$	5,909,359		\$	191,251,484	
Capital Reserve Fund						
Change in fund balance	\$	162,936		\$	(508,669)	
Beg fund balance		6,867,231			6,542,463	
End fund balance	\$	7,030,167		\$	6,033,794	
Community Education Fund						
End fund balance	\$	2,243,677		\$	2,812,342	
		_				
Fair Contributions Fund					7.510.100	
End fund balance	\$	7,155,062		_\$_	7,519,420	
Grants Fund						
Grants receivable	\$	1,068,813		\$	1,611,575	
Northitian Complete						
Nutrition Services Revenues	\$	4 000 070	200/	\$	4 050 000	400/
Expenditures	Ф	1,969,972 1,655,893	20% 17%	Ф	1,850,660 1,760,365	19% 18%
Change in net assets		314,079	17 70	_	90,295	1070
Beg fund balance		2,407,840			2,456,760	
End fund balance	\$	2,721,919		\$	2,547,055	
Objedant Antibity (Openial Bard						
Student Activity (Special Rev) End fund balance	\$	5,264,289		\$	5,851,781	
Lita fund balance	Ψ_	5,204,203		Ψ_	5,551,751	
Self Insurance Fund						
Change in net position	\$	(267,798)		\$	677,022	
Beg net position		4,157,720			4,655,510	
End net position	_\$_	3,889,922		\$	5,332,532	

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 servicing of long-term debt (debt service fund), the construction of new schools (capital projects fund), and the collection and disbursement of earmarked funds (special revenue funds). The District's governmental funds consist of the following: General Fund; Colorado Preschool Program Fund and Risk Management Fund, both subfunds of the General Fund; Bond Redemption Fund; Building Fund; Capital Reserve Capital Projects Fund; and five special revenue funds, including the Government Designated -Purpose Grants Fund.

<u>Proprietary Funds</u> focus on the determination of the changes in net assets, financial position, and cash flows and are classified as either enterprise or internal service. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District does not have an enterprise fund. Internal service funds account for the financing of services provided by one department to other departments of the District on a cost reimbursement basis. The District's only internal service fund is the *Self Insurance Fund*.

<u>Fiduciary Funds'</u> reporting focuses on net assets and changes in net assets. 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*.

GOVERNMENTAL FUNDS

General Fund

The <u>General Fund</u> 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 taxes, and State of Colorado equalization funding, as determined by the School Finance Act of 1994, as amended. 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, extracurricular athletic and other pupil activities, and insurance transactions.

The <u>Colorado Preschool Program Fund</u> 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 pursuant to C.R.S. 22-28-102.

The <u>Risk Management Fund</u> is also a sub-fund of the General Fund. Moneys allocated to this 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.

St. Vrain Valley School District RE-1J

General Fund (10)

Balance Sheet (Unaudited)
As of September 30,

	<u>2016</u>	<u>2017</u>
Assets		
Cash and investments	\$ 93,370,830	\$ 112,204,626
Accounts receivable	17,610	-
Taxes receivable	3,044,389	3,139,948 A
Due from other funds	-	20,149
Prepaid expenditures	350	334
Inventories	594,681	640,127
Total assets	\$ 97,027,860	\$ 116,005,184
Liabilities		
Accounts payable	\$ -	- \$ 110
Retainage payable	9,373	-
Accrued salaries and benefits	2,062,712	2,183,869 B
Payroll withholdings	8,372,953	8,756,048
Deferred revenues	4,367,150	3,139,949_A, C
Total liabilities	14,812,188	14,079,976
Fund balances		
Nonspendable: prepaids, inventories	595,031	640,461
Restricted: TABOR	8,523,395	9,056,970
Restricted: special federal contract	-	2,574,361
Committed: contingency	5,682,263	
Committed: BOE allocations	9,479,104	
Assigned: Mill Levy Override	31,549,111	36,798,141
Assigned: current year obligations	6,892,878	
Unassigned	19,493,890	25,222,532
Total fund balance	82,215,672	101,925,208
Total liabilities and fund balance	\$ 97,027,860	\$ 116,005,184

Footnote

- A On January 1, when property taxes are levied, the District records property taxes receivable and a corresponding deferred revenue. As taxes are collected, the District reduces the receivable and deferred revenue and records the tax revenue.
- B The District is accruing salaries and benefits of employees whose contracts run from Aug 1 to Jul 31. The accrual rate is 1/11 of the contract amount per month. As of June 30, the District will have accrued the full amount of salaries and benefits payable.
- In addition to property taxes recorded January 1, the deferred revenue represents the amount to be recognized from the District's forward investment agreements entered into in June 2003. A portion of the deferred revenue is recognized each month in accordance with the agreements.

St. Vrain Valley School District RE-1J General Fund (10)

Year-to-Date Actual to Actual (Unaudited)
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the period July 1 to September 30

		lukz	FY17 - September	lukz	FY18 - September		Dollar	Percent
		July	Actual	July	Actual	,	Variance	Variance
1 R	levenues		, lotaci		, totaai		variarioo	variance
2	Local							
3	Property taxes	\$	454,540	\$	438,660	\$	(15,880)	-3.49%
4	Specific ownership taxes		1,385,751		1,973,048		587,297	42.38%
5	Mill levy override		234,076		240,928		6,852	2.93%
6	Investment income		160,330		332,501		172,171	107.39%
7	Charges for service		617,724		809,940		192,216	31.12%
8	Miscellaneous		532,589		1,060,853		528,264	99.19%
9	Total local revenues	-	3,385,010		4,855,930		1,470,920	43.45%
10	State	-						
11	Equalization, net		32,971,407		35,312,914		2,341,507	7.10%
12	Special Education		5,357,095		5,558,977		201,882	3.77%
13	Vocational Education		-		-		-	N/A
14	Transportation		-		-		-	N/A
15	Gifted and Talented		-		179,238		179,238	N/A
16	English Language Proficiency Act		-		1,444,702		1,444,702	N/A
17	Other state sources		883,992		1,003,633		119,641	13.53%
18	Total state revenues		39,212,494		43,499,464		4,286,970	10.93%
19	Federal							
20	BOCES		-		-		-	N/A
21	Build America Bond Rebates		-		-		-	N/A
22	Other federal sources		596,578		409,135		(187,443)	-31.42%
23	Total federal revenues		596,578		409,135		(187,443)	-31.42%
24	Total revenues		43,194,082		48,764,529		5,570,447	12.90%
25								
	xpenditures							
27	Salaries		28,935,356		30,865,283		1,929,927	6.67%
28	Benefits		10,045,875		10,706,558		660,683	6.58%
29	Purchased services		2,043,235		2,584,292		541,057	26.48%
30	Supplies and materials		4,693,721		3,804,214		(889,507)	-18.95%
31	Other		211,259		204,971		(6,288)	-2.98%
32	Allocation to charter schools		5,580,263		5,889,346		309,083	5.54%
33	Capital outlay		324,859		171,262		(153,597)	-47.28%
34	Total expenditures		51,834,568		54,225,926		2,391,358	4.61%
35 E	xcess (deficiency) of revenues							
36 37	over (under) expenditures		(8,640,486)		(5,461,397)		3,179,089	36.79%
-	und balance, beginning		90,856,158		107,386,605		16,530,447	18.19%
	und balance, ending	\$	82,215,672		101,925,208		19,709,536	23.97%
	, 3					_		

St. Vrain Valley School District RE-1J

General Fund (10)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

	FY17	FY17		% of
	Adopted	July - September	Balance	Actual to
	Budget	Actual	Remaining	Budget
1 Revenues				
2 Local				
3 Property taxes	\$ 69,027,290	\$ 454,540	\$ (68,572,750)	0.66%
4 Specific ownership taxes	7,800,000	1,385,751	(6,414,249)	17.77%
5 Mill levy override	35,572,000	234,076	(35,337,924)	0.66%
6 Investment income	99,008	160,330	61,322	161.94%
7 Charges for service	5,590,977	617,724	(4,973,253)	11.05%
8 Miscellaneous	2,582,358	532,589	(2,049,769)	20.62%
9 Total local revenues	120,671,633	3,385,010	(117,286,623)	2.81%
10 State				
11 Equalization, net	131,925,622	32,971,407	(98,954,215)	24.99%
12 Special Education	5,920,708	5,357,095	(563,613)	90.48%
13 Vocational Education	689,350	-	(689,350)	0.00%
14 Transportation	1,627,698	-	(1,627,698)	0.00%
15 Gifted and Talented	285,409	-	(285,409)	0.00%
16 English Language Proficiency Act	1,552,331	-	(1,552,331)	0.00%
17 Other state sources	600,051	883,992	283,941	147.32%
18 Total state revenues	142,601,169	39,212,494	(103,388,675)	27.50%
19 Federal				
20 BOCES	46,741	-	(46,741)	0.00%
21 Build America Bond Rebates	1,418,885	-	(1,418,885)	0.00%
22 Other federal sources	1,200,000	596,578	(603,422)	49.71%
23 Total federal revenues	2,665,626	596,578	(2,069,048)	22.38%
24 Total revenues	265,938,428	43,194,082	(222,744,346)	16.24%
25				
26 Expenditures				
27 Salaries	157,037,725	28,935,356	128,102,369	18.43%
28 Benefits	51,449,303	10,045,875	41,403,428	19.53%
29 Purchased services	10,465,165	2,043,235	8,421,930	19.52%
30 Supplies and materials	26,608,878	4,693,721	21,915,157	17.64%
31 Other	857,229	211,259	645,970	24.64%
32 Allocation to charter schools	25,845,092	5,580,263	20,264,829	21.59%
33 Capital outlay	50,000	324,859	(274,859)	649.72%
34 Total expenditures	272,313,392	51,834,568	220,478,824	19.03%
35 Excess (deficiency) of revenues	_			
36 over (under) expenditures	(6,374,964)	(8,640,486)	(2,265,522)	
37	, , ,	, , ,	(, , ,	
38 Fund balance, beginning	90,856,158	90,856,158	_	
39 Fund balance, ending	\$ 84,481,194	\$ 82,215,672	\$ (2,265,522)	
	÷ 5.,.01,101	+ 5=,=10,012	+ (=,=00,0=2)	
40 Expected year-end fund balance as percentage 41 of annual expenditure budget	31.02%			
Ti oi aiiiidai experiditule budget	31.02%			

St. Vrain Valley School District RE-1J

General Fund (10)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

	FY18	FY18		% of
	Adopted	July - September	Balance	Actual to
	Budget	Actual	Remaining	Budget
1 Revenues	-		_	
2 Local				
3 Property taxes	\$ 81,413,866	\$ 438,660	\$ (80,975,206)	0.54%
4 Specific ownership taxes	7,804,372	1,973,048	(5,831,324)	25.28%
5 Mill levy override	41,979,742	240,928	(41,738,814)	0.57%
6 Investment income	620,000	332,501	(287,499)	53.63%
7 Charges for service	4,872,980	809,940	(4,063,040)	16.62%
8 Miscellaneous	3,686,501	1,060,853	(2,625,648)	28.78%
9 Total local revenues	140,377,461	4,855,930	(135,521,531)	3.46%
10 State				
11 Equalization, net	131,326,602	35,312,914	(96,013,688)	26.89%
12 Special Education	5,952,328	5,558,977	(393,351)	93.39%
13 Vocational Education	509,260	-	(509,260)	0.00%
14 Transportation	1,833,675	-	(1,833,675)	0.00%
15 Gifted and Talented	262,896	179,238	(83,658)	68.18%
16 English Language Proficiency Act	1,533,009	1,444,702	(88,307)	94.24%
17 Other state sources	789,335	1,003,633	214,298	127.15%
18 Total state revenues	142,207,105	43,499,464	(98,707,641)	30.59%
19 Federal				
20 BOCES	40,000	-	(40,000)	0.00%
21 Build America Bond Rebates	1,417,362	-	(1,417,362)	0.00%
22 Other federal sources	1,276,034	409,135	(866,899)	32.06%
23 Total federal revenues	2,733,396	409,135	(2,324,261)	14.97%
24 Total revenues	285,317,962	48,764,529	(236,553,433)	17.09%
25			<u> </u>	
26 Expenditures				
27 Salaries	166,553,550	30,865,283	135,688,267	18.53%
28 Benefits	54,203,666	10,706,558	43,497,108	19.75%
29 Purchased services	10,843,503	2,584,292	8,259,211	23.83%
30 Supplies and materials	28,231,098	3,804,214	24,426,884	13.48%
31 Other	906,968	204,971	701,997	22.60%
32 Allocation to charter schools	27,464,943	5,889,346	21,575,597	21.44%
33 Capital outlay	652,000	171,262	480,738	26.27%
34 Total expenditures	288,855,728	54,225,926	234,629,802	18.77%
35 Excess (deficiency) of revenues				
36 over (under) expenditures	(3,537,766)	(5,461,397)	(1,923,631)	
37	(=,===,===)	(0,101,001)	(1,0=0,001)	
38 Fund balance, beginning	107,386,605	107,386,605	_	
39 Fund balance, ending	\$ 103,848,839	\$ 101,925,208	\$ (1,923,631)	
	Ψ 100,040,003	Ψ 101,323,200	Ψ (1,323,031)	
40 Expected year-end fund balance as percentage				
41 of annual expenditure budget	35.95%			

St. Vrain Valley School District RE-1J

Colorado Preschool Program Fund (19)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

		FY17 Adopted Budget	July	FY17 - September Actual		Balance Remaining	% of Actual to Budget
Revenues	•		•		•	(4.400.440)	07.00 0/
Equalization Investment income	\$ 	1,558,854 700	\$	389,714 <u>371</u>	\$ 	(1,169,140) (329)	25.00% 53.00%
Total revenues		1,559,554		390,085		(1,169,469)	25.01%
Expenditures							
Salaries		180,996		45,089		135,907	24.91%
Benefits		57,887		14,840		43,047	25.64%
Purchased services		1,133,380		6,005		1,127,375	0.53%
Supplies and materials		87,200		422		86,778	0.48%
Other		26,665		540		26,125	2.03%
Capital outlay		150,000				150,000	0.00%
Total expenditures		1,636,128		66,896		1,569,232	4.09%
Excess (deficiency) of revenues							
over (under) expenditures		(76,574)		323,189		399,763	
Fund balance, beginning		578,708		578,708			
Fund balance, ending	\$	502,134	\$	901,897	\$	399,763	
Expected year-end fund balance as percenta of annual expenditure budget	age	30.69%					

St. Vrain Valley School District RE-1J
Colorado Preschool Program Fund (19)
Current Year Budget to Actual (Unaudited)
Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

		FY18 Adopted Budget	July	FY18 - September Actual	Balance Remaining	% of Actual to Budget
Revenues						
Equalization Investment income	\$	1,609,421 1,800	\$	402,355 645	\$ (1,207,066) (1,155)	25.00% 35.83%
Total revenues		1,611,221		403,000	 (1,208,221)	25.01%
Expenditures						
Salaries		206,019		38,942	167,077	18.90%
Benefits		72,071		11,980	60,091	16.62%
Purchased services		1,179,900		3,637	1,176,263	0.31%
Supplies and materials		71,297		2,200	69,097	3.09%
Other		26,730		742	25,988	2.78%
Capital outlay		250,000			250,000	0.00%
Total expenditures		1,806,017		57,501	1,748,516	3.18%
Excess (deficiency) of revenues over (under) expenditures		(194,796)		345,499	540,295	
Fund balance, beginning		576,948		576,948	-	
Fund balance, ending	\$	382,152	\$	922,447	\$ 540,295	
Expected year-end fund balance as percenta of annual expenditure budget	age	21.16%				

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St. Vrain Valley School District RE-1J

Risk Management Fund (18)

Year-to-Date Actual to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1 to September 30

		FY17		FY18		
	July	- September	July	- September	Dollar	Percent
		Actual		Actual	Variance	Variance
Revenues						
Investment income	\$	1,548	\$	7,295	\$ 5,747	371.25%
Equalization		857,274		959,179	101,905	11.89%
Miscellaneous		18,126		156_	(17,970)	-99.14%
Total revenues		876,948		966,630	 89,682	10.23%
Expenditures						
Salaries		55,567		57,888	2,321	4.18%
Benefits		15,330		16,104	774	5.05%
Purchased services		727,789		714,206	(13,583)	-1.87%
Claims paid		240,998		210	(240,788)	-99.91%
Supplies		3,178		7,386	4,208	132.41%
Other		618		450	(168)	-27.18%
Total expenses		1,043,480		796,244	 (247,236)	-23.69%
Excess (deficiency) of revenues						
over (under) expenditures		(166,532)		170,386	336,918	-202.31%
Fund balance, beginning		4,296,018		2,638,631	 (1,657,387)	-38.58%
Fund balance, ending	\$	4,129,486	\$	2,809,017	\$ (1,320,469)	-31.98%

St. Vrain Valley School District RE-1J

Risk Management Fund (18)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

		FY17 Adopted Budget	July	FY17 - September Actual		Balance Remaining	% of Actual to Budget
Revenues Investment income Equalization Miscellaneous Total revenues	\$	5,000 3,429,095 10,000 3,444,095	\$	1,548 857,274 18,126 876,948	\$	(3,452) (2,571,821) 8,126 (2,567,147)	30.96% 25.00% 181.26% 25.46%
Expenditures Salaries Benefits Purchased services Claims paid Supplies Other Total expenses		240,193 66,068 1,532,570 1,632,000 72,650 52,220 3,595,701	_	55,567 15,330 727,789 240,998 3,178 618 1,043,480		184,626 50,738 804,781 1,391,002 69,472 51,602 2,552,221	23.13% 23.20% 47.49% 14.77% 4.37% 1.18% 29.02%
Excess (deficiency) of revenues over (under) expenditures Fund balance, beginning	_	(151,606) 4,296,018	_	(166,532)	_	(14,926)	
Fund balance, ending Expected year-end fund balance as percenta of annual expenditure budget	<u>\$</u> ige 	4,144,412 115.26%	\$	4,129,486		(14,926)	

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St. Vrain Valley School District RE-1J

Risk Management Fund (18)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

		FY18 Adopted Budget	July	FY18 - September Actual	ı	Balance Remaining	% of Actual to Budget
Revenues							
Investment income	\$	11,000	\$	7,295	\$	(3,705)	66.32%
Equalization		3,836,715		959,179		(2,877,536)	25.00%
Miscellaneous		25,000		156_		(24,844)	0.62%
Total revenues		3,872,715		966,630	_	(2,906,085)	24.96%
Expenditures							
Salaries		250,182		57,888		192,294	23.14%
Benefits		69,493		16,104		53,389	23.17%
Purchased services		1,728,170		714,206		1,013,964	41.33%
Claims paid		1,632,000		210		1,631,790	0.01%
Supplies		103,650		7,386		96,264	7.13%
Other		53,220		450_		52,770	0.85%
Total expenses		3,836,715		796,244		3,040,471	20.75%
Excess (deficiency) of revenues							
over (under) expenditures		36,000		170,386		134,386	
Fund balance, beginning		2,638,631		2,638,631			
Fund balance, ending	\$	2,674,631	\$	2,809,017	\$	134,386	
Expected year-end fund balance as percentag	je	69 71%					

of annual expenditure budget

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GOVERNMENTAL FUNDS

Major Governmental Funds

The <u>Bond Redemption Fund</u> is a debt service fund. It is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The fund's primary revenue source is local property taxes levied specifically for debt service.

The <u>Building Fund</u> is a capital projects fund that is used to account 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 of equipment.

Nonmajor Governmental Fund

The <u>Capital Reserve Capital Projects Fund</u> is used to account for revenue allocations from the General Fund and other revenues allocated to or earned in this fund, and the expenditures for the ongoing capital needs of the District, such as acquisition of land, building additions and improvements, and equipment purchases where the estimated unit cost is in excess of \$1,000.

St. Vrain Valley School District RE-1J

Bond Redemption Fund (31)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

	FY17	FY17		% of
	Adopted	July - September	Balance	Actual to
	Budget	Actual	Remaining	Budget
Revenues				
Property taxes	\$ 41,752,128	\$ 256,771	\$ (41,495,357)	0.61%
Investment income	2,000	730	(1,270)	36.50%
Total revenues	41,754,128	257,501	(41,496,627)	0.62%
Expenditures				
Debt principal	18,145,000	_	18,145,000	0.00%
Debt interest - Dec 15 & June 15	17,388,477	-	17,388,477	0.00%
Fiscal charges	10,000	500	9,500	5.00%
Total expenditures	35,543,477	500	35,542,977	0.00%
Excess (deficiency) of revenues				
over (under) expenditures	6,210,651	257,001	(5,953,650)	
Fund balance, beginning	43,375,929	43,375,929		
Fund balance, ending	\$ 49,586,580	\$ 43,632,930	\$ (5,953,650)	
Expected year-end fund balance as percentage of annual expenditure budget	ge 139.51%			

St. Vrain Valley School District RE-1J

Bond Redemption Fund (31)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

	FY18	FY18		% of
	Adopted	July - September	Balance	Actual to
	Budget	Actual	Remaining	Budget
Revenues				
Property taxes	\$ 50,000,000	\$ 297,489	\$ (49,702,511)	0.59%
Investment income	2,000	49,191	47,191	2459.55%
Total revenues	50,002,000	346,680	(49,655,320)	0.69%
Expenditures				
Debt principal	24,485,000	-	24,485,000	0.00%
Debt interest - Dec 15 & June 15	25,494,214	-	25,494,214	0.00%
Fiscal charges	10,000	500	9,500	5.00%
Total expenditures	49,989,214	500	49,988,714	0.00%
Excess (deficiency) of revenues				
over (under) expenditures	12,786	346,180	333,394	
Fund balance, beginning	55,195,386	55,195,386		
Fund balance, ending	\$ 55,208,172	\$ 55,541,566	\$ 333,394	
Expected year-end fund balance as percentag of annual expenditure budget	e 110.44%			

St. Vrain Valley School District RE-1J

Building Fund (41)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

		FY17 Adopted Budget	July	FY17 - September Actual	F	Balance Remaining	% of Actual to Budget
Revenues							
Investment income	\$	25,000	_\$	3,431	_\$	(21,569)	13.72%
Total revenues		25,000		3,431		(21,569)	13.72%
Expenditures							
Salaries		278,500		67,697		210,803	24.31%
Benefits		83,000		20,008		62,992	24.11%
Purchased services		2,500,000		812,758		1,687,242	32.51%
Supplies		10,000		-		10,000	0.00%
Construction projects		3,921,361		637,842		3,283,519	16.27%
Other		10,000		450		9,550	4.50%
Total expenditures		6,802,861		1,538,755		5,264,106	22.62%
Excess (deficiency) of revenues							
over (under) expenditures		(6,777,861)		(1,535,324)		5,242,537	
Fund balance, beginning		7,444,683		7,444,683		<u>-</u>	
Fund balance, ending	\$	666,822	\$	5,909,359	\$	5,242,537	
Expected year-end fund balance as percentag of annual expenditure budget	e 	9.80%					

St. Vrain Valley School District RE-1J

Building Fund (41)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

	FY18 Adopted Budget	FY18 July - September Actual	Balance Remaining	% of Actual to Budget
Revenues				
Investment income	\$ 1,000,000	\$ 607,180	\$ (392,820)	60.72%
Total revenues	1,000,000	607,180	(392,820)	60.72%
Expenditures				
Salaries	588,000	121,585	466,415	20.68%
Benefits	172,000	35,018	136,982	20.36%
Purchased services	8,000,000	1,838,176	6,161,824	22.98%
Supplies	-	-	-	N/A
Construction projects	150,000,000	10,479,555	139,520,445	6.99%
Other	3,000	2,609	391	86.97%
Total expenditures	158,763,000	12,476,943	146,286,057	7.86%
Excess (deficiency) of revenues				
over (under) expenditures	(157,763,000)	(11,869,763)	145,893,237	
Fund balance, beginning	203,121,247	203,121,247		
Fund balance, ending	\$ 45,358,247	\$ 191,251,484	\$ 145,893,237	
Expected year-end fund balance as percentag	e 28.57%			

of annual expenditure budget 28.57% This page intentionally left blank

St. Vrain Valley School District RE-1J

Capital Reserve Capital Projects Fund (43)

Year-to-Date Actual to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance
For the period July 1 to September 30

		FY17		FY18			
	July	- September	July	- September		Dollar	Percent
		Actual		Actual	\	/ariance	Variance
Revenues							
Equalization	\$	1,336,252	\$	1,338,618	\$	2,366	0.18%
Investment income		12,723		20,180		7,457	58.61%
Miscellaneous		15,138		28,201		13,063	86.29%
Total revenues		1,364,113		1,386,999		22,886	1.68%
Expenditures							
Capital projects		1,201,177		1,895,668		694,491	57.82%
Total expenditures		1,201,177		1,895,668		694,491	57.82%
Excess (deficiency) of revenues							
over (under) expenditures		162,936		(508,669)		(671,605)	-412.19%
Fund balance, beginning		6,867,231		6,542,463		(324,768)	-4.73%
Fund balance, ending	\$	7,030,167	\$	6,033,794	\$	(996,373)	-14.17%

St. Vrain Valley School District RE-1J Capital Reserve Capital Projects Fund (43)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

		FY17		FY17			% of
		Adopted	July	- September		Balance	Actual to
		Budget		Actual		Remaining	Budget
Revenues							
Equalization	\$	5,345,009	\$	1,336,252	\$	(4,008,757)	25.00%
Investment income	Ψ	28,000	Ψ	12,723	Ψ	(15,277)	45.44%
Miscellaneous		75,000		15,138		(59,862)	20.18%
Total revenues		5,448,009		1,364,113		(4,083,896)	25.04%
Expenditures							
Capital projects		7,750,000		1,201,177		6,548,823	15.50%
Total expenditures		7,750,000		1,201,177		6,548,823	15.50%
Excess (deficiency) of revenues							
over (under) expenditures		(2,301,991)		162,936		2,464,927	
Fund balance, beginning		6,867,231		6,867,231		-	
Fund balance, ending	\$	4,565,240	\$	7,030,167	\$	2,464,927	
Expected year-end fund balance as percentage of annual expenditure budget) 	58.91%					

St. Vrain Valley School District RE-1J Capital Reserve Capital Projects Fund (43)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

		FY18		FY18			% of
		Adopted	July	July - September		Balance	Actual to
		Budget		Actual		Remaining	Budget
Revenues							
Equalization	\$	5,354,471	\$	1,338,618	\$	(4,015,853)	25.00%
Investment income		60,000		20,180		(39,820)	33.63%
Miscellaneous		75,000		28,201		(46,799)	37.60%
Total revenues		5,489,471		1,386,999		(4,102,472)	25.27%
Expenditures							
Capital projects		5,800,000		1,895,668		3,904,332	32.68%
Total expenditures		5,800,000		1,895,668		3,904,332	32.68%
Excess (deficiency) of revenues							
over (under) expenditures		(310,529)		(508,669)		(198,140)	
Fund balance, beginning		6,542,463		6,542,463			
Fund balance, ending	\$	6,231,934		6,033,794	\$	(198,140)	
Expected year-end fund balance as percentage of annual expenditure budget	!	107.45%					

GOVERNMENTAL FUNDS

Major Special Revenue Fund

The <u>Governmental Designated-Purpose Grants Fund</u> is used to account for restricted state and federal grants including, but not limited to, Title I Part A – Improving the Academic Achievement of the Disadvantaged; Individuals with Disabilities Education Act (IDEA Part B); and Race to the Top.

Nonmajor Special Revenue Funds

The <u>Community Education Fund</u> is used to record the tuition-based activities including driver's education, summer school, child care, enrichment, and preschool.

In accordance with intergovernmental agreements, the <u>Fair Contributions Fund</u> is used to collect money for the acquisition, development, or expansion of public school sites based on impacts created by residential subdivisions.

The <u>Nutrition Services Fund</u> accounts for the food service operations of the District. Nutrition Services provides quality, nutritious and well balanced meals to students throughout District schools.

The <u>Student Activity Fund</u> is used to record financial transactions related to school sponsored pupil intrascholastic and interscholastic athletic and other related activities. Revenues of this fund are primarily from student fees, gate receipts, and gifts.

St. Vrain Valley School District RE-1J
Community Education Fund (27)
Year-to-Date Actual to Actual (Unaudited)
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the period July 1 to September 30

	FY17 July - September Actual	FY18 July - September Actual	Dollar Variance	Percent Variance
Revenues	¢ 4.540	¢ 7.940	ф <u>2220</u>	73.84%
Investment income Charges for services	\$ 4,510	\$ 7,840	\$ 3,330	73.04%
A Drivers Education Program	105,358	99,483	(5,875)	-5.58%
B Summer School Program	14,464	13,461	(1,003)	-6.93%
Community School Programs	17,707	10,401	(1,000)	0.5570
C Day Care	733,728	770,712	36,984	5.04%
D Enrichment	132,258	154,661	22,403	16.94%
E Kinder Enrichment	114,905	116,829	1,924	1.67%
F Comm'y Educ Central Office	40,770	2,997	(37,773)	-92.65%
Facility Use	•	·	,	
G Building Share	3,860	5,924	2,064	53.47%
H Comm'y School Share	65,661	74,157	8,496	12.94%
I Community grant & awards	167,119	-	(167,119)	-100.00%
J Other Programs	121,829	163,885	42,056	34.52%
Total revenues	1,504,462	1,409,949	(94,513)	-6.28%
Expenditures				
Instruction				
A Drivers Education Program	78,881	82,578	3,697	4.69%
B Summer School Program	35,788	37,916	2,128	5.95%
Community School Programs				
C Day Care	749,761	722,220	(27,541)	-3.67%
D Enrichment	66,457	41,536	(24,921)	-37.50%
E Kinder Enrichment	210,455	149,725	(60,730)	-28.86%
F Comm'y Educ Central Office	127,250	53,671	(73,579)	-57.82%
Facility Use			<i>(</i>)	
G Building Share	9,061	3,584	(5,477)	-60.45%
H Comm'y School Share	207,343	93,555	(113,788)	-54.88%
I Community grant & awards	39,936	41,493	1,557	3.90%
J Other Programs	36,237	89,446	53,209	146.84%
Total expenditures	1,561,169	1,315,724	(245,445)	-15.72%
Excess (deficiency) of revenues				
over (under) expenditures	(56,707)	94,225	150,932	-266.16%
Fund balance, beginning	2,300,384	2,718,117	417,733	18.16%
Fund balance, ending	\$ 2,243,677	\$ 2,812,342	\$ 568,665	25.35%

St. Vrain Valley School District RE-1J

Community Education Fund (27)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance
For the period July 1, 2016 to September 30, 2016

	FY17		FY17			% of
	Adopted	July	- September	Balance		Actual to
	Budget		Actual	ı	Remaining	Budget
Revenues						
Investment income	\$ 10,000	\$	4,510	\$	(5,490)	45.10%
Charges for services	6,300,000		1,499,952		(4,800,048)	23.81%
Total revenues	 6,310,000		1,504,462		(4,805,538)	23.84%
Expenditures						
Instruction	5,900,000		1,141,342		4,758,658	19.34%
Support services	750,000		419,827		330,173	55.98%
Capital outlay	75,000				75,000	0.00%
Total expenditures	 6,725,000		1,561,169		5,163,831	23.21%
Excess (deficiency) of revenues						
over (under) expenditures	(415,000)		(56,707)		358,293	
Fund balance, beginning	2,300,384		2,300,384			
Fund balance, ending	\$ 1,885,384	\$	2,243,677	\$	358,293	
Expected year-end fund balance as percentage of annual expenditure budget	28.04%					

St. Vrain Valley School District RE-1J

Community Education Fund (27)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance
For the period July 1, 2017 to September 30, 2017

	FY18 FY18 Adopted July - September Budget Actual		- September	Balance Remaining		% of Actual to Budget	
Revenues	Φ.	24.000	ф	7.040	Φ	(40.400)	22.070/
Investment income Charges for services	\$	24,000 7,457,000	\$	7,840 1,402,109	\$	(16,160) (6,054,891)	32.67% 18.80%
Total revenues		7,481,000		1,409,949		(6,071,051)	18.85%
Expenditures							
Instruction		5,341,000		1,033,975		4,307,025	19.36%
Support services		1,310,000		281,749		1,028,251	21.51%
Capital outlay		100,000				100,000	0.00%
Total expenditures		6,751,000		1,315,724		5,435,276	19.49%
Excess (deficiency) of revenues							
over (under) expenditures		730,000		94,225		(635,775)	
Fund balance, beginning		2,718,117		2,718,117			
Fund balance, ending	\$	3,448,117	\$	2,812,342	\$	(635,775)	
Expected year-end fund balance as percentage		E4 000/					
of annual expenditure budget		51.08%					

St. Vrain Valley School District RE-1J

Fair Contributions Fund (29)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

	FY17		FY17			% of
	Adopted	July	- September		Balance	Actual to
	Budget		Actual	F	Remaining	Budget
Revenues						
Investment income	\$ 65,000	\$	18,225	\$	(46,775)	28.04%
Cash in lieu	1,400,000		211,111		(1,188,889)	15.08%
Total revenues	 1,465,000		229,336		(1,235,664)	15.65%
Expenditures						
Purchased services	150,000		5,547		144,453	3.70%
Other	-		-		-	N/A
Capital outlay	 8,295,643				8,295,643	0.00%
Total expenditures	 8,445,643		5,547		8,440,096	0.07%
Excess (deficiency) of revenues						
over (under) expenditures	(6,980,643)		223,789		7,204,432	
Fund balance, beginning	 6,931,273		6,931,273			
Fund balance, ending	\$ (49,370)	\$	7,155,062	\$	7,204,432	
Expected year-end fund balance as percentage						
of annual expenditure budget	-0.58%					

St. Vrain Valley School District RE-1J

Fair Contributions Fund (29)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

		FY18 Adopted Budget	July	FY18 - September Actual	ı	Balance Remaining	% of Actual to Budget
Revenues Investment income Cash in lieu	\$	65,000 1,400,000	\$	18,030 285,552	\$	(46,970) (1,114,448)	27.74% 20.40%
Total revenues		1,465,000		303,582		(1,161,418)	20.72%
Expenditures Purchased services Other Capital outlay Total expenditures		150,000 - 8,904,133 9,054,133		144,149 1,750 - 145,899		5,851 (1,750) 8,904,133 8,908,234	96.10% N/A 0.00% 1.61%
Excess (deficiency) of revenues over (under) expenditures		(7,589,133)		157,683		7,746,816	
Fund balance, beginning		7,361,737		7,361,737		-	
Fund balance, ending	<u>\$</u>	(227,396)	\$	7,519,420	<u>\$</u>	7,746,816	
Expected year-end fund balance as percentage of annual expenditure budget		-2.51%					

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St. Vrain Valley School District RE-1J
Governmental Designated-Purpose Grants Fund (22)
Year-to-Date Actual to Actual (Unaudited)
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the period July 1 to September 30

	FY17 FY18			
	July - September	July - September	Dollar	Percent
	Actual	Actual	Variance	Variance
Revenues				
Local grants	\$ -	\$ -	\$ -	N/A
State grants	261,293	24,213	(237,080)	-90.73%
Federal grants	-	-	· -	N/A
ARRA-Federal Education Stimulus Funds	935,787	70,483	(865,304)	-92.47%
Total revenues	1,197,080	94,696	(1,102,384)	-92.09%
Expenditures				
Salaries	1,676,502	1,157,728	(518,774)	-30.94%
Benefits	527,502	390,043	(137,459)	-26.06%
Purchased services	24,959	35,270	10,311	41.31%
Supplies and materials	34,873	120,360	85,487	245.14%
Other	2,057	2,870	813	39.52%
Capital outlay		<u> </u>		N/A
Total expenditures	2,265,893	1,706,271	(559,622)	-24.70%
Excess (deficiency) of revenues				
over (under) expenditures	(1,068,813)	(1,611,575)	(542,762)	-50.78%
Fund balance, beginning				N/A
Fund (deficit), ending	\$ (1,068,813)	\$ (1,611,575)	\$ (542,762)	-50.78%

St. Vrain Valley School District RE-1J

Governmental Designated-Purpose Grants Fund (22)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

		FY17 Adopted Budget	opted July - September		Balance Remaining		% of Actual to Budget
Revenues	•		•		•		
Local grants	\$	-	\$	-	\$	- (40.707)	N/A
State grants		278,000		261,293		(16,707)	93.99%
Federal grants		10,813,000		-		(10,813,000)	0.00%
ARRA-Federal Education Stimulus Funds		3,125,000		935,787		(2,189,213)	29.95%
Total revenues		14,216,000		1,197,080		(13,018,920)	8.42%
Expenditures							
Salaries		9,010,000		1,676,502		7,333,498	18.61%
Benefits		2,550,000		527,502		2,022,498	20.69%
Purchased services		400,000		24,959		375,041	6.24%
Supplies and materials		1,330,000		34,873		1,295,127	2.62%
Other		896,000		2,057		893,943	0.23%
Capital outlay		30,000				30,000	0.00%
Total expenditures		14,216,000		2,265,893		11,950,107	15.94%
Excess (deficiency) of revenues over (under) expenditures		-		(1,068,813)		(1,068,813)	
Fund balance, beginning							
Fund (deficit), ending	\$		\$	(1,068,813)	\$	(1,068,813)	
Expected year-end fund (deficit) as percentage of annual expenditure budget		0.00%					

St. Vrain Valley School District RE-1J

Governmental Designated-Purpose Grants Fund (22)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance

For the period July 1, 2017 to September 30, 2017

	FY18 FY18 Adopted July - Septembe Budget Actual		Balance Remaining	% of Actual to Budget
Revenues Local grants State grants Federal grants ARRA-Federal Education Stimulus Funds Total revenues	\$ - 10,605,664 - 10,605,664	\$ - 24,213 - 70,483 94,696	\$ - 24,213 (10,605,664) 70,483 (10,510,968)	N/A N/A 0.00% N/A 0.89%
Expenditures Salaries Benefits Purchased services Supplies and materials Other Capital outlay Total expenditures	6,323,776 2,079,520 176,859 1,421,075 577,615 26,819 10,605,664	1,157,728 390,043 35,270 120,360 2,870 	5,166,048 1,689,477 141,589 1,300,715 574,745 26,819 8,899,393	18.31% 18.76% 19.94% 8.47% 0.50% 0.00%
Excess (deficiency) of revenues over (under) expenditures Fund balance, beginning	10,003,004	(1,611,575)	(1,611,575)	10.0976
Fund (deficit), ending	\$ -	\$ (1,611,575)	\$ (1,611,575)	
Expected year-end fund (deficit) as percentage of annual expenditure budget	0.00%			

St. Vrain Valley School District RE-1J Nutrition Services Fund (21) Balance Sheet (Unaudited) As of September 30,

	<u>2016</u>	<u>2017</u>	
Assets			
Current assets			
Cash and investments	998,542	835,610	
Accounts receivable	463	368	
Grants receivable	950,121	956,732	Α
Prepaid expenditures	24,181	1,000	
Inventories	 777,409	 778,718	-
Total assets	\$ 2,750,716	\$ 2,572,428	•
Liabilities			
Accrued salaries and benefits	 28,797	25,373	-
Total liabilities	 28,797	25,373	-
Fund balance			
Nonspendable: prepaids, inventories	801,590	779,718	
Restricted	 1,920,329	1,767,337	
Total fund balance	 2,721,919	 2,547,055	
Total liabilities and fund balance	\$ 2,750,716	\$ 2,572,428	

Footnote

A The State match and National School Lunch/Breakfast program revenues have been adjusted to reflect reimbursements requested but not yet received by period end.

St. Vrain Valley School District RE-1J

Nutrition Services Fund (21)

Year-to-Date Actual to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance
For the period July 1 to September 30

			FY17	FY18				
		July	- September	July	- September		Dollar	Percent
			Actual		Actual	,	Variance	Variance
	Revenues							
2	Investment income	\$	1,767	\$	3,072	\$	1,305	73.85%
3	Charges for service		665,643		713,183		47,540	7.14%
4	Miscellaneous		4,422		3,541		(881)	-19.92%
5	State match		13,350		15,005		1,655	12.40% A
6	Commodities entitlement		270,747		133,013		(137,734)	-50.87% A
7	Nat'l School Lunch/Breakfast Pgm		1,014,043		982,846		(31,197)	-3.08% A
8	Total revenues		1,969,972		1,850,660		(119,312)	-6.06%
9								
10 E	Expenditures							
11	Salaries		555,176		588,661		33,485	6.03%
12	Benefits		252,124		263,240		11,116	4.41%
13	Purchased services		37,553		11,734		(25,819)	-68.75%
14	Supplies and materials		809,304		873,208		63,904	7.90%
15	Repairs and maintenance		1,736		23,522		21,786	1254.95%
16	Other		-		-		-	N/A
17	Total expenditures		1,655,893		1,760,365		104,472	6.31%
18							<u> </u>	
19 E	Excess (deficiency) of revenues		314,079		90,295		(223,784)	-71.25%
20	over (under) expenditures							
21								
22 F	und balance, beginning		2,407,840		2,456,760		48,920	2.03%
23					· · · · · · · · · · · · · · · · · · ·			
24 F	und balance, ending	\$	2,721,919	\$	2,547,055	\$	(174,864)	-6.42%

Footnote

A The State match and National School Lunch/Breakfast program revenues have been adjusted to reflect reimbursements requested but not yet received by period end.

St. Vrain Valley School District RE-1J

Nutrition Services Fund (21)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

		FY17 FY17				% of		
			Adopted	July	- September		Balance	Actual to
			Budget	Actual		Remaining		Budget
1	Revenues							
2		\$	2,000	\$	1,767	\$	(233)	88.35%
3		•	3,400,000	•	665,643	•	(2,734,357)	19.58%
4			25,000		4,422		(20,578)	17.69%
5	State match		159,000		13,350		(145,650)	8.40%
6	Commodities entitlement		726,098		270,747		(455,351)	37.29%
7	Nat'l School Lunch/Breakfast Pgm		5,299,126		1,014,043		(4,285,083)	19.14%
8	Total revenues		9,611,224		1,969,972		(7,641,252)	20.50%
9							<u> </u>	
10	Expenditures							
11	Salaries		3,278,227		555,176		2,723,051	16.94%
12	Benefits		1,277,636		252,124		1,025,512	19.73%
13	Purchased services		160,000		37,553		122,447	23.47%
14	Supplies and materials		4,733,907		809,304		3,924,603	17.10%
15	Repairs and maintenance		75,000		1,736		73,264	2.31%
16	Other		100,000				100,000	0.00%
17	Total expenditures		9,624,770		1,655,893		7,968,877	17.20%
18								
19	Excess (deficiency) of revenues		(13,546)		314,079		327,625	
20	over (under) expenditures							
21								
22	Fund balance, beginning		2,407,840		2,407,840			
23			_		_		_	
24	Fund balance, ending	\$	2,394,294	\$	2,721,919	\$	327,625	
25								
26	Expected year-end fund balance as percentage	je						
27	of annual expense budget		24.88%					

St. Vrain Valley School District RE-1J

Nutrition Services Fund (21)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

		FY18 FY18				% of		
			Adopted	July	- September		Balance	Actual to
			Budget	Actual		Remaining		Budget
1	Revenues							
2	Investment income	\$	6,000	\$	3,072	\$	(2,928)	51.20%
3	Charges for service	·	3,517,296	•	713,183	·	(2,804,113)	20.28%
4	Miscellaneous		50,000		3,541	(46,459)	7.08%	
5	State match		158,490		15,005		(143,485)	9.47%
6	Commodities entitlement		664,328		133,013		(531,315)	20.02%
7	Nat'l School Lunch/Breakfast Pgm		5,236,032		982,846		(4,253,186)	18.77%
8	Total revenues		9,632,146		1,850,660		(7,781,486)	19.21%
9			_		_			
10	Expenditures							
11	Salaries		3,346,059		588,661		2,757,398	17.59%
12	Benefits		1,332,063		263,240		1,068,823	19.76%
13	Purchased services		190,000		11,734		178,266	6.18%
14	Supplies and materials		4,698,549		873,208		3,825,341	18.58%
15	Repairs and maintenance		75,000		23,522		51,478	31.36%
16	Other		100,000				100,000	0.00%
17	Total expenditures		9,741,671		1,760,365		7,981,306	18.07%
18			_					
19	Excess (deficiency) of revenues		(109,525)		90,295		199,820	
20	over (under) expenditures							
21								
22	Fund balance, beginning		2,456,760		2,456,760			
23			_					
24	Fund balance, ending	\$	2,347,235	\$	2,547,055	\$	199,820	
25								
26	Expected year-end fund balance as percentag	е						
27	of annual expenditure budget		24.09%					

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St. Vrain Valley School District RE-1J

Student Activity (Special Revenue) Fund (23) Year-to-Date Actual to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance

For the period July 1 to September 30

	July	FY17 - September Actual	July	FY18 - September Actual	Dollar Variance	Percent Variance
Revenues Investment income Athletic activities	\$	6,322 857,357	\$	10,992 901,170	\$ 4,670 43,813	73.87% 5.11%
Pupil activities PTO/Gift activities		788,993 137,514		951,438 67,935	162,445 (69,579)	20.59% -50.60%
Total revenues		1,790,186		1,931,535	 141,349	7.90%
Expenditures Athletic activities Pupil activities PTO/Gift activities Total expenditures		445,090 321,952 61,369 828,411		484,343 352,002 70,092 906,437	 39,253 30,050 8,723 78,026	8.82% 9.33% 14.21% 9.42%
Excess (deficiency) of revenues over (under) expenditures		961,775		1,025,098	63,323	
Other Financing Sources (Uses) Transfers - Student Activities (Fund 74)		(1,554)			1,554	100.00%
Net change in fund balance		960,221		1,025,098	64,877	
Fund balance, beginning		4,304,068		4,826,683	522,615	
Fund balance, ending	\$	5,264,289	\$	5,851,781	\$ 587,492	

St. Vrain Valley School District RE-1J

Student Activity (Special Revenue) Fund (23)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2016 to September 30, 2016

	FY17 Adopted Budget		FY17 July - September Actual		Balance Remaining		% of Actual to Budget
Revenues Investment income Athletic activities Pupil activities PTO/Gift activities	\$	13,000 2,178,000 3,405,000 827,000	\$	6,322 857,357 788,993 137,514	\$	(6,678) (1,320,643) (2,616,007) (689,486)	48.63% 39.36% 23.17% 16.63%
Total revenues		6,423,000		1,790,186		(4,632,814)	27.87%
Expenditures Athletic activities Pupil activities PTO/Gift activities Total expenditures		3,547,404 5,611,611 1,399,609 10,558,624	_	445,090 321,952 61,369 828,411		3,102,314 5,289,659 1,338,240 9,730,213	12.55% 5.74% 4.38% 7.85%
Excess (deficiency) of revenues over (under) expenditures		(4,135,624)		961,775		5,097,399	
Other Financing Sources Transfers - Student Activities (Fund 74)		<u>-</u>		(1,554)		(1,554)	N/A
Net change in fund balance		(4,135,624)		960,221		5,095,845	
Fund balance, beginning		4,304,068		4,304,068			
Fund balance, ending	\$	168,444	\$	5,264,289	\$	5,095,845	
Expected year-end fund balance as percentage of annual expenditure budget	ge	1.60%					

St. Vrain Valley School District RE-1J

Student Activity (Special Revenue) Fund (23)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenditures, and Changes in Fund Balance For the period July 1, 2017 to September 30, 2017

	FY18 Adopted Ju Budget		FY18 July - September Actual		Balance Remaining		% of Actual to Budget
Revenues Investment income Athletic activities Pupil activities PTO/Gift activities	\$	30,350 2,408,000 3,628,000 815,000	\$	10,992 901,170 951,438 67,935	\$	(19,358) (1,506,830) (2,676,562) (747,065)	36.22% 37.42% 26.22% 8.34%
Total revenues		6,881,350		1,931,535		(4,949,815)	28.07%
Expenditures Athletic activities Pupil activities PTO/Gift activities Total expenditures	_	4,177,155 6,200,775 1,430,649 11,808,579		484,343 352,002 70,092 906,437	_	3,692,812 5,848,773 1,360,557 10,902,142	11.60% 5.68% 4.90% 7.68%
Excess (deficiency) of revenues over (under) expenditures		(4,927,229)		1,025,098		5,952,327	
Other Financing Sources (Uses) Transfers - Student Activities (Fund 74)							N/A
Net change in fund balance		(4,927,229)		1,025,098		5,952,327	
Fund balance, beginning		4,826,683		4,826,683		-	
Fund balance, ending	\$	(100,546)	\$	5,851,781	\$	5,952,327	
Expected year-end fund balance as percentage of annual expenditure budget	де 	-0.85%					

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PROPRIETARY FUNDS

Internal Service Fund

The District's only internal service fund is the <u>Self Insurance Fund</u> which accounts for the financial transactions related to the dental and healthcare plans. The fund collects premiums and pays claims for medical and dental plan benefits.

St. Vrain Valley School District RE-1J Self Insurance Fund (65) Statement of Net Assets (Unaudited) As of September 30,

	<u>2016</u>	<u>2017</u>
Assets		
Current assets		
Cash and investments Prepaid expenses	\$ 2,838,436 99,085	\$ 3,135,528 99,085
Total current assets	2,937,521	 3,234,613
Noncurrent assets		
Restricted cash and cash equivalents	3,610,783	 3,632,880
Total assets	6,548,304	 6,867,493
Liabilities		
Claims payable	2,658,382	1,534,961 A
Total liabilities	2,658,382	1,534,961
Net Position		
Unrestricted	3,889,922	 5,332,532
Total net position	\$ 3,889,922	\$ 5,332,532

Footnote

A Claims payable represents the approximate amount incurred but not paid or incurred but not reported as of the prior fiscal year end (6/30) and is adjusted annually.

St. Vrain Valley School District RE-1J
Self Insurance Fund (65)
Year-to-Date Actual to Actual (Unaudited)
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the period July 1 to September 30

	F`	Y17		FY18				
	July - S	eptember	July	- September	Dollar		Percent	
	•	tual	Actual		Variance		Variance	
Revenues								
Investment income	\$	9,122	\$	15,858	\$	6,736	73.84%	
Miscellaneous		-		911		911	N/A	
Employee benefit premiums	3,	971,094		3,972,145		1,051	0.03%	
Total revenues	3,	980,216		3,988,914		8,698	0.22%	
Expenses								
Salaries		33,126		44,456		11,330	34.20%	
Benefits		9,707		13,004		3,297	33.97%	
Purchased services		466,039		335,757		(130,282)	-27.96%	
Supplies and materials		-		-		-	N/A	
Other		62,805		42,518		(20,287)	-32.30%	
Claims paid	3,	676,337		2,876,157		(800,180)	-21.77%	
Total expenses	4,	248,014		3,311,892		(936,122)	-22.04%	
Change in net position	(267,798)		677,022		944,820	-352.81%	
Net position, beginning	4,	157,720		4,655,510		497,790	11.97%	
Net position, ending	\$ 3,	889,922	\$	5,332,532	\$	1,442,610	37.09%	

St. Vrain Valley School District RE-1J

Self Insurance Fund (65)

Prior Year Budget to Actual (Unaudited)

Statement of Revenues, Expenses, and Changes in Fund Net Position For the period July 1, 2016 to September 30, 2016

	FY17 Adopted Budget	FY17 July - September Actual	Balance Remaining	% of Actual to Budget
Revenues Investment income Miscellaneous Employee benefit premiums	\$ 19,000 - 16,000,000	\$ 9,122 - 3,971,094	\$ (9,878) - (12,028,906)	48.01% N/A 24.82%
Total revenues	16,019,000	3,980,216	(12,038,784)	24.85%
Expenses Salaries Benefits Purchased services Supplies and materials Other Claims paid Total expenses	170,300 53,200 2,000,000 5,000 - 13,500,000 15,728,500	33,126 9,707 466,039 - 62,805 3,676,337 4,248,014	137,174 43,493 1,533,961 5,000 (62,805) 9,823,663 11,480,486	19.45% 18.25% 23.30% 0.00% N/A 27.23% 27.01%
Change in net position	290,500	(267,798)	(558,298)	
Net position, beginning	4,157,720	4,157,720		
Net position, ending	\$ 4,448,220	\$ 3,889,922	\$ (558,298)	
Expected year-end net position as percentage of annual expenses budget	28.28%			

St. Vrain Valley School District RE-1J

Self Insurance Fund (65)

Current Year Budget to Actual (Unaudited)

Statement of Revenues, Expenses, and Changes in Fund Net Position For the period July 1, 2017 to September 30, 2017

	FY18 Adopted Budget	FY18 July - September Actual	Balance Remaining	% of Actual to Budget
Revenues				
Investment income	\$ 45,000	\$ 15,858	\$ (29,142)	35.24%
Miscellaneous	-	911	911	N/A
Employee benefit premiums	17,340,000	3,972,145	(13,367,855)	22.91%
Total revenues	17,385,000	3,988,914	(13,396,086)	22.94%
Expenses				
Salaries	168,000	44,456	123,544	26.46%
Benefits	50,000	13,004	36,996	26.01%
Purchased services	2,183,000	335,757	1,847,243	15.38%
Supplies and materials	5,000	-	5,000	0.00%
Other	278,000	42,518	235,482	15.29%
Claims paid	15,120,000	2,876,157	12,243,843	19.02%
Total expenses	17,804,000	3,311,892	14,492,108	18.60%
Change in net position	(419,000)	677,022	1,096,022	
Net position, beginning	4,655,510	4,655,510		
Net position, ending	\$ 4,236,510	\$ 5,332,532	\$ 1,096,022	
Expected year-end net position as percentage of annual expenses budget	23.80%			

FIDUCIARY FUNDS

Agency Fund

The <u>Student Activity Fund</u>, the District's only agency fund, reports assets held by the District on behalf of the students, staff and Option 1 parent organizations. These activities are generally supported by fund-raising events and may not be supplemented with direct support from the General Fund.

Private Purpose Trust Fund

The <u>Student Scholarship Fund</u>, the District's only private purpose trust fund, is used to account for assets held by a governmental unit in a trustee capacity and is used for scholarship awards according to the individual trust guidelines.

St. Vrain Valley School District RE-1J

Student Activity (Agency) Fund (74)

Year-to-Date Actual to Actual (Unaudited)

Statement of Additions, Deductions, and Changes in Undistributed Monies

For the period July 1 to September 30

	July	FY17 - September Actual	July	FY18 - September Actual		Dollar ariance	Percent Variance
Additions Elementary Schools Middle Schools High Schools Other additions	\$	31,824 6,480 8,957	\$	3,746 5,971 4,985 23,786	\$	(28,078) (509) (3,972) 23,786	-88.23% -7.85% -44.35% N/A
Total additions		47,261		38,488		(8,773)	-18.56%
Deductions Elementary Schools Middle Schools High Schools Other deductions Total deductions	7,357 3,222 7,272 		4,183 2,683 3,338 10,365 20,569		(3,174) (539) (3,934) 10,365 2,718		-43.14% -16.73% -54.10% N/A 15.23%
Change in undistributed monies		29,410		17,919		(11,491)	-39.07%
Transfers in (out) Transfers - Special Activities (Fund 23)		1,554				(1,554)	-100.00%
Change in undistributed monies after transfers		30,964		17,919		(13,045)	-42.13%
Undistributed monies, beginning		177,575		200,698		23,123	13.02%
Undistributed monies, ending	\$	208,539	\$	218,617	\$	10,078	4.83%

St. Vrain Valley School District RE-1J

Student Activity (Agency) Fund (74)

Prior Year Budget to Actual (Unaudited)

Statement of Additions, Deductions, and Changes in Undistributed Monies

For the period July 1, 2016 to September 30, 2016

		FY17 Adopted Budget	July	FY17 - September Actual	Balance emaining	% of Actual to Budget
Additions Elementary Schools Middle Schools High Schools Other additions	\$	50,000 26,000 40,000	\$	31,824 6,480 8,957	\$ (18,176) (19,520) (31,043)	63.65% 24.92% 22.39% N/A
Total additions		116,000		47,261	 (68,739)	40.74%
Deductions Elementary Schools Middle Schools High Schools Other deductions		106,533 65,731 96,852 6,240		7,357 3,222 7,272 -	99,176 62,509 89,580 6,240	6.91% 4.90% 7.51% 0.00%
Total deductions	_	275,356		17,851	 257,505	6.48%
Change in undistributed monies		(159,356)		29,410	188,766	
Transfers in (out) Transfers - Special Activities (Fund 23)		<u>-</u>		1,554	 1,554	N/A
Change in undistributed monies after transfers		(159,356)		30,964	190,320	
Undistributed monies, beginning		177,575		177,575		
Undistributed monies, ending	\$	18,219		208,539	\$ 190,320	
Expected year-end undistributed monies as percentage of annual deduction budget	_	6.62%				

St. Vrain Valley School District RE-1J

Student Activity (Agency) Fund (74)

Current Year Budget to Actual (Unaudited)

Statement of Additions, Deductions, and Changes in Undistributed Monies

For the period July 1, 2017 to September 30, 2017

	FY18 Adopted Budget	July	FY18 - September Actual	Balance Lemaining	% of Actual to Budget
Additions				/ ··	
Elementary Schools Middle Schools	\$ 100,000 22,000	\$	3,746 5,071	\$ (96,254)	3.75% 27.14%
High Schools	45,000		5,971 4,985	(16,029) (40,015)	11.08%
Other additions	3,000		23,786	20,786	792.87%
Total additions	170,000		38,488	(131,512)	22.64%
Deductions	 _				
Elementary Schools	191,624		4,183	187,441	2.18%
Middle Schools	63,662		2,683	60,979	4.21%
High Schools	86,052		3,338	82,714	3.88%
Other deductions	 11,237		10,365	 872	92.24%
Total deductions	 352,575		20,569	332,006	5.83%
Change in undistributed monies	(182,575)		17,919	200,494	
Transfers in (out)					
Transfers - Special Activities (Fund 23)	 -			 	N/A
Change in undistributed monies					
after transfers	(182,575)		17,919	200,494	
Undistributed monies, beginning	200,698		200,698	 	
Undistributed monies, ending	\$ 18,123	\$	218,617	\$ 200,494	
Expected year-end undistributed monies as percentage of annual deduction budget	5.14%				

St. Vrain Valley School District RE-1J

Student Scholarship Fund (72)

Prior Year Budget to Actual (Unaudited)

Statement of Additions, Deductions, and Changes in Fiduciary Net Position For the period July 1, 2016 to September 30, 2016

	FY17 Adopted Budget	July	FY17 - September Actual	Balance emaining	% of Actual to Budget
Additions Investment income	\$ 450	\$	239	\$ (211)	53.11%
Contributions	50,000		1,050	(48,950)	2.10%
Total additions	 50,450		1,289	(49,161)	2.56%
Deductions					
Scholarships	 50,450		22,602	 27,848	44.80%
Total deductions	 50,450		22,602	 27,848	44.80%
Change in net position	-		(21,313)	(21,313)	
Net position, beginning	 219,763		219,763	 <u>-</u> _	
Net position, ending	 219,763	\$	198,450	\$ (21,313)	
Expected year-end net position as percentage of annual deduction budget	 435.61%				

St. Vrain Valley School District RE-1J

Student Scholarship Fund (72)

Current Year Budget to Actual (Unaudited)

Statement of Additions, Deductions, and Changes in Fiduciary Net Position For the period July 1, 2017 to September 30, 2017

	FY18 Adopted Budget	July	FY18 - September Actual	Balance emaining	% of Actual to Budget
Additions Investment income	\$ 1,200	\$	415	\$ (785)	34.58%
Contributions	40,000			 (40,000)	0.00%
Total additions	 41,200		415	(40,785)	1.01%
Deductions					
Scholarships	 41,200		23,490	17,710	57.01%
Total deductions	 41,200		23,490	17,710	57.01%
Change in net position	-		(23,075)	(23,075)	
Net position, beginning	 223,512		223,512		
Net position, ending	 223,512	\$	200,437	\$ (23,075)	
Expected year-end net position as percentage of annual deduction budget	542.50%				

INVESTMENT REPORT

St. Vrain Valley School District RE-1J Monthly Investment Report At September 30, 2017

Fund	Colotrust	Wells Fargo		Total	Annualized Percent	Current Month Interest
General	\$ 105,277,333		\$	105,277,333	1.25	\$ 107,499
Risk Management Risk Management Risk Management Total	\$ 849,413	\$ 3,164,295	\$ \$	849,413 3,164,295 4,013,708	1.25 NRA	862 1,576
RISK IVIAITAGEMENT TOTAL			ф	4,013,706		
Colorado Preschool	\$ 214,427		\$	214,427	1.25	218
Nutrition Service	\$ 1,021,835		\$	1,021,835	1.25	1,037
Student Activity Spec Revenue	\$ 3,656,105		\$	3,656,105	1.25	3,710
Community School	\$ 2,521,293		\$	2,521,293	1.25	2,558
Vance Brand Civic Auditorium	\$ 86,652		\$	86,652	1.25	88
Community School Total			\$	2,607,945		
Fair Contributions	\$ 5,997,292		\$	5,997,292	1.25	6,086
Bond		\$ 55,501,942	\$	55,501,942	NRA	25,632
Building 2008	\$ 1,331,658		\$	1,331,658	1.25	1,371
Building 2016	\$ 190,685,949		\$	190,685,949	1.25	196,229
Building 2016 C			\$	-		-
Building Total			\$	192,017,608		
Capital Reserve	\$ 6,355,537		\$	6,355,537	1.25	6,449
Health Insurance Trust	\$ 3,647,093		\$	3,647,093	1.25	3,701
Minimum Liability	\$ 1,627,812		\$	1,627,812	1.25	1,652
Self Insurance Total			\$	5,274,905		
Scholarship	\$ 138,196		\$	138,196	1.25	140
Total	\$ 323,410,595	\$ 58,666,237	\$	382,076,832		\$ 358,808



November 8, 2017 Terminations/Leaves of Absence

				NON- FMLA					
				MEDIC					
EFFECTIVE	NAME	POSITION/LOCATION	FMLA	AL		FXTENDED	RESIGNED	RETIRED	COMMENTS
211201172	ADMINISTRATIVE/PROFESSIONAL/TECH		1 IVILEA		TEROGRAE	EXTENDED	RESIGNED	KETIKED	CONNICIONS
11/6/2017	Huang, Yinyan	Chinese Program Coordinator / Area Two	Х						
10/30/2017	Schwartz, Lisa	Assistant Principal / Mead HS	Х						
10/10/2017	Winger, Gregory	Principal / Lyons Middle Senior					Х		
	LICENSED								
10/19/2017	Adams, Micaela	Teacher, SE / Altona MS		Х					
<u> </u>		· · ·		X					
	Dukart, Kimberly	Teacher, Kindergarten / Sanborn ES		_ X					
	Knapton, Nicolette	Teacher, Health / Longmont HS	Х	.,					
	Melany, Amy	Teacher, Grade 4 / Legacy ES		Х					
	Pulley, Michelle	Media Consultant / Altona MS	Х						
	Sinclair, Keith	Teacher, 3rd Grade / Columbine ES					Х		
	Stamper, Christina	Teacher, Grade 5 / Central ES	Х						
	Symons, Heather	Building Team Leader / Student Services					Х		
	Udolf, Steven	Teacher, Language Arts / Altona MS	Х						
	Vega-Reyes, Gina	Teacher, Elementary Music / Burlington ES	Х						
12/5/2017	Watkins, Kimberly	Teacher, Vocal Music / Altona MS	Х						
	CLASSIFIED								
10/12/2017	Anderson, Leah	Nutrition Services-Worker / Nutrition Services					Х		
10/12/2017	Anderson, Lean	Nutrition Services-Worker / Nutrition Services					X		Job
9/22/2017	Applen, Christopher	Custodian / Alpine ES							Abandonment
, ,		, ,							Sub Custodian
10/16/2017	Arenales, Gloria	Custodian / Central ES & Columbine ES							Status
	Benitez Martinez, Martha Guadalupe	Nutrition Services Worker / Nutrition Services					Х		Status
	Blanco, Lydia	Paraeducator, SE / Trail Ridge MS	Х						
	Boggs, James	Custodian / Northridge ES	X						
	Borys, Joann	Secretary, Principal / Niwot ES	X						
	Byrnes, Tammy	Paraeducator, SE / Northridge ES	X						
	Coon, Marla	Nutrition Services Worker / Nutrition Services					Х		
	Cudney, Dorinda	Health Clerk / Niwot HS		Х					
	Edson, Ryan	Director, Child Care / Fall River ES		X					
10, 13, 2017		Paraeducator, SE / SSN/Autism Para / Thunder		<u> </u>					
10/13/2017	Ellis, Becky	Valley					Х		
	Flynn, Kevin	Bus Driver / Transportation						Х	5.5
	Garcia, Veronica	Community Liaison / Timberline PK-8					Х		

November 8, 2017 Terminations/Leaves of Absence

				NON-					
				FMLA					
				MEDIC					
EFFECTIVE		POSITION/LOCATION	FMLA	AL	PERSONAL	EXTENDED	RESIGNED	RETIRED	COMMENTS
	Jenkins, Jamielle	Nutrition Services Worker / Sunset MS		Х					
	Martin, Shari	Nutrition Services Worker / Skyline HS	Х						
	Martinez Garcia, Jessica	Custodian / Spark Discovery Preschool					Χ		
	Martinez, Esequiel	Custodian / Erie MS					Χ		
	Martinez, Monica J	Custodian / Niwot HS					Χ		
	McCabe, Kevin	Campus Supervisor / Timberline PK-8					Χ		
	Melendrez, Reymundo	Custodian / Indian Peak ES	Χ						
	Moauro, Sandra	Nutrition Services Worker / Twin Peaks Charter		Χ					
10/27/2017	Monsen, Sabrina	Custodian / Career Technical Education					Χ		
5/25/2017	Mueller, Theresa	Instructional Para / Blue Mountain ES					Χ		
9/28/2017	O'Brien, Rosemarie	Paraeducator, Preschool / Lyons ES					Χ		
10/17/2017	Patterson, Sandra	Registrar / Thunder Valley K-8	Χ						
10/4/2017	Prichard, Elisa	Paraeducator, ECSE / Central ES					Χ		
10/20/2017	Randolph, Scott	Campus Supervisor / Longs Peak MS					Χ		
10/20/2017	Romero, James Jr.	Custodian / Red Hawk ES					Χ		
11/7/2017	Sanchez, Gina	Manager, Community Schools / Erie ES	Х						
10/26/2017	Smith, Bradley	Service Technician / Transportation					Χ		
10/12/2017	Smith, Jennifer	Paraeducator, SSN / Mead HS					Χ		
11/1/2017	Smith, Michele	Paraeducator, PS / Columbine ES					Χ		
10/12/2017	Steinbach, Edith	Nutrition Services Worker / Centennial ES					Χ		
10/20/2017	Terrazas Hernandez, Tomas	Custodian / Eagle Crest ES					Χ		
10/27/2017	VanBoxtel, Deborah	Custodian / Erie MS					Χ		
10/4/2017	Young, Yvonne	Head Custodian / Lyons Middle Senior	Х						
		·							

HIRE DATE	NAME	POSITION	LOCATION	NEW POSITION	REPLACEMENT
	ADMINISTRATIVE/PROFESSIO	NAL/TECHNICAL			
10/16/2017	Stitz, Jessica	Director, Human Resources	Human Resources	Х	
	LICENSED				
10/23/2017	Spinney, Heather	Teacher, Kindergarten	Columbine ES		Х
	CLASSIFIED				
10/16/2017	Abadjian, Liza	Nutrition Services Worker	Twin Peaks Charter	Х	
10/12/2017	Barnes, Amy	Paraeducator, Instructional	Black Rock ES	Х	
9/20/2017	Bradley, Sarah	Health Clerk	Red Hawk ES		Х
10/16/2017	Brown, Tyler	Nutrition Services Worker	Timberline PK-8	Х	
10/16/2017	Buffington, Jennifer	Nutrition Services Worker	Longs Peak MS	Х	
	Busic, Marisa	Paraeducator, Preschool	Columbine ES	Х	
10/23/2017	Cash, Kyra	Paraeducator, SSN/Autism	Longmont Estates ES		Х
10/16/2017	Cortave, Maricsa	Nutrition Services Worker	Trail Ridge MS	Х	
10/16/2017	Derksen, Heather	Nutrition Services Worker	Westview MS	Х	
10/11/2017	Diaz, Maegan	Child Care Group Leader / Paraeducator, SE	Mead ES		Х
10/12/2017		Paraeducator, SSN/Autism	Mead HS	Х	
10/9/2017	Gallegos, Kaili	Paraeducator, SE	Fall River ES		Х
10/9/2017	Gill, Kenneth	Paraeducator, SE	Erie ES	Х	
10/16/2017	Green, Kristen	Nutrition Services Worker	Niwot HS	Х	
10/12/2017	Hassett, Carrie	Paraeducator, Instructional	Black Rock ES	Х	
10/11/2017	Henderson, Alissa	Paraeducator, SE	Prairie Ridge ES	Х	
10/16/2017	Hernandez, Neftaly	Nutrition Services Worker	Mead HS	Х	
10/3/2017	Huston, Sarah	Paraeducator, SE	Silver Creek HS	Х	
10/11/2017	Kester, Cythina	Paraeducator, Instructional	Black Rock ES	Х	
10/23/2017	Lopez Moncada, Luis	Custodian	Eagle Crest ES		Х
10/2/2017	Madrigal, Rosa	Nutrition Services - Kitchen Manager	Nutrition Services	Х	
10/30/2017	Maloney, Kayla	Paraeducator, SSN/Autism	Skyline HS	Х	
10/16/2017	Mares, Anthony	Custodian	Silver Creek HS		Х
10/16/2017	McFarlin, Melissa	Nutrition Services Worker	Thunder Valley K-8	Х	
10/9/2017	Mickey, Maurie	Paraeducator, SE	Columbine ES		Х
10/20/2017	Milligan, Tess	Paraeducator, Instructional	Black Rock ES	Х	
10/11/2017	Moon, Elizabeth	Paraeducator, PS	Student Services	Х	
10/16/2017	Morales, Christian	Nutrition Services Worker	Altona MS	Х	
10/10/2017	Moroney, Hope	Paraeducator, Instructional	Eagle Crest ES	Х	
	Munive-Alvarado, Veronica	Child Care Group Leader	Niwot ES		Х
	Murphy, Laura	Paraeducator, Instructional	Blue Mountain ES	X	
	Nieto, Guadalupe	Mechanic I - Fleet Maintenance	Transportation	Х	
	Parkinson, Amy	Paraeducator, SE	Burlington ES	Х	

HIRE DATE	NAME	POSITION	LOCATION	NEW POSITION	REPLACEMENT
10/13/2017	Pedersen, Kirsten	Paraeducator, Instructional	Blue Mountain ES	Х	
10/25/2017	Powner, Shana	Paraeducator, SSN/Autism	Skyline HS	Х	
10/18/2017	Reddick, Jacqui	Paraeducator, SE	Burlington ES	Х	
10/16/2017	Roberts, Connie	Nutrition Services Worker	Westview MS	Х	
10/16/2017	Roybal, Ernest	Custodian	Erie HS		Х
10/13/2017	Sacoman, Mallory	Paraeducator, Instructional & SE	Black Rock ES	Х	
10/16/2017	Samora, Monica	Nutrition Services Worker	Trail Ridge MS	Х	
10/2/2017	Six, Leah	Bus Driver	Transportation		Х
10/13/2017	Smith, Katrina	Paraeducator, SE	Silver Creek HS		Х
10/9/2017	Solis, Tiffany	Child Care Group Leader	Mountain View ES		Х
10/2/2017	Sorensen, Kira	Child Care Group Leader	Centennial ES	Х	
10/6/2017	Spires, Timothy	Campus Supervisor	Westview MS		Х
10/23/2017	St Clair, Crystal	Paraeducator, Instructional	Trail Ridge MS	Х	
10/17/2017	Stile, Karen	Campus Supervisor	Frederick HS		Х
10/9/2017	Stokes, Elizabeth A	Paraeducator, SE	Altona MS	Х	
10/16/2017	Vang, Pa Houa	Nutrition Services Worker	Longs Peak MS	Х	
10/17/2017	Welch, Rachel	Paraeducator, SE	Erie ES		Х
10/16/2017	Wilson, Lynn	Nutrition Services Worker	Trail Ridge MS	Х	
	-				
				1	
				1	
				+	

MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Board of Education Meeting Minutes

RECOMMENDATION

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

BACKGROUND

The Board will be asked to approve the minutes from the October 11, 2017 Regular Meeting, the October 18, 2017 Study Session, and the October 25, 2017 Regular Meeting.

MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: First Reading, Adoption, Board Exhibit JQ-E – Schedule of Student Fees

RECOMMENDATION

For the Board of Education to adopt the minor revision to Board Exhibit JQ-E – Schedule of Student Fees.

<u>BACKGROUND</u>

Recommendations for fees to be charged for various courses provided within the District are suggested by building administrators annually. These fees are to be used for consumable products necessary for the success of the students enrolled in those particular courses.

eCredit Recovery Courses will not be charging a fee, so that is being eliminated by administration recommendation.

File: JQ-E

Schedule of Student Fees (20167-20178)

Participation in courses, activities and acquisition of miscellaneous items may either be required or elective depending on individual student choice and academic pathway towards graduation. Fees related to courses, activities and miscellaneous items are required when a student's choice is elective or there are no additional options available for completion of a graduation requirement.

ELEMENTARY LEVEL

Students may be requested to bring specific, necessary supplies for their own use in the classroom. A district-wide common supply list will be provided to the parent. Schools may not require students to bring supplies to the class to be "pooled" or for shared use by the other students. Donations voluntarily shared will be considered optional.

Course/Activities/Miscellaneous Fees	Cost	Description
Full Day Kindergarten	\$145	Registration for program
Materials Fees	\$10	School-specific, hard-to- find expendable items and non-standard classroom materials
100 Mile Club	\$10	Incentive package for optional participation
Replacement Bus Pass	\$5	Funds the replacement of a lost bus pass

MIDDLE SCHOOL LEVEL

Students may be requested to bring specific, necessary supplies for their own use in the classroom. A district-wide common supply list will be provided to the parent. Schools may not require students to bring supplies to the class to be "pooled" or for shared use by the other students. Donations voluntarily shared will be considered optional.

Course/Activities/Miscellaneous Fees	Cost	Description
COURSES Art Courses	\$15	Supplies and Materials
Family and Consumer Science Courses	\$20	Supplies and Materials
Math Courses	\$10	Workbooks
Music Courses	\$20	Supplies, Materials and Parts Replacement
Physical Education Courses	\$15	Uniform

Science Courses	\$10	Supplies, Materials and Lab Fees (Consumable Experiment Items)
World Language Courses	\$12	Workbooks
ACTIVITIES Athletics	\$55	Per sport – Intramurals Participation
MISCELLANEOUS Technology Courses 1:1 Technology Insurance	\$15 \$35 \$17.50	Supplies and Materials Full Year – Optional insurance fee Semester – Optional insurance fee
Photo ID Replacement	Not to Exceed \$4	Lost/Stolen Replacement (Original no cost)
Planners	\$7	Assignment Notebooks
Replacement Bus Pass	\$5	Funds the replacement of a lost bus pass

HIGH SCHOOL LEVEL

Schools may not require students to bring supplies to class to be "pooled" or for shared use by other students. Donations voluntarily shared will be considered optional.

Advanced Placement (AP), International Baccalaureate (IB), STEM and other focus program courses may incur additional costs that will vary.

Testing-Related Costs for activities such as AP, SAT, ACT, PSAT, etc., may incur costs for materials and administration. Actual costs will vary.

Course/Activities/Miscellaneous Fees	Cost	Description
COURSES Arts (Visual/Performing) Courses	Not to Exceed \$30	Supplies and Materials
Career and Technical Education Courses (Site-Based) Includes - Family and Consumer Science Courses and Business Courses	Not to Exceed \$20	Supplies, Materials and Workbooks
Stage Technology	Not to Exceed \$30	Supplies and Materials
eCredit Recovery Courses	\$50	Costs for online maintenance
Marching Band	Not to Exceed \$50	Entry Fees, Transportation and Color Guard Costs
Music Courses	Not to Exceed \$20	Supplies, Materials, Workbooks and Uniform Rentals

File: JQ-E

Physical Education Courses	Not to Exceed \$10	Supplies, Materials, PE Lock and CPR/First Aid Cards
Science Courses	Not to Exceed \$10	Supplies, Materials and Workbooks
Technology Courses Includes - Computer Science	Not to Exceed \$10	Supplies and Materials
World Language Courses	Not to Exceed \$30	Supplies, Materials and Workbooks
ACTIVITIES Athletics	\$150 \$120 Exception: \$500 Family Maximum	1 st and 2 nd sport – Participation 3 rd sport – Participation
Cheerleading	Not to Exceed \$30	Participation
Forensics	Not to Exceed \$120	Participation
MISCELLANEOUS 1:1 Technology Insurance	\$35 \$17.50	Full year – Optional insurance fee Semester – Optional insurance fee
Parking Pass	Not to Exceed \$5 Annually	Decals and Administrative Costs
Photo ID Replacement	Not to Exceed \$4	Lost/Stolen Replacement (Original no cost)
Replacement Bus Pass	\$5	Funds the replacement of a lost bus pass

Career Development Center

Course/Activities/Miscellaneous Fees	Cost	Description
Automotive	\$40	Uniform, Safety Glasses, Supplies and Materials
Multimedia	\$40	Supplies and Materials
Cosmetology	\$450 Hairstyling Kit	Program Kit, Lab Fee
Culinary Arts (Restaurant		
Careers)	\$50	Student Kit
First Year	\$70	Student Kit
Second Year	\$35	Student Kit (If equipment
Third Year		from first year already
		purchased – if not, total
		cost from year 1 and 2
		also needed)
Dental Assisting	\$35	Supplies and Materials,
		Dental Convention –
		CPR Certification
Emergency Response	\$45	Supplies and Materials,
		CPR Certification
Engineering Technology	\$80	Supplies and Materials
Health Careers	\$50	Supplies and Materials,
		CPR Certification

File: JQ-E

Plant and Environmental Tech/Horticulture	\$25	Supplies and Materials
Welding	\$20	Supplies and Materials

The Board may approve fees recommended by the superintendent as tuition for programs offered during that period of the calendar year not embraced within the regular school year.

Adopted: March 12, 2003 Revised: December 10, 2003 Revised: January 14, 2004 Revised: December 8, 2004 Revised: January 26, 2005 Revised: December 14, 2005 Revised: December 13, 2006 Revised: January 23, 2008 Revised: February 11, 2009 Revised: September 9, 2009 Revised: February 10, 2010 Revised: March 9, 2011 Revised: May 9, 2012 Revised: April 10, 2013 Revised: December 11, 2013 Revised: May 14, 2014 Revised: April 1, 2015 Revised: June 24, 2015 Revised: September 14, 2016

MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Change Order 2 to Construction Manager/General Contractor

(CMGC) Contract for Carbon Valley Academy Renovation Project

RECOMMENDATION

That the Board of Education approve Change Order 2 for \$61,150 to the Construction Manager/General Contractor (CMGC) contract with Fransen Pittman Construction Company for the Carbon Valley Academy Renovation Project for a \$383,503 contract value including contingency. Further, that the Board authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents and initiate scope changes in accordance with Board of Education policy.

BACKGROUND

Change Order 2 scope of work includes repair and replacement of existing HVAC units.

The project is funded in the 2016 Bond program.

MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Resolution Proclaiming American Education Week, November

13-17, 2017

RECOMMENDATION

That the Board of Education approves the resolution proclaiming November 13-17, 2017 as American Education Week.

BACKGROUND

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

RESOLUTION

AMERICAN EDUCATION WEEK November 13-17, 2017

- **WHEREAS**, public schools are the backbone of our democracy, providing young people with the tools they need to maintain our nation's precious values of freedom, civility, and equality; and
- **WHEREAS,** by equipping young Americans with both practice skills and broader intellectual abilities, schools give them hope for, and access to, a productive future; and
- **WHEREAS**, education employees be they custodians or teachers, bus drivers or librarians work tirelessly to serve our children and communities with care and professionalism; and
- WHEREAS, schools are community linchpins, bringing together adults and children, educators and volunteers, business leaders and elected officials in a common enterprise; and
- WHEREAS, our nation is celebrating the week of November 13-17, 2017 as AMERICAN EDUCATION WEEK. In the St. Vrain Valley Schools, we encourage community members to support our local schools by participating in school sponsored activities and by volunteering to help with those activities.

BOARD OF EDUCATION

John Ahrens
Debbie Lammers
Dr. Richard Martyr
Paula Peairs
Joie Siegrist
Amory Siscoe
Robert J. Smith

SUPERINTENDENT OF SCHOOLS

Dr. Don Haddad

MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Acceptance of the 2017 Fiscal Year Comprehensive Annual Financial

Report (CAFR)

RECOMMENDATION

That the Board of Education accept the 2017 Fiscal Year Comprehensive Annual Financial Report (CAFR), as presented.

BACKGROUND

The 2017 Fiscal Year CAFR was audited by the certified public accounting firm of RubinBrown, LLP. At the worksession prior to this meeting, Matthew Marino from RubinBrown will review the 2017 CAFR with the Board in detail and respond to questions.



Student Achievement • Well-Being • Partnerships

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2017















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, 2017

Don Haddad, Ed.D. Superintendent of Schools

Prepared by: Financial Services Department

Gregory A. Fieth Chief Financial Officer

Jane Frederick, CPA Senior Accountant

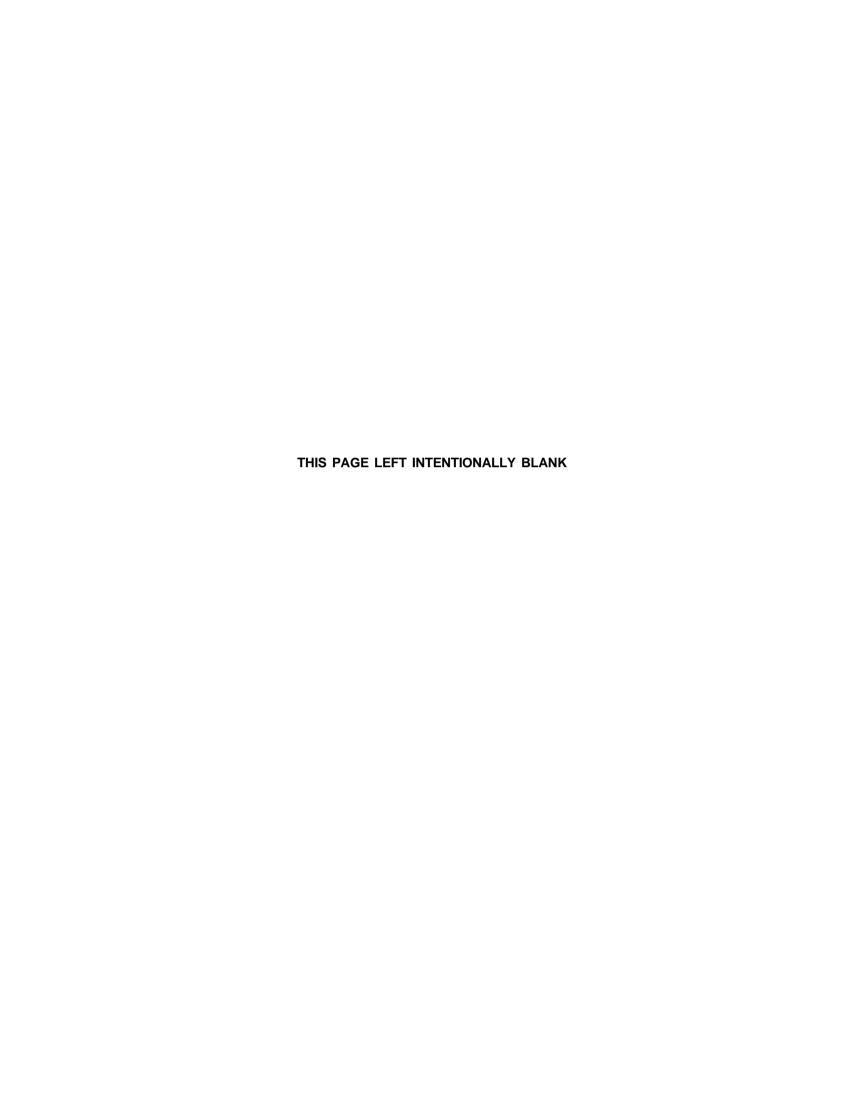


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INTRODUCTORY SECTION

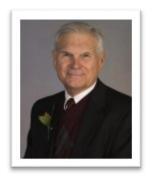
OUR VISION

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

BOARD OF EDUCATION 2016-2017















Pictured from left to right:

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

(Row 2) Assistant Secretary Amory Siscoe, and Members Mr. John Ahrens and Dr. Richard Martyr

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November 1, 2017

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

We are pleased to submit to the Board of Education, parents, taxpayers, and community members the Comprehensive Annual Financial Report (CAFR) of the St. Vrain Valley School District RE-1J (the District) for the year ended June 30, 2017. State law requires that the District publish within six months of the close of each fiscal year a complete set of financial statements presented in accordance with accounting principles generally accepted in the United States of America (US GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (US GAAS), by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the accuracy, completeness and fairness of presentation, including all disclosures, presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the District's financial statements in conformity with US GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and changes in financial position of the District as measured by the financial activity of its various funds, and contains all disclosures necessary to enable the reader to gain an understanding of the District's financial activities for the year ended June 30, 2017.

The District's financial statements have been audited by RubinBrown LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the District's financial statements for the fiscal year ended June 30, 2017, are fairly presented in conformity with US GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. This is in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget's Uniform Guidance. Information

related to this single audit, including a schedule of expenditures of federal awards, the Independent Auditors' Reports related thereto, and a schedule of findings and questioned costs are included in this document.

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

PROFILE OF THE GOVERNMENT - The District and Its Services

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

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

St. Vrain Valley School District is the educational home of more than 32,000 of Colorado's students. St. Vrain Valley is the seventh largest school district in the state according to the Colorado Department of Education's 2016-17 District Ranking by Pupil Membership. St. Vrain Valley operates 55 schools and programs that are spread over 411 square miles. The makeup includes: 1 standalone early childhood learning center, 23 elementary, 1 PK-8, 1 K-8, 8 middle, 1 middle/senior, 7 high, 1 alternative, 1 online, 1 homeschool enrichment school, 1 P-TECH school, 1 Innovation Center program, 1 Main Street Special Education program, 1 Career Development Center program, and 6 charter schools. Located approximately 30 miles north of Denver, the District is geographically diverse. Its physical boundaries extend from the Continental Divide into the plains of Colorado. Adding to its scenic setting are historic downtown Longmont and the backdrop of Rocky Mountain National Park and Longs Peak. The District includes approximately 169,500 residents. There are 13 different communities that make up St. Vrain Valley School District: eastern Boulder, Broomfield, Dacono, Erie, Firestone, Frederick, Hygiene, Longmont, Lyons, Mead, Niwot, Peaceful Valley, and Raymond. Parts of Boulder, Broomfield, Larimer, and Weld Counties fall within its boundaries.

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

Fiscal year 2017 is Dr. Don Haddad's ninth 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 Financial Services department is led by Chief Financial Officer Greg Fieth who has seven years of experience with St. Vrain Valley Schools. Other key staff members include Executive Director of Budget Tony Whiteley who has seven years of experience with the District and Senior Accountant Jane Frederick who has been with the District almost 14 years.

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

The annual budget serves as the foundation of the District's financial planning and control. The District maintains extensive budgetary controls to ensure compliance with legal requirements, Board of Education policies, and District administration guidelines. The legal level of budgetary control is the fund level. The District's budget must be adopted by June 30 prior to the budget year, but may be revised for any reason prior to January 31st of the budget year. Budgets are developed and monitored for compensation costs, utilities and other fixed costs at the District level, and for discretionary (site based) spending at the department or school level.

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

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

As required by accounting principles generally accepted in the United States of America, these financial statements present St. Vrain Valley School District RE-1J (the primary government) and its component units. As of June 30, 2017 there were six component units (Charter Schools). The inclusion or exclusion of component units is based on a determination of the elected official's accountability to their constituents, and whether the financial reporting entity follows the same accountability. Further, the financial statements of the reporting entity should enable the reader to distinguish between the primary government and discretely presented component units. The criteria used for determining whether an entity should be included – either blended or discretely presented – includes, but is not limited to fiscal dependency, imposition of will, legal standing, and the primary recipient of services.

As of June 30, 2017, the District's Board of Education has approved six charter schools. The six charter schools – Aspen Ridge Preparatory School; Carbon Valley Academy; Flagstaff Academy; Imagine Charter School at Firestone; St. Vrain Community Montessori School; and Twin Peaks Charter Academy – were operational during the year ended June 30, 2017. The respective members of the Charter Schools' Governing Boards are appointed separately from the District's Board of Education. The Charter Schools are deemed to be fiscally dependent upon the District since the District provides the majority of support to the Charter Schools in the form of per pupil revenue (PPR); therefore, the Charter Schools' financial information has been presented as discretely presented component units. No new charter applications were received during the fiscal year 2017.

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

ECONOMIC CONDITION AND OUTLOOK

National Economy

This summary of the national economic conditions is derived from information posted on the Congressional Budget Office (CBO) website at www.cbo.gov. Specific documents sited are the An Update to the Budget and Economic Outlook: 2017-2027 and the June 2017 Potential GDP and Natural Rate of Unemployment.

The CBO projects that over the next decade federal debt will rise. Economic growth is projected to remain modest and budget deficits would eventually follow an upward trajectory in relationship to the nation's economic output. Due to a rapid growth in spending for federal retirement and health care programs targeted to older people, accumulating deficits would drive up debt held by the public from its already high level to its highest percentage of gross domestic product (GDP) since shortly after World War II.

The federal government's annual budget deficit is on a path to rise during the next decade, reaching 5.2 percent of GDP in 2027 compared to 3.6 percent in 2017. The growing shortfalls would occur mainly because, under current law, growth in revenues would be outpaced by growth in spending for large federal benefit programs and for interest payments on the federal debt. CBO's estimate of the 2017 deficit is \$693 billion. After 2018, under current law, continued growth in spending, particularly for Social Security, Medicare and interest, would outstrip growth in revenues, resulting in larger deficits and higher debt.

Individual income tax receipts increase by 1.5 percentage points of GDP from 2017 to 2027. Most of the rise stems from long-term factors including "real bracket creep" (the process by which, as income rises faster than prices, an even larger proportion of income becomes subject to higher tax rates), rising distributions from tax-deferred retirement accounts, and an expected increase in the share of earnings received by higher-earning taxpayers.

Corporate income tax receipts, under current law, which equal 1.6 percent of GDP in 2017, fluctuate modestly over the projection period, eventually returning to the same percentage of CDP as in 2017.

The unemployment rate (civilian, 16 years or older) dropped to 4.9% in 2016 down from 5.4% in 2015. Unemployment is forecasted to remain near 5.0% through 2027. Gross Domestic Product (GDP) is estimated to rise to 27,999 USD Billion by 2027, up from 18,408 USD Billion in 2016.

The destructive impacts of hurricanes Harvey, Irma and Maria will cause a temporary slowdown in economic growth over the coming months in the areas affected by the storms.

As reported by the Learning Policy Institute in the September 20, 2017 article Where Have All the Teachers Gone?, the nation is experiencing a teacher shortage. This is a serious problem for the children they serve and for the country as a whole. The U.S. Department of Education reports that a majority of states identify shortages of teachers in mathematics (47 states and the District of Columbia), special education (46 states and D.C.), science (43 states), world languages (40 states and D.C.), career and technical education (32 states), teachers of English learners (32 states), Art/Music, and Dance (28 states), and English (27 states).

State Economy

The Colorado Outlook – September 20, 2017 report by the Office of State Planning and Budgeting (OSPB), presents the OSPB forecasts for Colorado economic and demographic indicators, including employment and unemployment, inflation, wages and income, population and migration. A summary of this information is presented here. The full report can be found at www.colorado.gov.

Led by the state's technology sector, new business formation, and growth in its skilled workforce, Colorado's economic growth exhibited increased momentum thus far in 2017. However, tight labor and housing market conditions are raising costs for individuals and businesses. Rural areas continue to experience lower job and income growth than urban areas along the Front Range. Economic growth is

expected to continue at a moderate pace through the forecast period. The state's solid expansion continues to result in some of the lowest unemployment rates in the nation.

Recent strength in sales tax collections and income tax wage withholdings indicate that the overall economy in Colorado has increased momentum. Higher sales tax collections indicate that Coloradoans are spending more money on goods, a key driver of economic activity. Income tax wage withholdings are a proxy for total wages paid. Both data trends indicate that the state's economic expansion has strengthened.

Expectations for the Colorado economy remain positive. The end of the oil and gas industry's contraction and the acceleration of global economic growth have helped boost expectations. When expectations for the economy are positive, businesses are more likely to hire and invest, which brings about the expected economic growth. Another economic indicator for assessing underlying momentum in the economy are trends in business formations. Data from the Colorado Secretary of State shows that filings of new entities formed to do business in Colorado, which mostly consisted of limited liability companies and corporations, increased by 7.8 percent, in the first half of 2017 over the prior year.

The modest growth in the regional energy activity is credited to increased global demand, along with the reduced supply caused by OPEC's (Organization of the Petroleum Exporting Countries) production cuts. Given continued expectations for modest price growth, energy sector activity is unlikely to expand much above current levels. As for the agricultural industry, conditions remain weak due to declining farm income and continued low commodity prices.

Colorado's Front Range labor market is among the tightest in the nation. On average, there are roughly two online job postings for each unemployed person in Colorado. While this creates a positive environment for job seekers, the state's low unemployment is likely acting as a constraint on economic growth by making it difficult for employers to find qualified candidates to fill open positions.

General Fund revenue is forecast to grow at a higher rate in FY2017-18 due mostly to the state's recent increase in economic growth. The three major General Fund revenue sources that together make up 95 percent of the total fund are individual income taxes, corporate incomes taxes and sales and use taxes.

Individual income tax collections from wage withholdings are growing at an accelerating rate as Colorado's tight labor market pushes wages higher and attracts job-seekers from out-of-state. Corporate incomes taxes are projected to rebound with 4.2 percent growth in FY2017-18, the first increase since FY2013-14. Sales tax revenue increased 6.5 percent in FY2016-17 and is expected to increase an additional 10.7 percent in FY2017-18. This growth is being driven by increased consumer activity, especially in automobile sales, a pick-up in business spending, and an increase in the special sales tax rate on retail marijuana.

Tax revenue to the State Education Fund will increase 7.1 percent in FY2017-18. The Colorado Constitution requires that one-third of one percent of taxable income from Colorado taxpayers be credited to the State Education Fund. In addition to this revenue, policies enacted over the past several years have transferred other General Fund money to the State Education Fund.

The General Fund provides funding for the State's core programs and services, such as preschool through 12th grade education, higher education, services for low-income populations, the disabled and elderly, courts, and public safety. It also helps fund capital construction and maintenance needs for State facilities and, in some years, transportation projects. Under the state constitution, the State Education Fund helps fund preschool through 12th grade education.

Other state-wide news include the recently announced Colorado PERA proposed comprehensive package of reforms designed to reduce the overall risk profile of the plan and improve PERA's funded status. In September, the Colorado PERA Board of Trustees approved the recommended changes designed to shorten the length of time it will take the plan to reach full funding. Changes include, benefit reductions for current and future members and retirees, as well as contribution increases for members and employers. The Colorado Legislature must pass the proposed changes. By State law, the Colorado General Assembly

sets contribution rates and benefit levels and the PERA Board of Trustees has oversight of investments and benefit administration. For more information visit, www.copera.org.

Local Economy

Colorado property is reassessed for valuation every two years. In 2015, an assessment year, the District's assessment came in at \$2.91 billion. In 2016, the certification of assessed valuations increased 3% to \$2.99 billion. According to a preliminary certification of valuation for Boulder County in August 2017, Boulder County projects an increase of 15% up from 2016.

The largest community within the District is Longmont (the City). Per the City's FY16 Comprehensive Annual Financial Report (CAFR), the city's economic environment continues to improve after the recession in 2008/2009. With a population of 93,933, the city has reached approximately 81% of residential buildout and 45% of its job capacity buildout in commercial and industrial development.

Other economic indicators, including the performance of sales and use tax, point to growth in Longmont. Sales and use tax in 2016 was 6.74% higher than in 2015. The local economy has been showing steady annual growth. For 2017 budgeted sales and use tax collections, or taxable sales, are 5.46% greater than the actual collections for 2016. As for building permit activity, another indicator that has a significant effect on city revenues in the General Fund, 2016 results for single-family dwelling permits were in excess of the amount that was projected in the 2016 budget of 208 single-family dwelling units.

The Weld County portion of the district includes the growing town of Erie with a population of 25,000 as of 2017. Firestone, Mead, Frederick and Dacono have stable or moderate population growth. Other District with minimal growth include Niwot and Lyons, located in Boulder County.

Continued Enrollment Growth

The District continues to grow in enrollment. Since 2007, the enrollment growth has averaged just over 816 student per year with an annual average growth rate of 2.97%. This totals an increase of 8,162 students in the district since 2007. The Planning Department projects that enrollment will continue to increase by an average of approximately 746 students per year over the next three years, to nearly 33,932 by the fall of 2020.

School Financial Issues

The primary revenue sources for the District are based on the current provisions of the Colorado Public School Finance Act of 1994, as amended yearly. Funding provided under this Act, which is from local property taxes, specific ownership taxes from vehicle registration, and state equalization, was approximately 85% of the District's Government wide general revenues for fiscal year 2016-2017.

The District received \$7,261 per pupil FTE as per pupil revenue (PPR) for FY17. This compares to \$7,143 for FY16, an increase of \$118. In FY10, the year prior to large rescissions in per pupil funding, the District received \$7,109.

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 public safety cause significant issues with the State of Colorado's budget. It is unknown at this time how these conflicts will be resolved and the impact to school district funding.

In addition, the assessed property value revisions required by the 1982 Gallagher Amendment have continued to limit increases in the residential assessed values used to levy taxes for the District, even though actual property values for most residential properties are higher. This amendment requires that the residential property share of the total assessed value in the state be stabilized at approximately 45% of the total. However, by fixing the residential percentage share of property tax collections, an increasing portion of the taxes levied continues to be shifted to the commercial and nonresidential property owners. Colorado Legislative staff project the residential assessed valuation rate to decrease from 7.96% to 7.20% in future years. The resulting effect on the District and State may potentially impact per-pupil revenue.

In November 2008, District voters approved a \$189 million bond for district-wide capital building repairs, infrastructure upgrades, the construction of a new high school in the Carbon Valley area, and the ability to respond to pockets of overcrowding in the District. Savings in the bond projects because of lower than anticipated construction costs helped the District expand the project scope to help mitigate state cuts.

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

In November 2016, the Board of Education placed a \$260.4 million capital construction question on the ballot. Approximately 68 percent of the bond funds would go toward providing additional classroom space with the remaining 32 percent of the funds would address school safety and security upgrades, repairs and renovations to existing school facilities. The November 2016 bond election passed with over 59% of the voters supporting the initiative.

MAJOR INITIATIVES

In its continued efforts to increase student achievement and success, the District's Board and administrative leadership have developed a comprehensive District-wide plan including a hierarchy designed to ensure the success of every student. The strategic priorities of the hierarchy include strong district finances; a high functioning school board; strong/visionary leadership; excellent teachers and staff; student well-being; school safety; excellence in technology/innovation; outstanding communication and community collaboration; excellent standards, curriculum, instruction and assessment; and a portfolio of 21st century instructional focus schools. These areas of focus (strategic priorities) will support specific, measurable District goals in the areas of 1st grade school readiness, 3rd grade reading proficiency, 5th grade reading proficiency, 8th grade algebra participation and successful completion, ACT and SAT achievement, enrollment in advanced coursework at the secondary level, and graduation rates.

Further, in order to enhance student achievement and ensure school and District accreditation, there will continue to be an emphasis on attracting and retaining superior teachers, administrators, and staff by offering a competitive compensation package and maintaining a safe, positive, and collaborative working environment. The District and the St. Vrain Valley Education Association agreed to implement a new salary schedule starting in the 2015-16 school year. The new salary schedule increased the base for new teachers, but stabilized the cost of recognizing a year of experience (step) in future years. This enables the District to increase the base salary of a new teacher more quickly in subsequent years. For the 2016-17 school year, the base salary was increased from \$36,000 to \$37,000.

To achieve these goals, the District has made a concerted effort to seek grants, gifts and donations. The District was successful in the 2010 Investing in Innovation (i3) ARRA Grant competition and received \$3.6 million over five years, ending in December 2015. This grant expanded the implementation of, and

investment in, innovative practices that are demonstrated to have an impact on improving student achievement or student growth, closing achievement gaps, decreasing dropout rates, and increasing high school graduation rates.

Successful preliminary data results helped the District win the Race to the Top District (RTT-D) Grant award. St. Vrain Valley Schools were selected for a Race to the Top District award for \$16.6 million in December 2012. The purpose of this grant is improving student achievement, closing achievement gaps, decreasing dropout rates, and increasing high school graduation rates in the Skyline High School feeder group by focusing on STEM education, summer intervention, and individual academic plans. This is a four year grant that ended in July 2017.

In the 2013-14 school year, the District implemented its Learning Technology Plan (LTP). Through the LTP, students and teachers have the tools they need to **investigate**, **communicate**, **collaborate**, **create**, **model**, **and explore** concepts and content in authentic contexts. An essential part of the LTP is providing all secondary students with a take-home device. The use of this device has enabled learning to be extended to the home and potentially include the entire family. The devices were implemented in two middle schools in 2013-14, with the remaining middle school students receiving devices in 2014-15. Half of the high school students received devices in 2015-16, with the remaining secondary students receiving the devices in 2016-17. Elementary classrooms will each receive a set of six iPad minis in the 2017-18 school year. To date, the implementation has been extremely successful, and indicators are positive that the remaining implementation will enable the LTP to be a success.

In January 2013, in an attempt to slow rising health care costs, the District moved to a self-funded model. Districts of a similar size have implemented this model and reduced health care costs by retaining the premiums and paying out claims. In this situation, the District assumes some of the risk (although the District maintains both an individual stop loss policy and an overall aggregate stop loss policy), but also retains more of the premium. Most insurance companies are looking to achieve a claims loss ratio of 85%. The goal of the District is to retain those premiums to reduce overall costs. In addition, the District is in the process of establishing contacts with local physicians in an effort to improve the quality of care provided. The goal would be to increase the amount of money a physician receives for providing better choices and care up front in an effort to reduce follow up care and the costs associated with that follow up care. Because of plan performance, there was not a premium increase for the 2017 plan year.

Since 1997, all Colorado school districts have been required by State law to participate in the Colorado Student Assessment Program (CSAP and TCAP) which has now transitioned to Colorado Measures of Academic Success (CMAS). All public school students are given standardized tests in grades 3-11. The tests have been designed to measure student achievement in relationship to the Colorado Academic Standards. The standards are expectations specifying what students should know at particular points in their education. CMAS provides a series of snapshots of student achievement in English Language Arts and mathematics as they move through grades 3-8. A separate grade 5, 8 and 11 science test is given at all schools and grade 4 and 7 social studies test is also administered to one third of schools each year. A college entrance exam (SAT) is administered to all grade 11 students across Colorado, and a college readiness exam (PSAT) is administered to grades 9 and 10 students. CMAS and college entrance and readiness test results are an important part of statewide school accountability and accreditation. These coupled with 1st grade readiness, 3rd grade reading levels, 5th grade reading levels, successful participation and completion in 8th grade algebra, secondary enrollment in advanced level courses, and the overall graduation rate are indicators of the District's student achievement goals.

In 2001, the State began assigning individual schools a rating based upon CSAP scores. The rating system was revised in 2009 for the 2010-11 fiscal year and was revised again for the 2016-17 fiscal year. Under the current plan, the State Board of Education adopts targets related to three key state performance indicators: (1) student achievement, (2) student academic growth, and (3) postsecondary and workforce readiness. Using the three key performance indicators, the Colorado Department of Education assigns accreditation levels to districts and recommends school plan (accreditation) levels to districts, and produces a detailed data document for each school and district (School Performance Framework).

School Facilities

The continuing growth in student enrollment in the District requires ongoing construction to provide adequate District school facilities. The Planning Department projects that enrollment will continue to increase by an average of approximately 746 students per year over the next three years, to nearly 33,932 by the fall of 2020.

The \$189 million bond passed in 2008 provided funds for two new schools that included Frederick High School and Red Hawk Elementary School, as well as additions and renovations to existing schools to increase capacity. In addition, \$48 million of bond proceeds was earmarked to address building preservation and code issues in existing schools. Reduced costs due to favorable construction market conditions allowed the District to outperform on the 2008 bond initiative by \$22 million, and that money is being used to fund other projects needed within the District.

With significant growth continuing to occur within the District, facility capacity will once again be a priority. The Board of Education, based on recommendations by the Superintendent and a community task force, approved putting a \$260.4 million capital construction bond question on the November 2016 election ballot. Approximately 68 percent of the bond funds would go toward providing additional classroom space with the remaining 32 percent of the funds would address school safety and security upgrades, repairs and renovations to existing school facilities. The November 2016 bond election passed with over 59% of the voters supporting the initiative.

After selling the bonds in December 2016, the District began the construction process on several buildings. The major initiatives derived from the Bond passage were two new elementary schools, a Preschool through 8th grade school, a District-wide Innovation Center, and additions and renovations on other schools. 69% of the total Bond program is directed to relieve growth in the St Vrain area. 17% of the funds are dedicated to preserving our existing assets. 9% will be spent to improve educational opportunities and 5% is dedicated to new entryways and security camera systems.

District Awards and Recognitions

The District has received numerous awards and recognitions. The awards include John Irwin Schools of Excellence Awards for the state's top 8% performing schools, numerous Governor's Distinguished Improvement awards, Colorado Trailblazer 'Schools to Watch' awards, and Apple Distinguished School awards. District schools have also received awards for co-curricular activities including fine arts, choir, band, orchestra, and athletics. In addition, the District has been named by the federal Office of Educational Technology as a Future Ready district. St. Vrain has received recent accolades for its robust one-to-one Learning Technology Plan and its commitment to digital curriculum. Students from our District high schools have received scholarships from prestigious universities, foundations, and corporations, such as Boettcher and National Merit.

FINANCIAL INFORMATION

As of June 30, 2017, the District had a fund balance of \$110.6 million in the General Fund (including its sub-funds). The increase of \$14.9 million is primarily the result of increased funding, improved operations, timing of projects, and not expending as planned in the budget given the anticipated economic difficulties at the state level in subsequent years. As a result of the various classifications of fund balance, the ending unassigned General Fund balance is \$30.7 million.

Accounting Policies: Detailed descriptions of the District's accounting policies are contained in the Notes to Financial Statements on pages 33-67, and they are an integral part of this report. These policies describe

the basis of accounting, funds and accounts used, valuation policies for inventories and investments, and other significant accounting information.

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

FINANCIAL AWARDS and ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2016. The District has achieved these prestigious awards consecutively since fiscal year ending June 30, 2004. In order to be awarded a Certificate of Achievement and a Certificate of Excellence, the District published an easily readable and efficiently organized comprehensive annual financial report. This report also satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

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

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

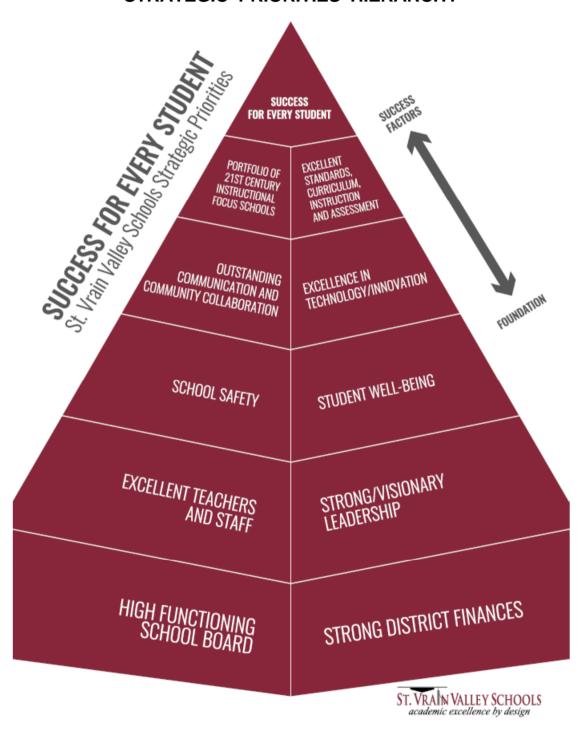
Respectfully submitted,

(signatures omitted in this publicly available document)

Don Haddad, Ed.D. Superintendent of Schools Gregory A. Fieth Chief Financial Officer



STRATEGIC PRIORITIES HIERARCHY





The Certificate of Excellence in Financial Reporting is presented to

St. Vrain Valley School District RE-1J

for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2016.

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



Anthony N. Dragona, Ed.D., RSBA President John D. Musso, CAE, RSBA Executive Director



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

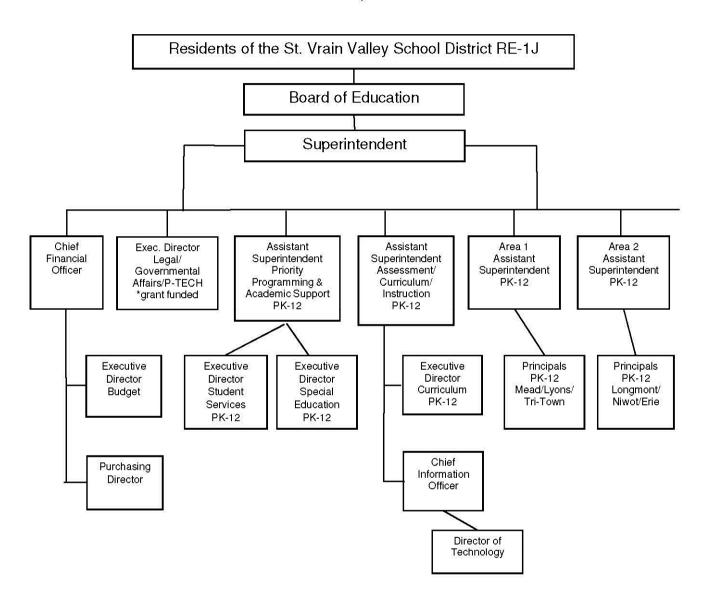
St. Vrain Valley School District RE-1J, Colorado

> For its Comprehensive Annual Financial Report for the Fiscal Year Ended

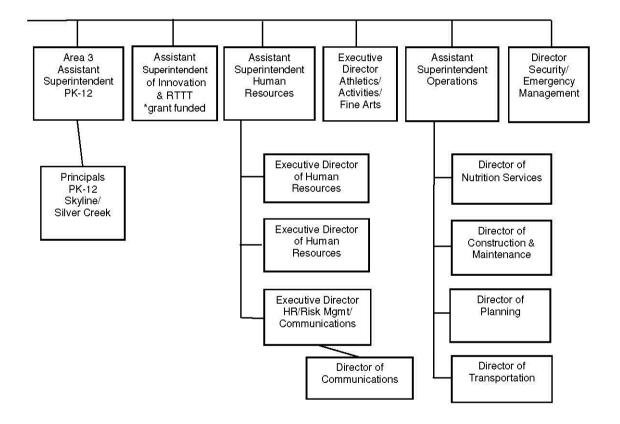
> > June 30, 2016

Executive Director/CEO

ORGANIZATIONAL CHART June 30, 2017



Approved: September 28, 2016



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, 2017

Elected Officials

Board	<u>Member</u>	Term of Office
District	A, Joie Siegrist, Vice President	2/12 - 11/19 (Appointed 2/12)
District	B, Debbie Lammers, Secretary	11/09 - 11/17
District	C, Bob Smith, President	11/09 - 11/19 (Appointed 11/07)
District	D, John Ahrens, Member	11/13 - 11/17
District	E, Dr. Richard Martyr, Member	11/15 - 11/19
District	F, Paula Peairs, Treasurer	11/13 - 11/17
District	G, Amory Siscoe, Assistant Secretary	11/15 - 11/19

Appointed Officials District Leadership Team

Don Haddad Superintendent
Greg Fieth Chief Financial Officer
Tony Whiteley Executive Director of Budget
Brandon Shaffer Executive Director of Organizational Development & Communications
Diana Lauer Assistant Superintendent of Priority Programs and Academic Support
Bryan Krause Executive Director of Student Services
Laura Hess Executive Director of Special Education
Tori Teague Assistant Superintendent of Assessment & Curriculum
Kahle Charles Executive Director of Curriculum
Joe McBreen Chief Information Officer
Jackie Kapushion Deputy Superintendent of Student Achievement PK-12 and Area 1
Mark Mills Area 2 Asst Superintendent PK-12
Regina Renaldi (retired Jan. 2017) Area 3 Asst Supt PK-12
Patty Quinones Assistant Superintendent of Innovative Programs
Ella Padilla Asst Superintendent of Human Resources
Dina Perfetti-Deany Executive Director of Human Resources
Mary Miner Executive Director of Human Resources
Damon Brown Exec Director of HR/Risk Mgmt/Communications
Rob Berry Exec Director of Athletics, Activities & Fine Arts
Brian Lamer Asst Superintendent of Operations





St. Vrain Valley Students Look to the Sky!



RubinBrown LLP Certified Public Accountants & Business Consultants

1900 16th Street Suite 300 Denver, CO 80202

T 303.698.1883 F 303.777.4458

W rubinbrown.com
E info@rubinbrown.com

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 St. Vrain Valley School District RE-1J (the District), as of and for the year ended June 30, 2017, 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 Aspen Ridge Preparatory School, Carbon Valley Academy, Flagstaff Academy, Imagine Charter School at Firestone, St. Vrain Community Montessori School and 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 Aspen Ridge Preparatory School, Carbon Valley Academy, Flagstaff Academy, Imagine Charter School at Firestone, St. Vrain Community Montessori School and Twin Peaks Charter Academy were 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, 2017, 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.

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 5 through 16, pages 70 through 73, page 74 and page 75, 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 combining and individual major and nonmajor fund financial statements and schedules; the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; the 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 combining and individual major and nonmajor fund financial statements and schedules, 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 combining and individual major and nonmajor fund financial statements and schedules, 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 November 1, 2017 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.

November 1, 2017

Rulin Brown LLP

St. Vrain Valley School District RE-1J Management's Discussion and Analysis As of and for the Fiscal Year Ended June 30, 2017

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, 2017. 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 \$440.0 million at June 30, 2017, compared to the prior year's deficit net position of \$297.3 million, primarily due to its third year implementation of Governmental Accounting Standards Board's (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions, and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date An Amendment of GASB No. 68, and recognizing its proportionate share of a net pension liability \$1.055 billion at June 30, 2017 an increase of over a half billion dollars.
- Total net position of the District decreased \$142.4 million during the year ended June 30, 2017, primarily due to recognizing \$206.0 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 \$169.4 million for fiscal year ended June 30, 2016 to \$392.8 million for fiscal year ended June 30, 2017. The increase is primarily due to proceeds and premiums received in December 2016 from the issuance of \$200.0 million of the \$260.3 million voter-approved general obligation building bonds for community-wide facility, instructional and safety improvements as well as construction of new schools.
- During the current year, the fund balance in the District's *General Fund* increased by \$14.9 million leaving an ending fund balance of \$110.6 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 economic difficulty at the state level in subsequent years.
- In October 2016, the District refinanced almost \$17 million general obligation bonds reducing its total debt service payments over the next six years and saving taxpayers nearly \$3 million. In addition, in November 2016, a \$260.34 million capital construction ballot question was passed with over 59% of the voters supporting the bond measure.

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 19-67 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 an internal service fund. The District has no business-types 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, 2017 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/parent 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 33-67 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 *Government al 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 69-103 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-seven 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.

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 2018.

Long-term liabilities such as long-term debt obligations and compensated absences will be liquidated from resources that will become available after fiscal year 2018. Also included in noncurrent liabilities is the District's proportionate share of the net pension liability.

Due to the implementation of GASB Statement No. 68, deferred outflows of resources and deferred inflows of resources can result from the net difference between expected and actual experience, projected and actual earnings on pension plan investments, changes in the District's proportionate of the net pension liability, changes of assumptions, as well as contributions made by the District to Colorado Public Employees' Retirement Association's (PERA) after PERA's measurement date.

As of June 30, 2017, the liabilities plus deferred inflows exceed assets plus deferred outflows of the primary government's governmental activities by \$439.7 million with an unrestricted deficit net position of \$733.1 million. For seven of the eleven prior fiscal years, the District was able to report positive balances in all three categories of net position. In the previous and current fiscal years, due to the implementation of GASB Statement No. 68, the District reported a negative unrestricted net position.

Proceeds from the issuance of 2016 voter approved bonds contributed to the \$5.7 million increase in "net investment in capital assets" – from \$6.1 million to \$11.8 million – for the primary government's governmental activities. The net increase of \$218.7 million in capital assets (\$14.5 million) and the *Building Fund's* cash and investments (\$204.2 million) exceeded the net increase of \$213.0 million in long term debt (\$202.0 million), deferred outflow of resources related to debt (\$2.4 million), and other related liabilities (\$8.6 million). Refer to Note 5 (Capital Assets) and Note 7 (Long-Term Debt) for detailed information.

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 \$534 thousand as of June 30, 2017. Net position restricted for debt service increased \$12.1 million resulting in a total of \$56.8 million. With the passage of voter-approved 2016 building bonds, \$203.0 million net position is restricted for those projects.

The \$731.1 million increase in liabilities plus deferred inflows is attributable to the District recognizing its proportionate share of a net pension liability of \$1.055 billion. Refer to Note 9 (Defined Benefit Pension Plan).

Table 1 provides a summary of the District's net position as of June 30, 2017 compared to June 30, 2016.

Table 1
Comparative Summary of Net Position
As of June 30, 2017 and 2016
(in Thousands)

Total

Change 2017 2016 2016 - 2017	Percentage Change 2016 - 2017 138.23% 25.32% 3.71%
Z017 Z016 Z016 - Z017 Assets Sasets Temperature 161,268 \$ 222,923 Noncurrent assets excluding capital assets 58,424 46,618 11,806	2016 - 2017 138.23% 25.32%
Z017 Z016 Z016 - Z017 Assets Sasets Temperature 161,268 \$ 222,923 Noncurrent assets excluding capital assets 58,424 46,618 11,806	2016 - 2017 138.23% 25.32%
Current assets \$ 384,191 \$ 161,268 \$ 222,923 Noncurrent assets excluding capital assets 58,424 46,618 11,806	25.32%
Noncurrent assets excluding capital assets 58,424 46,618 11,806	25.32%
· · · · · · · · · · · · · · · · · · ·	
0	3.71%
Capital assets <u>405,999</u> <u>391,487</u> <u>14,512</u>	
Total assets 848,614 599,373 249,241	41.58%
Deferred outflows of resources 432,587 93,144 339,443	364.43%
Liabilities	
Current liabilities 41,046 30,352 10,694	35.23%
Long-term liabilities 619,820 417,458 202,362	48.47%
Pension liability 1,055,347 534,414 520,933	97.48%
Total liabilities 1,716,213 982,224 733,989	74.73%
Deferred inflows of resources 4,701 7,574 (2,873)	-37.93%
Net Position	
Net investment in capital assets 11,776 6,071 5,705	93.97%
Restricted for	
TABOR 9,057 8,523 534	6.27%
Debt service 56,804 44,719 12,085	27.02%
Voter approved projects 203,044 - 203,044	#DIV/0!
Specific federal contract 2,574 - 2,574	#DIV/0!
Colo Preschool 577 579 (2)	-0.35%
Other 9,545 8,622 923	10.71%
Unrestricted (733,090) (365,795) (367,295)	100.41%
Total net position \$ (439,713) \$ (297,281) \$ (142,432)	117.08%

Government-wide Activities

Governmental activities decreased the net position of the District \$142.4 million during the year ended June 30, 2017. Despite an increase of \$23.3 million in general revenues and \$2.2 million in program revenues, the District's recognition of \$206.0 million for its proportionate share of the pension expense under GASB Statement No. 68 primarily contributed to overall decrease in net position. Table 2 provides a summary of the District's change in net position for 2017 compared to 2016.

Table 2
Comparative Schedule of Changes in Net Position
For the Years Ended June 30, 2017 and 2016
(in Thousands)

						Total
				7	Total Dollar	Percentage
	 Sovernment	al A	ctivities		Change	Change
	2017		2016	2	016 - 2017	2016 - 2017
Revenues						
Program revenues						
Charges for services	\$ 23,478	\$	21,593	\$	1,885	8.73%
Grants & contributions:						
Operating	34,163		33,672		491	1.46%
Capital	1,157		1,302		(145)	-11.14%
General revenues						
Property, specific ownership,						
and mill levy override taxes	180,373		164,554		15,819	9.61%
State revenue	137,977		132,980		4,997	3.76%
Other	7,402		4,907	_	2,495	50.85%
Total revenues	 384,550		359,008	_	25,542	7.11%
_						
Expenses						
Instruction	347,825		218,637		129,188	59.09%
Supporting services	158,628		122,198		36,430	29.81%
Interest expense	 20,529		14,562	_	5,967	40.98%
Total expenses	 526,982		355,397		171,585	48.28%
Increase (decrease)						
in net position	(142,432)		3,611		(146,043)	4044.39%
Net position - 7/1	(297,281)		(300,892)	_	3,611	-1.20%
Net position - 6/30	\$ (439,713)	\$	(297,281)	\$	(142,432)	47.91%

The governmental activities' total assets increased by \$249.2 million and deferred outflows of resources increased \$339.4 million attributed to the following elements:

Table 3
Comparative Schedule of Assets & Deferred Outflows of Resources
of Governmental Activities
As of June 30, 2017 and 2016

						Increase
		2017		2016		(Decrease)
Cash and investments	\$	429,722,854	\$	195,184,273	\$	234,538,581
Accounts receivable		990,187		611,392		378,795
Due from component units		82,215		225,954		(143,739)
Grants receivable		3,916,357		4,349,163		(432,806)
Interest receivable		17,889		315		17,574
Taxes receivable		6,617,322		6,314,728		302,594
Prepaid expenses		100,085		256,916		(156,831)
Deposits		77,884		630		77,254
Inventories		1,090,528		943,893		146,635
Capital assets						
Non-depreciable		46,761,442		22,484,110		24,277,332
Depreciable, net		359,236,856		369,002,880		(9,766,024)
Total assets	\$	848,613,619	\$	599,374,254	\$	249,239,365
Deferred outflows of resources						
Related to debt	\$	19,436,997	\$	21,872,006	\$	(2,435,009)
Related to pensions	•	413,149,831	•	71,271,654	•	341,878,177
Total deferred outflows	\$	432,586,828	\$	93,143,660	\$	339,443,168

The \$234.5 million increase in cash and investments (which includes unrestricted and restricted cash and investments) is primarily due to the following: proceeds from the issuance of 2016 voter-approved bonds, the advanced refunding of bonds, increased property tax revenues, improved operations, and conservative spending in the *General Fund* budget in the unlikely event that the voters did not pass the bond initiative and the district had to fund certain expansion needs from its operating reserves.

The \$198 thousand net decrease in accounts and grants receivable, as well as due from component units, is primarily due to the decreased grant activity with the conclusion of the Race to the Top federal grant and the improved collections from charter schools for services provided by the District offset by the increased activity from intergovernmental agreement revenues. Taxes receivable increased \$303 thousand due to increased property tax activity and the resulting tax revenues due to the District at year-end. The \$157 thousand decrease in prepaid expenses is the result of recognizing the current year's portion of expenses incurred. The \$147 thousand increase in inventories is primarily due to the *Nutrition Services Fund* utilizing as many goods as possible in preparation of a warehouse repair and renovation last fiscal year, and Transportation's current year expansion of parts inventory to maintain its growing fleet and equipment needs. The \$24.3 million increase in non-depreciable capital assets reflects the net additions of construction projects in progress through year end. Depreciable capital assets decreased \$9.8 million because depreciation exceeded capital asset additions during the year.

Deferred outflows of resources are due to two factors: debt defeasance and the pension liability. The \$2.4 million decrease is due to the October 2016 refunding that resulted in a \$700 thousand gain and the current year amortization of \$1.7 million. The difference between expected and actual experience, changes in assumptions, the net difference between projected and actual earnings on pension plan investments, changes in proportion and differences between contributions recognized and proportionate share of contributions, as well as contributions made by the District after the plan's measurement date resulted in the increase of deferred outflows by \$341.9 million to \$413.1 million.

The governmental activities' total liabilities increased by \$734.0 million and deferred inflows of resources decreased \$2.9 million as follows:

Table 4
Comparative Schedule of Liabilities & Deferred Inflows of Resources
of Governmental Activities
As of June 30, 2017 and 2016

	2017	2016	Increase (Decrease)
Accounts payable	\$ 11,936,118	\$ 4,242,093	\$ 7,694,025
Due to component units	-	28,985	(28,985)
Retainage payable	899,994	64,784	835,210
Accrued salaries, benefits, withholdings	20,653,501	20,036,598	616,903
Accrued interest payable	1,066,151	737,279	328,872
Claims payable	6,131,684	3,521,636	2,610,048
Unearned revenues	358,461	1,720,286	(1,361,825)
Noncurrent liabilities			, ,
Due within one year	26,454,391	19,818,994	6,635,397
Due in more than one year	593,365,774	397,639,235	195,726,539
Pension liability	1,055,346,922	534,414,453	520,932,469
Total liabilities	\$ 1,716,212,996	\$ 982,224,343	\$ 733,988,653
Deferred inflows of resources	\$ 4,700,600	\$ 7,574,252	\$ (2,873,652)

Accounts payable increased by \$7.7 million and retainage payable increased by \$835 thousand, primarily due to the increased activity of capital construction projects for community-wide improvements as part of the 2016 voter approved bonds. Accrued salaries, benefits and payroll withholdings increased by \$617 thousand due to salary increases, benefit increases, and growth in the number of employees. The \$329 thousand increase in accrued interest reflects the increased bond interest due by the District because of the newly issued debt. The \$2.6 million net increase in claims payable is due to an unforeseen legal claim within the *Risk Management Fund* in excess of reduced lag time and resulting decreased medical and dental insurance claims liability within the internal service fund. Refer to Note 8 (Risk Financing). The \$1.4 million decrease in unearned revenues is primarily due to the one-time revenue recognition of a specific federal contract. The increases in noncurrent liabilities due within one year and noncurrent liabilities due in more than one year are primarily the result of the newly issued debt. Refer to Note 7 (Long-Term Debt). The increase in pension liability is due to recognizing the District's increased proportionate share of the net pension liability. Refer to Note 9 (Defined Benefit Pension Plan).

Deferred inflows of resources related to pension decreased \$2.9 million primarily due to the changes in assumptions or other inputs for the net pension liability under GASB Statement No. 68.

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 \$7,257 per funded pupil. For the fiscal year ended June 30, 2017, the funded pupil count was 29,821.6, a growth rate of 1.5% 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 2017, SFA per pupil funding increased by \$114 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, 2017 and 2016
(in Thousands)

	Total Cost of Services					Net Cost of Services				
		2017	2016		2017			2016		
Instruction Supporting services Interest expense	\$	347,825 158,628 20,529	\$	218,637 122,198 14,562	\$	307,684 139,971 20,529	\$	182,080 102,188 14,562		
	\$	526,982	\$	355,397	\$	468,184	\$	298,830		

Key elements of the governmental activities are as follows:

- The cost of all governmental activities this year was \$527.0 million compared to \$355.4 million last year. Interest expense increased by \$6.0 million primarily due to the advance refunding of bonds and issuance of new debt.
- About \$23.5 million of the cost of services was financed by the users of the District's programs in the form of charges for services, an increase of \$1.9 million from 2016. The increase combines the increased participation in tuition and fee based program activities with the slight increase in food service charges.
- The federal and state governments subsidized certain programs with grants and contributions in the amount of \$35.3 million, an increase of \$347 thousand from fiscal year 2016. An increase in certain state and federal revenues within the *General Fund* slightly exceeded the overall decreased revenues in the *Grants Fund*, which is nearing the conclusion of its Race to the Top federal grant program.
- The majority of the District's net cost of services, \$468.2 million, was financed by State and District taxpayers.
- General revenues accounted for \$325.8 million in revenue which was 84.7% of all revenues.
 Program specific revenues in the form of charges for services and sales, grants, and contributions, accounted for \$58.8 million or 15.3% of total revenues of \$384.5 million. These percentages reflect a shift of 0.5% of total revenue from program specific to general revenues.
- The Nutrition Services Fund's revenues of \$9.6 million and expenditures of \$9.5 million contributed to the increase in change in net position 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 \$392.8 million, an increase from the prior year balance of \$169.4 million. As noted earlier, the fund balance increase occurred because the fund balance increases in the *General Fund, Bond Redemption Fund*, and the *Building Fund*.

Among major funds, the *General Fund* is the chief operating fund of the District. The *General Fund* had \$286.6 million in revenues, and \$271.7 million in expenditures. The *General Fund*'s fund balance increased from \$95.7 million to \$110.6 million. The increase of \$14.9 million is primarily the result of increased revenues and conservative budgeting. The *General Fund* received more revenue than anticipated when the budget was originally adopted due to increased assessed property values, specific ownership revenue, and expanded tuition and fee based program activities resulting in increased charges for services. Several factors resulted in expenditures being lower than budgeted. The District realized savings in payroll expenditures due to the amount of time necessary to replace employees leaving the District and delaying the replacement of non-critical employees who left near the end of the school year. Certain large textbook curriculum and literacy programming expenditures were also delayed by one year. In addition, due to facility capacity forecasts, the District decided to increase *General Fund* fund balances to assist with potential student growth concerns and facility needs, and to hedge against the possibility of the failure of the bond election. A generally conservative budget approach to personnel, growth, and planning, combined with increased revenues due to appreciating property values, also helped to increase *General Fund* balance.

Significant differences between the *General Fund*'s adopted and amended budgets are due to a \$3.2 million increase in total program funding resulting from increased per pupil revenue and student growth; \$4.4 million increase in mill levy override dollars due to increased property values; \$1.1 million increase in miscellaneous revenues primarily due to a reclassification of certain revenues from the charges for service category; \$1.2 million net decrease in salaries and benefits primarily due to vacancies that were filled at a lower cost than anticipated and the ability of the District to not increase health insurance premiums that were projected in the adopted budget; and \$650 thousand increase in capital outlay due to anticipated playground projects funded by the Mill Levy Override.

For seven of the past nine fiscal years, the *Governmental Designated-Purpose Grants Fund* met the minimum criteria to be reported as a major special revenue fund. Although the fund did not meet this criteria in fiscal year 2017, the District elected to continue reporting as major. Revenues of \$11.8 million were offset by equal expenditures.

The fund balance of the *Bond Redemption Fund* had an increase of \$11.8 million, resulting in a balance of \$55.2 million as of June 30, 2017. The timing between the sale of 2016 voter approved bonds, the certification of mill levies required by the counties, and the 2016C Series bond payment contributed to the increase. The *Bond Redemption Fund* has adequate resources accumulated to make the December 2017 principal and interest payments. The mill levy to accumulate resources for the June 2018 interest payment will be certified in December 2017. In October 2016, the District refinance d nearly \$17 million of its Series 2006 bonds in order to save taxpayers almost \$3 million (future value savings).

The *Building Fund* is used to record the proceeds, interest revenue and corresponding construction expenditures for bonds. The fund balance increased \$195.7 million due to \$200 million of proceeds of the \$260.3 million voter-approved bonds. The bond premium of \$23.6 million and only six months of construction activity also contributed to the increased net change. The bonds will fund facility, instructional and safety improvements throughout the district, as well as the construction of new schools and additional classroom space.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2017 is \$406.0 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, increased for the current fiscal year by \$14.5 million. Major capital events during the year included the start of construction on two new schools in the District: a new elementary school in Frederick, CO, and a new K-8 school is Erie, CO. In addition, renovation or refurbishment projects have been started on many other district schools as part of the recently authorized voter-approved bond.

Table 6 shows fiscal year 2017 capital assets compared to 2016.

Table 6
Comparative Schedule of Capital Assets
As of June 30, 2017 and 2016
(Net of Depreciation, in Thousands)

						lotal	
	Govern	men	tal	Tota	al Dollar	Percentage	
	Activ	/ities		C	hange	Change	_
	2017	2016		2016 - 2017		2016 - 2017	_
Land	\$ 20,846	\$	20,846	\$	-	0.00%	ó
Water rights	1,084		1,084		-	0.00%	o O
Projects in progress	24,831		554		24,277	4382.13%	D
Land improvements	7,673		8,605		(932)	-10.83%	D
Buildings	215,401		220,631		(5,230)	-2.37%	, D
Building improvements	121,833		129,463		(7,630)	-5.89%	D
Equipment	 14,330		10,304		4,026	39.07%	, D
Totals	\$ 405,998	\$	391,487	\$	14,511	3.71%	ó

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 December 2016. 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, 2017 as compared to June 30, 2016 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 \$597 million and the legal debt margin was \$42 million.

Table 7
Comparative Schedule of Outstanding Debt
As of June 30, 2017 and 2016
(in Thousands)

Increase

			ı	ncrease	
	 2017	 2016	(Decrease)		
General obligation bonds	\$ 555,565	\$ 375,995	\$	179,570	
Deferred bond premium	60,894	37,989		22,905	
Registered coupons	-	300		(300)	
Reg'd coupons discount	-	(20)		20	
Capital leases	240	464		(224)	
Benefits payable	3,121	 2,730		391	
Total debt	\$ 619,820	\$ 417,458	\$	202,362	

Additional information on the District's total bonded debt can be found in Note 7 beginning on page 48 of this report.

Factors Bearing on the District's Future

The District continues to receive strong community support. It has strong ties to the municipalities, businesses, and industry. In November 2008, the Board referred ballot questions to District voters for both a mill levy override (MLO) 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 came at a critical time when state funding was substantially reduced. The 2008 bond revenues were efficiently managed to accomplish the stated improvements and additions, as well as provide additional renovations to District facilities.

In November 2012 the Board referred a \$14.8 million mill levy override ballot question to District voters. 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. 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 \$44 million dollars in fiscal year 2017-2018. This amounts to more than \$1,400 per student. These mill levy overrides are fixed mills so the revenues grow as assessed valuation increases.

With significant growth occurring within the District, facility capacity will once again be a priority. The Board of Education, based on recommendations by the Superintendent and a community task force, approved putting a \$260.34 million capital construction bond question on the November 2016 election ballot. Voters once again showed their support by passing the measure. Approximately 68 percent of these funds will go toward providing additional classroom space with the remaining 32 percent of the funds addressing school safety and security upgrades, repairs and renovations to existing school facilities. In December of 2016, the District issued an initial \$200 million of general obligation debt pursuant to the 2016 authorization, and realized another \$23.6 million in premium. The remaining \$60 million will be issued at a future date.

The District was one of four in the state to apply for and receive approval to provide a P-TECH (Pathways in Technology) program. The program allows high school students the opportunity to take college coursework and achieve an Associate degree in a Computer Information Systems discipline. There is no cost to the student and they can earn up to 62 college credits through the program.

The District has experienced strong growth in student enrollment from fiscal years 2007 through 2016, ranging from 1.03% to 4.60%. The October 2016 headcount was 413 more students than the previous year, a 1.35% increase. Current projections reflect an estimated annual growth rate of 2.20% or above over the next five years.

The District has provided increases in employee compensation for each of the 2005 through 2017 budget years. The mill levy overrides passed by the community, along with the operating efficiencies implemented by the District have improved the District's starting and average teacher salaries. 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 more quickly than the previous salary schedule. For the 2017-2018 school year, the starting base salary was increased from \$37,000 to \$38,500, an increase that historically would have taken more than three to four years. 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 Schools of Excellence Awards for state's top 8% performing schools as well as numerous Governor's Distinguished Improvement Awards and Colorado Trailblazer 'Schools to Watch' Awards.

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 2018, that number is estimated to be more than 900 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 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. The i3 grant ended in the 2015-2016 school year, but key personnel and operations remain as the District developed a sustainability plan 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. That grant ended in July of 2017, and the District has already developed a sustainability plan for key personnel and operations.

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.

Another constitutional amendment that will impact the state's funding, as well as special districts including school districts, is the 1982 Gallagher Amendment. The assessed property value revisions required by the 1982 Gallagher Amendment have continued to limit increases in the residential assessed values used to levy taxes for the District, even though actual property values for most residential properties are higher. This amendment requires that the residential property share of the total assessed value in the state be stabilized at approximately 45% of the total. However, by fixing the residential percentage share of property tax collections, an increasing portion of the taxes levied continues to be shifted to the commercial and nonresidential property owners. This reduction in residential property tax revenues also requires the state to commit other revenues to fulfill the School Finance Act (per pupil funding). Colorado Legislative staff project the residential assessed valuation rate to decrease from 7.96% to 7.20% in future years.

The fiscal year 2017 is Dr. Don Haddad's ninth 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 fiscal year 2017 is the District's ninth year of operating Leadership St. Vrain, a formal training program providing community members an opportunity to obtain a foundation in district operations, finances, 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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Statement of Net Position June 30, 2017

	Primary	Government		Component Units
		ernmental ctivities		Charter Schools
Assets				
Cash and investments	\$	371,298,690	\$	13,196,333
Accounts receivable		990,187		47,346
Due from component units		82,215		· -
Grants receivable		3,916,357		59,572
Interest receivable		17,889		-
Taxes receivable		6,617,322		-
Prepaid expenses		100,085		178,297
Deposits		77,884		14,441
Inventories		1,090,528		-
Restricted cash and investments for				
Bond Redemption Fund		54,788,036		-
Building Corporations		-		5,781,177
Self Insurance Fund		3,636,128		-
Capital assets,				
Non-depreciable		46,761,442		5,042,674
Depreciable, net		359,236,856		40,705,135
Total assets		848,613,619		65,024,975
Deferred outflows of resources				
Related to debt		19,436,997		4,402,198
Related to pensions		413,149,831		37,061,677
Total deferred outflow of resources		432,586,828		41,463,875
Liabilities				
Accounts payable		11,936,118		282,025
Due to primary government		-		77,809
Retainage payable		899,994		
Accrued salaries and benefits		12,225,837		1,151,484
Payroll withholdings		8,427,664		-
Accrued interest payable		1,066,151		730,553
Claims payable		6,131,684		-
Unearned revenues		358,461		251,028
Noncurrent liabilities				
Due within one year		26,454,391		1,010,655
Due in more than one year		593,365,774		54,785,933
Pension liability	1	,055,346,922		86,745,260
Total liabilities	1	,716,212,996		145,034,747
Deferred inflows of resources				
Related to pensions		4,700,600		645,601
Net Position				
Net investment in capital assets		11,775,724		(5,730,222)
Restricted for				, , ,
TABOR		9,056,970		885,005
Debt service		56,803,917		807,523
Voter approved capital projects		203,043,977		-
Specific federal contract		2,574,361		-
Colorado Preschool Fund		576,948		-
Extracurricular, community programs		9,545,278		-
Unrestricted		(733,090,324)		(35,153,804)
	Ф.		ф.	
Total net position	\$	(439,713,149)	\$	(39,191,498)

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

Statement of Activities For the Year Ended June 30, 2017

Functions / Programs PRIMARY GOVERNMENT		Expenses		Charges for Services		Operating Grants and Contributions		Capital Grants and Contributions	
Governmental activities Instruction Supporting services Interest expense	\$	347,824,746 158,628,561 20,528,709	\$	20,148,487 3,328,893	\$	19,992,155 14,171,128 -	\$	- 1,157,140 -	
Total governmental activities	\$	526,982,016	\$	23,477,380	\$	34,163,283	\$	1,157,140	
COMPONENT UNITS Instruction Supporting services Interest expense	\$	27,661,627 16,600,368 2,612,053	\$	2,448,661 -	\$	834,006 <u>-</u>	\$	- 847,049 -	
Total component units	\$	46,874,048	\$	2,448,661	\$	834,006	\$	847,049	

General Revenues

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

Total general revenues

Change in net position

Net position, beginning

Net position, ending

Net (Expense) Revenue and Changes in Net Position

Primary G	overnment	 Component Units
Govern Activ		Charter Schools
(13	07,684,104) 89,971,400) 20,528,709)	\$ - - -
(46	88,184,213)	-
	-	(24,378,960) (15,753,319)
	-	(2,612,053)
		(42,744,332)
	_	
	30,381,255 9,904,649 37,977,278	- - -
	10,087,329 2,192,308 5,208,926	22,094,332 3,780,830 50,973 610,529 901,146
32	25,751,745	27,437,810
(14	12,432,468)	(15,306,522)
(29	97,280,681)	 (23,884,976)
\$ (43	39,713,149)	\$ (39,191,498)

Balance Sheet Governmental Funds June 30, 2017

	General	Governmental Designated- Purpose Grants	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Assets Cash & investments - unrestricted	\$ 130,902,638	\$ -	\$ -	\$ 212,943,062	\$ 24,988,214	\$ 368,833,914
Cash & investments - restricted	Ψ 100,002,000	Ψ -	54,788,036	Ψ 212,545,002	Ψ 24,300,214	54,788,036
Accounts receivable	798,507	90	-	4,761	57,080	860,438
Due from other funds	3,269,899	-	-	-	· -	3,269,899
Due from component units	22,643	59,572	-	-	-	82,215
Grants receivable	-	3,830,053	-	-	86,304	3,916,357
Interest receivable on investments	-	-	17,889	-	-	17,889
Taxes receivable	4,619,330	-	1,997,992	-	-	6,617,322
Prepaids	-	-	-		1,000	1,000
Deposits	334	-	-	77,270	280	77,884
Inventories	635,246				455,282	1,090,528
Total assets	\$ 140,248,597	\$ 3,889,715	\$ 56,803,917	\$ 213,025,093	\$ 25,588,160	\$ 439,555,482
Liabilities			_			
Accounts payable	\$ 1,878,973	\$ 35,535	\$ -	\$ 9,003,852	\$ 878,491	\$ 11,796,851
Due to other funds	-	3,060,319	-	-	209,580	3,269,899
Retainage payable	-	622.675	-	899,994	- E41 E01	899,994
Accrued salaries and benefits Payroll withholdings	11,050,571 8,427,664	633,675	-	-	541,591	12,225,837 8,427,664
Claims payable	4,379,911	-	_	_		4,379,911
Unearned revenues	145,537	160,186	-	-	52,738	358,461
Total liabilities	25,882,656	3,889,715		9,903,846	1,682,400	41,358,617
Deferred inflows of revenue					,,	,,-
Unavailable property tax revenue	3,763,757		1,608,531		-	5,372,288
Fund Balances						
Nonspendable:						
deposits, inventories, prepaids	635,580	-	-	77,270	456,562	1,169,412
Restricted: TABOR	9,056,970	-	-	-	-	9,056,970
Restricted: Colorado Preschool	576,948	-		-	-	576,948
Restricted: debt service	-	-	55,195,386	-	0.545.070	55,195,386
Restricted: special revenue funds	- 2 E74 261	-	-	-	9,545,278	9,545,278
Restricted: specific federal contract Restricted: voter approved projects	2,574,361	-	-	203,043,977		2,574,361 203,043,977
Committed: capital projects	-			203,043,977	6,542,183	6,542,183
Committed: capital projects Committed: contingencies	6,037,980	_	_	_	0,042,100	6,037,980
Committed: Board allocations	9,995,186	_	_	-	-	9,995,186
Committed: risk management	2,638,631	-	-	-	-	2,638,631
Committed: special revenue fund	· · ·	_	-	-	7,361,737	7,361,737
Assigned: Mill Levy Override	36,798,141	-	_	-	-	36,798,141
Assigned: subsequent year						, ,
expenditures reported in						
General Fund	11,599,577	_	_	-	_	11,599,577
Unassigned reported in	,000,0. 1					,500,0
General Fund	30,688,810					30,688,810
Total fund balances	110,602,184		55,195,386	203,121,247	23,905,760	392,824,577
Total liabilities, deferred inflows, and fund balances	\$ 140,248,597	\$ 3,889,715	\$ 56,803,917	\$ 213,025,093	\$ 25,588,160	\$ 439,555,482

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2017

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

Governmental funds total fund balances	\$	392,824,577
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		405,998,298
Deferred outflows from refunding debt are not considered current financial resources and, therefore, not reported in the governmental fun	d	19,436,997
Premium (\$60,893,703) on issuance of bonds, is recognized as other financing source in the governmental funds but are deferred in the statement of net position.		(60,893,703)
Long-term liabilities, including capital leases (\$240,084), compensated absences (\$3,121,378), bonds payable (\$555,565,000), related accrued interest (\$1,066,151) and claims payable (\$216,812) are not due and payable in the current period and, therefore, are not reported in the funds.		(560,209,425)
Pension liability (\$1,055,346,922) and related deferred inflows (\$4,700,600) and deferred outflows \$413,149,831 are not considered current		(300,209,423)
and, therefore, not reported in the funds.		(646,897,691)
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.		5,372,288
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		4,655,510
Net position of governmental activities	\$	(439,713,149)

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2017

	General	Governmental Designated- Purpose Grants	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 77,769,653	\$ -	\$ 52,251,159	\$ -	\$ -	\$ 130,020,812
Specific ownership taxes	9,904,649	-	-	-	-	9,904,649
Mill levy override	40,087,329	-			-	40,087,329
Investment income	707,812	-	50,090	1,209,493	179,134	2,146,529
Charges for services	5,699,480	-	-	-	10,550,676	16,250,156
Pupil activities	-	-	-	-	7,227,224	7,227,224
Miscellaneous	4,699,059	704.050	-	4,352	1,434,415	6,137,826
State intergovernmental	142,958,498	781,050	-	-	6,659,512	150,399,060
Federal intergovernmental	4,780,929	10,974,942			5,985,630	21,741,501
Total revenues	286,607,409	11,755,992	52,301,249	1,213,845	32,036,591	383,915,086
Expenditures Current						
Instruction	168,606,634	5,530,738	-	-	11,103,629	185,241,001
Supporting services	101,546,828	6,175,608	_	10,010,327	2,570,269	120,303,032
Food service operations	-	-	-	-	9,447,360	9,447,360
Capital outlay	1,582,647	49,646	-	19,167,192	7,820,369	28,619,854
Debt service						
Principal	-	-	18,145,000	-	-	18,145,000
Interest	-	-	21,910,379	-	-	21,910,379
Bond issuance costs, fiscal charges			214,070			214,070
Total expenditures	271,736,109	11,755,992	40,269,449	29,177,519	30,941,627	383,880,696
Excess (deficiency) of revenues						
over (under) expenditures before						
other financing sources (uses)	14,871,300		12,031,800	(27,963,674)	1,094,964	34,390
Other Financing Sources (Uses)						
Issuance of bonds	_	_	14,390,000	200,000,000	_	214,390,000
Bond premiums	_	_	2,430,004	23,640,238	_	26,070,242
Payment to refunding bond escrow agent	-	-	(17,032,347)	-	_	(17,032,347)
Transfers in	-	-	(,002,0)	_	2,340	2,340
Transfers out					(2,340)	(2,340)
Total other financing sources (uses)			(212,343)	223,640,238		223,427,895
Net change in fund balances	14,871,300	-	11,819,457	195,676,564	1,094,964	223,462,285
Fund balances, beginning	95,730,884		43,375,929	7,444,683	22,810,796	169,362,292
Fund balances, ending	\$110,602,184	\$ -	\$ 55,195,386	\$203,121,247	\$ 23,905,760	\$ 392,824,577

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, 2017

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

Net change in fund balances of governmental funds		\$ 223,462,285
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 Capital outlay - capitalized, net of deleted assets	(15,878,505) 30,389,813	14,511,308
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 Current year amortization of discount on coupons Current year amortization of deferred outflows Long term portion of claims payable Change in deferred property tax accrual	3,165,420 (19,563) (1,735,315) 42,163 360,443	1,813,148
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 Accrued vacation earned during the year Amount paid during the year	(355,544) (514,191) 478,710	(391,025)
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 Premium, discount received on issuance of bonds, coupons Defeasance of bond issuance costs and premiums Bond principal payments Coupon payments Accrued interest expense on bonds Long-term lease payments	(214,390,000) (26,070,242) (699,694) 34,820,000 300,000 (328,872) 223,474	(206,145,334)
Pension expense related to the cost-sharing multiple-employer defined benefit pension fund, net of contributions, are recognized on a government-wide basis and not included in the fund statements.	(205,986,596) 29,805,956	(176,180,640)
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.	e)	497,790
Change in net position of governmental activities		\$ (142,432,468)

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Statement of Fund Net Position Proprietary Fund June 30, 2017

		Governmental Activities	
	Inte	Internal Service	
		Fund	
Assets			
Current assets			
Cash and cash equivalents	\$	2,464,776	
Accounts receivable		129,749	
Prepaid expenses		99,085	
Total current assets		2,693,610	
Noncurrent assets			
Restricted cash and cash equivalents		3,636,128	
Total assets		6,329,738	
Liabilities			
Current liabilities			
Accounts payable		139,267	
Claims payable		1,534,961	
Total liabilities		1,674,228	
		,- , -	
Net Position			
Unrestricted		4,655,510	
		· · ·	
Total net position	\$	4,655,510	

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Fund For the Year Ended June 30, 2017

	Governmental Activities Internal Service Fund	
Operating Revenues	c	46 226 004
Charges for services	_\$	16,326,094 16,326,094
Total operating revenues		16,326,094
Operating Expenses		
Salaries and benefits		202,375
Purchased services		1,965,470
Supplies and materials		36
Small equipment		256,661
Claims paid		13,685,049
Total operating expenses		16,109,591
Operating income		216,503
Nonoperating Revenues		
Investment income		45,779
Other		235,508
Total nonoperating revenues		281,287
Change in net position		497,790
Net position, beginning		4,157,720
Net position, ending	\$	4,655,510

Statement of Cash Flows Proprietary Fund For the Year Ended June 30, 2017

	Governmental Activities Internal Service	
	Fund	
Cash Flows from Operating Activities Cash received from customers Cash paid to providers Cash paid to other vendors Cash paid to employees Net cash (used in) operating activities	\$	16,278,769 (14,808,470) (2,357,357) (204,999) (1,092,057)
Cash Flows from Noncapital Financing Activities Change in restricted cash and cash equivalents Cash received from prior insurance companies Net cash provided by noncapital financing activities	_	(31,652) 235,508 203,856
Cash Flows from Investing Activities Investment income		45,779
Decrease in cash and cash equivalents		(842,422)
Cash and cash equivalents, beginning of the year		3,307,198
Cash and cash equivalents, end of the year	\$	2,464,776
Reconciliation of Operating Income to Net Cash (Used in) Operating Activities Operating income Adjustments to reconcile operating income to Net cash provided by operating activities Changes in assets and liabilities	\$	216,503
Increase in accounts receivable Decrease in accounts payable Decrease in accrued salaries and benefits Decrease in claims payable		(47,325) (135,190) (2,624) (1,123,421)
Net cash used in operating activities	\$	(1,092,057)

Statement of Fiduciary Net Position Fiduciary Funds June 30, 2017

	Private Purpose Trust - Student Scholarship		Agency - Student Activity	
Assets Cash and investments	\$	219,417	\$	194,909
Accounts receivable		4,095		12,879
Total assets		223,512	\$	207,788
Liabilities Accounts payable Deferred additions Undistributed monies Total liabilities		- - - -	\$	340 6,750 200,698 207,788
Net Position Held in trust	\$	223,512		

Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Year Ended June 30, 2017

	Private Purpose Trust - Student Scholarship	Trust - Student	
Additions			
Investment income Contributions	\$ 1,199 34,902		
Total additions	36,101	_	
Deductions Scholarships	32,352	_	
Total deductions	32,352	_	
Change in net position	3,749	1	
Net position, beginning	219,763	_	
Net position, ending	\$ 223,512	_	



Notes to Financial Statements

June 30, 2017

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, formed in 1961, 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, 1 alternative, 1 online, 1 P-TECH school, 6 charter schools, and programs including the Innovation Center, Main Street Special Education, Career Development Center, and homeschool enrichment, and is serving over 32,000 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 accountability to and fiscal dependency 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 PK-8; Flagstaff Academy, grades PK-8; Imagine Charter School at Firestone, grades PK-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.

Notes to Financial Statements (Continued) June 30. 2017

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".

<u>Governmental funds</u> 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.

Bond Redemption Fund – The District has one debt service fund 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.

Notes to Financial Statements (Continued) June 30, 2017

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*.

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

Enterprise Funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District has no enterprise funds.

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.

<u>Fiduciary funds</u> 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

Notes to Financial Statements (Continued) June 30, 2017

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 and private purpose trust 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.

Notes to Financial Statements (Continued) June 30, 2017

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 private purpose trust fund applies the economic resources measurement focus and accrual basis of accounting. The 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 are either measured at net asset value, which approximates fair value, or at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application, and as amended by GASB Statement No. 79, Certain External Investment Pools and Pool Participants.

Restricted cash – Certain assets of the Bond Redemption and Self Insurance Funds, as well as component units, are classified as restricted because their use is restricted to liabilities related to debt payments or to requirements of self-insurance trust deposits.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position (Continued)

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.

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 acquisition 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 (including modular buildings)	15-50 years
Building improvements	7-50 years
Equipment	5-20 years

Deferred Outflows of Resources (related to debt) – 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. The District's refundings have resulted in deferred outflows of resources of \$19.436.997 at June 30, 2017.

Compensated Absences – Classified employees earn and may accumulate vacation leave up to 240 hours. All outstanding vacation leave for classified employees is payable upon resignation, termination, retirement or death. Employees will receive pay for unused vacation that was earned, or they are required to pay back used vacation that was unearned. The unpaid liability for earned vacation days is recorded in the government-wide financial statements.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position (Continued)

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 who voluntarily separate or are laid off 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 certified employee who retires with 10 years of continuous service or who terminates with 20 years of service will be paid \$50 per day for all unused sick 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 or proprietary funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using a systematic method that recognizes amortization in proportion to bond principal maturities.

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 debt service 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 of resources and deferred inflows of resources (related to pensions) – can result from the net difference between expected and actual experience, projected and actual earnings on pension plan investments, changes in the District's proportionate of the net pension liability, changes of assumptions, as well as contributions made by the District to PERA after PERA's measurement date. Generally, deferred inflows are not aggregated with deferred outflows.

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.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position (Continued)

- Restricted balances are those imposed by creditors, grantors, contributors, or laws and regulations and include TABOR, the Colorado Preschool Program, debt service, and statute-defined special revenue funds (including student extracurricular/interscholastic fee-based programs and community education programs).
- Committed balances are those constrained to specific purposes through formal action by the District Board of Education, the highest level of decision-making authority. They include, but are not limited to, capital projects, contingencies, risk management activities, and special revenue funds with intergovernmental agreements. Commitments cannot be used for any other purpose unless the board takes action (e.g. via resolution) to modify or rescind them.
- Assigned balances are amounts that can be used for a specific purpose, but do not meet
 the criteria of restricted or committed. They include, but are not limited to, instructional
 supplies and materials; the Superintendent's 12-month employment contract;
 encumbrances; appropriated fund balances of the subsequent year; and the Mill Levy
 Override. Per district policy, intended use may be expressed by the District's Board of
 Education and assigned by authorized individuals including the Superintendent or Chief
 Financial Officer.
- 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 2017 is as follows:

<u>Tax Year</u>	
Beginning of fiscal year for taxesJan	uary 1
Assessed valuation initially certified by County AssessorsAug	just 25
Property tax levy by Board of Education for ensuing calendar yearDecem	ber 10
Tax levy certified to County CommissionersDecem	
County Commissioners certify levy to County TreasurersJanu	ary 10
Collection Year	
Mailing of tax bills (lien date)Jan	uary 1
First installment due Febru	ary 28
Taxes due in full (unless installments	
elected by taxpayer)A	April 30
Second installment dueJu	une 15

Notes to Financial Statements (Continued) June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes (Continued)

Property taxes are recorded initially at the budgeted collection rate as deferred revenue in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected in governmental funds and in the period for which the taxes are levied in the government-wide statements. The District has deferred inflows from property tax collection at June 30, 2017 in the amount of \$5,372,288. 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 0.25% 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 Board of Education throughout the fiscal year may amend budgetary amounts within each fund. Individual amendments to the General Fund budget, if material in relation to the original appropriation, are described in the Notes to Required Supplementary Information. 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 yearend 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.

Notes to Financial Statements (Continued) June 30, 2017

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 2017, the District budgeted \$5,623,191 for instructional supplies and material purposes. The District expended \$7,356,871 for instructional purposes during fiscal year ended June 30, 2017.

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 year ended June 30, 2017, the Board of Education authorized the total allocation of \$9,264,877 via the amended budget: \$6,335,782 to Capital Reserve Fund and \$2,929,095 to Risk Management Fund. During the year, an additional \$164,625 was allocated to Capital Reserve Fund due to increased long-term capital needs, and an additional \$1,850,000 to Risk Management, a sub-fund of the General Fund, due to an unforeseen legal matter.

NOTE 3: DEPOSITS AND INVESTMENTS

At June 30, 2017, the District's deposits and investments were reported in the financial statements as follows:

	District		Co	mponent Units
Governmental activities	\$	429,722,854	\$	18,977,510
Agency		194,909		146,191
Private purpose trust scholarship		219,417		-
	\$	430,137,180	\$	19,123,701

At June 30, 2017, the District and component units had cash and investments with the following carrying balances:

	District	_Cc	omponent Units
Cash and deposits	\$ 18,701,083	\$	15,180,253
Investments measured at net asset value	353,900,073		2,889,031
Investments measured at amortized cost	-		3,074,446
Investments measured at fair value	57,536,024		3,943,448
	\$ 430,137,180	\$	19,123,701

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.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

As of June 30, 2017, the District had bank deposits of \$22,818,482 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 \$9,557,025 of which \$1,501,250 was covered by FDIC and \$8,055,775 was covered by collateral held by authorized escrow agents in the financial institutions' name (PDPA).

Custodial Credit Risk – This is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statute requires the District to use eligible public depositories as defined by PDPA. Although the District does not have a formal custodial credit risk policy, its deposits as of June 30, 2017 were held at eligible public depositories.

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.

The District and its component units have investments measured at the following:

- Net Asset Value (NAV) which approximates fair value, including money market funds, and certain investment pools as defined by GASB Statement No. 79, Certain External Investment Pools and Pool Participants;
- Amortized Cost including bank certificates of deposits and certain other investment pools as defined by GASB Statement No. 79; or
- Fair Value –including money market mutual funds and U.S. securities, notes or bonds in accordance with GASB Statement No. 72, Fair Value Measurement and Application.

Local Government Investment Pools – At June 30, 2017, 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

Notes to Financial Statements (Continued) June 30, 2017

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

investments owned by the specific pool. To obtain more information, go to www.colotrust.com and www.csafe.org.

COLOTRUST is valued using the NAV per share (or its equivalent) of the investments. COLOTRUST does not have any unfunded commitments, redemption restrictions or redemption notice periods. At June 30, 2017, the District's investments measured at NAV include \$353,900,073 with COLOTRUST, with a rating of AAAm. The component units' investments are \$2,508,079 with COLOTRUST as well as \$380,952 with Colorado Statewide Investment Program (CSIP).

CSAFE is valued at amortized cost. The component units' investments measured at amortized cost include \$1,824,446 with CSAFE, with a rating of AAAm, that conforms to C.R.S Section 24-75-601, and \$1,250,000 of bank certificates of deposits as of June 30, 2017.

The District and its component units categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

At June 30, 2017, the District had \$57,536,024 of money market mutual funds, rated AAAm, measured at Level 1 inputs. The component units had money market funds, rated AAAm, of \$3,943,448 – of which \$2,477,312 is measured at Level 1 inputs and \$1,466,136 measured at Level 2 inputs.

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.

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.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 3: <u>DEPOSITS AND INVESTMENTS</u> (Continued)

Restricted Cash and Investments

The Bond Redemption Fund's deposits and investments totaling \$54,788,036 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 \$3,636,128 are restricted for the purposes of the medical and dental self-insurance trust funds. The component units' deposits and investments totaling \$5,781,177 are restricted for construction and debt payments.

NOTE 4: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Amounts owed to one fund 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, 2017 is as follows:

Receivable Fund	Payable Fund	 Amount
General Fund General Fund	Capital Reserve Capital Projects Fund Governmental Designated-Purpose Grants Fund	\$ 209,580 3,060,319
		\$ 3,269,899

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 2017 were as follows:

Transfer In	Transfer Out	A	mount
Community Education Fund	Student Activities Fund	\$	2,340

Notes to Financial Statements (Continued) June 30, 2017

NOTE 5: CAPITAL ASSETS

The following is a summary of changes in the District's capital assets for the year ended June 30, 2017:

			Deletions,		
	Balance		Adjustments &		Balance
	7/1/2016	Additions	Reclassifications	Transfers	6/30/2017
Governmental activities					
Non-depreciable assets					
Land	\$ 20,846,495	\$ -	\$ -	\$ -	\$ 20,846,495
Projects in progress	554,037	27,279,584	339,088	(3,341,340)	24,831,369
Water rights	1,083,578				1,083,578
Total non-depreciable assets	22,484,110	27,279,584	339,088	(3,341,340)	46,761,442
Depreciable assets					
Land improvements	24,106,959	-	-	110,086	24,217,045
Buildings	303,749,153	-	(67,868)	331,098	304,012,383
Building improvements	198,300,747	-	·	-	198,300,747
Equipment	34,863,265	3,307,158	(468,149)	2,900,156	40,602,430
Total depreciable assets	561,020,124	3,307,158	(536,017)	3,341,340	567,132,605
Less accumulated depreciation for					
Land improvements	15,501,629	1,042,739	-	-	16,544,368
Buildings	83,118,454	5,515,224	(22,828)	-	88,610,850
Building improvements	68,838,373	7,629,733	· · · · ·	-	76,468,106
Equipment	24,558,788	2,174,518	(460,881)	-	26,272,425
Total accumulated depreciation	192,017,244	16,362,214	(483,709)		207,895,749
Total depreciable assets, net	369,002,880	(13,055,056)	(52,308)	3,341,340	359,236,856
Governmental activities			-		
Total capital assets, net	\$ 391,486,990	\$ 14,224,528	\$ 286,780	<u> </u>	\$ 405,998,298

Capital assets included above that were acquired through capital lease arrangements are modular buildings, with a cost of \$904,678 and accumulated depreciation of \$485,295, and equipment, with a cost of \$1,139,383 and accumulated depreciation of \$759,038. The net value of these capital assets is \$799,728.

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

Governmental activities

Instruction Supporting services	\$ 14,017,292 2,344,922
Total	\$ 16,362,214

Notes to Financial Statements (Continued) June 30, 2017

NOTE 5: CAPITAL ASSETS (Continued)

Component Units' Capital Assets

The following is a summary of changes in the component units' capital assets for the year ended June 30, 2017:

	Balance 7/1/2016	Additions	Reclassifications & Deletions	Balance 6/30/2017
Component units				
Non-depreciable assets				
Land	\$ 4,355,006	\$ -	\$ -	\$ 4,355,006
Construction in progress	4,047,627	687,668	(4,047,627)	687,668
Total non-depreciable assets	8,402,633	687,668	(4,047,627)	5,042,674
Depreciable assets				
Land improvements	280,487	-	-	280,487
Building	37,910,820	4,335,281	-	42,246,101
Leasehold improvements	4,969,621	205,064	-	5,174,685
Furniture & equipment	1,195,811	25,849	-	1,221,660
Software costs	20,021			20,021
Total depreciable assets	44,376,760	4,566,194		48,942,954
Less accumulated depreciation	6,787,470	1,450,349		8,237,819
Total depreciable assets, net	37,589,290	3,115,845		40,705,135
Total capital assets, net	\$ 45,991,923	\$ 3,803,513	\$ (4,047,627)	\$ 45,747,809

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 supporting services programs of the component units.

NOTE 6: ACCRUED SALARIES AND BENEFITS

Salaries and benefits of certain contractually employed personnel are paid over a twelvemonth 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, 2017 are determined to be as follows:

General Fund Grants Fund	\$ 11,050,571 633.675
Other funds Total governmental funds	\$ 541,591 12,225,837
Component units	\$ 1,151,484

Notes to Financial Statements (Continued) June 30, 2017

NOTE 7: LONG-TERM DEBT

The District's long-term debt changed as follows during the year ended June 30, 2017.

Governmental activities	Balance 7/1/2016	Additions	Payments/ Amortization	Balance 6/30/2017	Due within one year
General obligation bonds	\$ 375,995,000	\$ 214,390,000	\$ (34,820,000)	\$ 555,565,000	\$ 24,485,000
Deferred bond premium	37,988,881	26,070,242	(3,165,420)	60,893,703	=
Registered coupons	300,000	-	(300,000)	-	=
Registered coupons discount	(19,563)	-	19,563	-	=
Capital leases	463,558	-	(223,474)	240,084	187,877
Vacation payable	990,293	514,191	(97,970)	1,406,514	1,406,514
Annual leave payable	1,740,060	355,544	 (380,740)	1,714,864	375,000
Total	\$ 417,458,229	\$ 241,329,977	\$ (38,968,041)	\$ 619,820,165	\$ 26,454,391

General Obligation Bonds

General Obligation Bonds	Dalassa
Description, Interest Rates, and Maturity Dates	Balance due at June 30, 2017
Refunding Bonds (Series 2006), original amount of \$43,455,000, due in varying installments through December 15, 2020, interest from 4.00% 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. Amounts defeased were \$16,675,000 during October 2016 but later called in December 2016.	\$ 22,125,000
Building Bonds (Series 2009), original amount of \$104,000,000, due in varying installments through December 15, 2021, interest from 2.75% to 3.625%. Premium of \$504,199 received upon issuance is being amortized based on maturity of bonds. Amounts defeased were \$102,700,000 during fiscal year 2016. Premium amortization was adjusted accordingly.	500,000
Building Bonds (Series 2010A), original amount of \$8,590,000, due in varying installments on December 15 from 2023 through 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 on December 15 from 2026 through 2033, interest from 5.34% to 5.79%.	76,410,000
Refunding Bonds (Series 2011), original amount of \$34,355,000, due in varying installments through December 15, 2019, interest at 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.	21,285,000

Notes to Financial Statements (Continued) June 30, 2017

NOTE 7: LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

Refunding Bonds (Series 2011B), original amount of \$31,150,000, due in varying installments through December 15, 2022, interest from 2.75% 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.

\$ 25.230.000

Refunding Bonds (Series 2012), original amount of \$34,695,000, due in varying installments through December 15, 2024, interest from 2.0% 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.

32,495,000

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.

48.105.000

Refunding Bonds (Series 2016), original amount of \$115,155,000, due in varying installments through December 15, 2033, interest from 2.5% to 5.0%. Proceeds used to retire \$13,035,000 and \$102,700,000 of outstanding building bonds (Series 2005B and 2009, respectively). Premium of \$12,871,395 received upon issuance is being amortized based on maturity of bonds.

106,435,000

Refunding Bonds (Series 2016B), original amount of \$14,390,000, due in varying installments on December 15 from 2021 through 2022, interest from 1.75% to 5.0%. Proceeds used to retire \$16,675,000 of outstanding refunding bonds (Series 2006). Premium of \$2,430,004 received upon issuance is being amortized based on maturity of bonds.

14.390.000

Building Bonds (Series 2016C), original amount of \$200,000,000, due in varying installments on December 15 from 2017 to 2036, interest from 3.0% to 5.0%. Premium of \$23,640,238 received upon issuance is being amortized based on maturity of bonds.

200,000,000

Total general obligation bonds payable

\$ 555,565,000

Advance Refunding

On October 6, 2016, the District issued \$14,390,000 in general obligation bonds with an average coupon of 4.29% to refund \$16,675,000 of outstanding 2006 series bonds with average interest rate of 4.36%. As a result, the aforementioned series bonds were defeased and put into escrow, and the liability for those portions of the bonds have been removed from the general long-term debt. The defeased bonds were subsequently called and paid in December of 2016. By refunding these bonds, the District reduced its total debt service

Notes to Financial Statements (Continued) June 30, 2017

NOTE 7: LONG-TERM DEBT (Continued)

Advance Refunding (Continued)

payments over the next six years by almost \$2.8 million. 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 \$2.6 million.

Bond and coupon payments to maturity are as follows:

Year ending	GO Bonds			
June 30	Principal	Interest		Total
2018	\$ 24,485,000	\$ 25,494,214	\$	49,979,214
2019	25,345,000	24,421,264		49,766,264
2020	23,925,000	23,307,339		47,232,339
2021	26,085,000	22,166,689		48,251,689
2022	25,160,000	21,078,195		46,238,195
2023-2027	126,245,000	88,608,223		214,853,223
2028-2032	158,855,000	54,134,126		212,989,126
2033-2037	145,465,000	13,918,786		159,383,786
Total	\$ 555,565,000	\$ 273,128,836	\$	828,693,836

The amount of defeased debt outstanding as of June 30, 2017 is \$102,700,000. The defeased amount relates to the 2009 series (defeased in March 2016 and callable in December of 2018).

At June 30, 2017, the future minimum capital lease obligations are \$240,084 through 2021. The amount representing interest is \$11,207 and the net present value of these minimum lease payments is \$228,371.

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 up to 240 hours.

Unused annual leave is accumulated and carried over from year to year. When an eligible employee voluntarily separates or is laid off, the employee 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. The amount payable as of June 30, 2017 includes qualified annual leave for all eligible employees as of June 30, 2017.

Unused annual leave for certified employees may be paid out upon request at the end of the year in the amount of \$60 per each group of 7 hours up to 35 hours. All remaining annual leave hours will be carried over.

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.

Notes to Financial Statements (Continued)

June 30, 2017

NOTE 7: 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 July 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 June 2016, the Colorado Educational and Facilities Authority (CECFA) issued \$13,335,000 Charter School Refunding Revenue Bonds, Series 2016. Proceeds from the bonds were loaned to Flagstaff Academy under a lease agreement to advance refund the 2008 Revenue Bonds. The Academy 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. Interest accrues at rates ranging from 3.0% and 5.0% per year. The lease matures in August 2046.

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 Twin Peaks Charter 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 refund outstanding Series 2008 Bonds and 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 August 2016, Imagine Charter School at Firestone entered into a lease purchase agreement with Frontier Business Produce to finance the purchase of 13 Sharp Aquos Boards. Principal and interest payments in the amount of \$1,307 are due monthly from September 1, 2016 through August 1, 2021.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 7: LONG-TERM DEBT (Continued)

Component Units' Long-Term Debt (Continued)

Following is a summary of the component units' long-term debt transactions for the year ended June 30, 2017.

	Balance 7/1/2016	A	dditions	F	Payments	Balance 6/30/2017	Due within one year
Component units	_						
Revenue bonds	\$ 55,245,000	\$	-	\$	(615,000)	\$54,630,000	\$1,000,000
Premium	1,152,929		-		(39,104)	1,113,825	-
Capital lease			61,362		(8,599)	52,763	10,655
	\$ 56,397,929	\$	61,362	\$	(662,703)	\$55,796,588	\$1,010,655

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

Year ending June 30,	Principal	Interest	Total	
2018	\$ 1,000,000	\$ 2,532,076	\$ 3,532,076	
2019	1,050,000	2,492,500	3,542,500	
2020	1,085,000	2,449,600	3,534,600	
2021	1,130,000	2,401,851	3,531,851	
2022	1,180,000	2,350,642	3,530,642	
2023-2027	6,745,000	10,886,482	17,631,482	
2028-2032	8,575,000	9,000,203	17,575,203	
2033-2037	10,835,000	6,526,719	17,361,719	
2038-2042	11,765,000	3,858,862	15,623,862	
2043-2047	11,265,000	1,035,152	12,300,152	
Total	\$ 54,630,000	\$ 43,534,087	\$ 98,164,087	

At June 30, 2017, the future minimum capital lease obligations are \$65,351 through 2021. The amount representing interest is \$12,588 and the net present value of these minimum lease payments is \$52,763.

Defeasance of Debt

A portion of the net proceeds of Flagstaff Academy's 2016 bonds were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refundable bonds are considered to be defeased, and the related liability for the bonds has been removed from the Academy's liabilities. At June 30, 2017, the outstanding defeased bonds were \$12,430,000.

In August 2014, Twin Peaks Charter Academy defeased 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, 2017, the outstanding defeased bonds were \$13,010,000.

Notes to Financial Statements (Continued) June 30. 2017

NOTE 8: 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, 2017, the District had insurance deductibles of \$50,000 (property), \$25,000 (general liability), and \$1,000 (vehicle liability) per claim. At June 30, 2017, the District's property and liability claims payable was \$2,024,017.

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, 2017. At June 30, 2017, the District's workers' compensation claims payable was \$722,206.

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

Notes to Financial Statements (Continued) June 30, 2017

NOTE 8: RISK FINANCING (Continued)

Risk Management Fund (Continued)

Claims Liability – The claims liability on a government-wide basis includes losses from currently available funds as well as estimates for claims that have been incurred but not reported. In addition, a pending legal settlement increased the year end liability by \$1,850,000 for the District's out-of-pocket portion. Of the total claims payable, \$4,379,911 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, 2017 and 2016 were as follows:

	2017		2016	
Beginning fiscal year liability	\$	863,254	\$	1,180,528
Current year claims and adjustments		8,797,298		215,087
Claims paid		(5,063,829)		(532,361)
Ending fiscal year liability	\$	4,596,723	\$	863,254

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, 2017. The following is a summary of the changes in claims liability for the Self Insurance Fund for fiscal year ended June 30, 2017.

	2017	2016
Beginning fiscal year liability	\$ 2,658,382	\$ 1,672,016
Current year claims and adjustments**	13,685,049	14,339,471
Claims paid**	(14,808,470)	(13,353,105)
Ending fiscal year liability	\$ 1,534,961	\$ 2,658,382

^{**} To align with reporting guidelines, the claims paid (cash flow basis) and current year claims & adjustments were modified in the table for both fiscal years 2017 and 2016; however, there was no impact on the ending liability.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 9: 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
- \$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.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Benefits Provided (Continued)

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.

The employer contribution requirements are summarized in the table below.

	For Year Ended 12/31/2016	For Year Ended 12/31/2017
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	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	4.50%	5.00%
Total Employer Contribution Rate to the SCHDTF ¹	18.13%	18.63%

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

Notes to Financial Statements (Continued) June 30, 2017

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Contributions (Continued)

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 \$29,805,956 for the fiscal year ended June 30, 2017.

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

At June 30, 2017, the District reported a liability of \$1,055,346,922 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The District's proportion of the net pension liability was based on District's contributions to the SCHDTF for the calendar year 2016 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2016, the District's proportion was 3.54 percent, which was an increase of 0.05 percent from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$205,986,596. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$13,130,283	\$9,067
Changes of assumptions or other inputs	342,438,055	\$4,691,533
Net difference between projected and actual earnings on pension plan investments	34,750,143	n/a
Changes in proportion and differences between contributions recognized and proportionate share of contributions	7,627,564	n/a
Contributions subsequent to the measurement date	15,203,786	n/a
Total	\$413,149,831	\$4,700,600

Notes to Financial Statements (Continued) June 30, 2017

NOTE 9: <u>DEFINED BENEFIT PENSION PLAN</u> (Continued)

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

\$15,203,786 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, 2018. 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,	
2018	\$158,131,186
2019	\$157,312,643
2020	\$77,449,617
2021	\$351,999

Actuarial assumptions – The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
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
Discount rate	7.50 percent
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	Financed by the Annual

Increase Reserve (AIR)

(ad hoc, substantively automatic)

Notes to Financial Statements (Continued) June 30, 2017

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

Actuarial assumptions (continued)

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumptions were adopted by PERA's Board on November 18, 2016 and effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 - 9.70 percent

Long-term investment rate of return, net of pension

plan investment expenses, including price inflation 7.25 percent
Discount rate 5.26 percent

Post-retirement benefit increases:

PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)

PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)

2.00 percent

Financed by the

Annual Increase Reserve

Mortality rates used in the December 31, 2015 valuation 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. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 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.

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

Actuarial assumptions (continued)

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93
 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for
 ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016. As a result of the October 28, 2016 actuarial assumptions workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed, effective December 31, 2016, as follows:

- Investment rate of return assumption decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.80 percent per year to 2.40 percent per year.
- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.90 percent per year to 3.50 percent per year.

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

Notes to Financial Statements (Continued) June 30. 2017

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

Actuarial assumptions (Continued)

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, 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	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
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 7.25%.

Discount rate – The discount rate used to measure the total pension liability was 5.26 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated economic and demographic actuarial assumptions adopted by PERA's Board on November 18, 2016.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

Notes to Financial Statements (Continued) June 30. 2017

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

Discount rate (Continued)

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the SCHDTF's fiduciary net position was projected to be depleted in 2041 and, as a result, the municipal bond index rate was used in the determination of the discount rate. The long-term expected rate of return of 7.25 percent on pension plan investments was applied to periods through 2041 and the municipal bond index rate, the December average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Board of Governors of the Federal Reserve System, was applied to periods on and after 2041 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.86 percent, resulting in a discount rate of 5.26 percent.

As of the prior measurement date, the projection test indicated the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments of 7.50 percent was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use a municipal bond index rate and the discount rate was 7.50 percent, 2.24 percent higher compared to the current measurement date.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

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 5.26 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 (4.26 percent) or 1-percentage-point higher (6.26 percent) than the current rate:

	1% Decrease	Current Discount	1% Increase
	(4.26%)	Rate (5.26%)	(6.26%)
Proportionate share of the net pension liability	\$1,327,064,842	\$1,055,346,9 22	\$834,042,512

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 \$2,629,654 for the fiscal year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2017, the component units reported a combined liability of \$86,745,260 for their proportionate share of the net pension liability. At December 31, 2016, the component units' proportion was a combined 0.29134 percent, which was a net increase of 0.01385 percent from their proportion measured as of December 31, 2015. For the year ended June 30, 2017, the component units recognized a combined pension expense of \$18,331,804.

At June 30, 2017, the component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of</u> <u>Resources</u>	<u>Deferred Inflows of</u> <u>Resources</u>
Difference between expected and actual experience	\$1,084,450	\$762
Changes of assumptions or other inputs	\$28,147,034	\$391,175
Net difference between projected and actual earnings on pension plan investments	\$2,900,580	n/a
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$3,580,285	\$253,664
Contributions subsequent to the measurement date	\$1,349,328	n/a
Total	\$37,061,677	\$645,601

Notes to Financial Statements (Continued) June 30, 2017

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Component Units' Defined Pension Benefit Plan (Continued)

\$1,349,328 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, 2018. 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,	
2018	\$14,515,279
2019	\$13,373,812
2020	\$6,721,547
2021	\$456,110

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 5.26 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 (4.26 percent) or 1-percentage-point higher (6.26 percent) than the current rate:

	1% Decrease	Current Discount	1% Increase
	(4.26%)	Rate (5.26%)	(6.26%)
Proportionate share of the net pension liability	\$109,079,355	\$86,745,260	\$68,554,917

NOTE 10: 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, 2017, 2016, and 2015, the District's employer contributions to the HCTF were \$1,653,544, \$1,590,046 and \$1,516,577, respectively, equal to its required contributions for each year.

Component units' employer contributions to HCTF were \$138,010, \$128,960 and \$118,854, respectively for the years ending June 30, 2017, 2016, and 2015, equal to their required contributions for each year.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 11: 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. Historical voluntary program member contribution totals are listed in the following table:

Year ended June 30,	
2017	\$1,649,608
2016	\$1,594,025
2015	\$1,641,725
2014	\$1,445,496

NOTE 12: TAX INCREMENT REVENUES

The District has entered into Intergovernmental Agreements with several, local urban renewal authorities (URA) and one downtown development authority (DDA). These governmental entities may enter into tax abatement agreements with individuals or other entities located with their boundaries. The District requested disclosure of any tax abatement agreements made by the URAs and DDA that may reduce the District's tax revenue. As of June 30, 2017, one significant agreement had been reported. Property tax revenues were reduced by \$344,399 under agreements entered into by the Firestone URA – Northern.

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 \$451,707 which includes \$192,069 for contractual services and \$259,638 for tuition during the year ended June 30, 2017. The BOCES financial statements can be obtained at their administrative office located at 2020 Clubhouse Drive, Greeley, Colorado 80634.

Notes to Financial Statements (Continued) June 30, 2017

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, 2017, 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 further materially affect the financial statements.

Construction Contracts

The District has entered into a number of separate construction projects as of June 30, 2017. Contract commitments at June 30, 2017, as a result of these projects, totaled \$67,032,206.

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, 2017, the District has complied with the requirements to include emergency reserves in its net position and fund balance.

Contingency Reserve

As allowed by state statute, the District Board of Education may provide for an operating reserve in the General Fund. District policy requires that the budget adopted by the Board include an additional appropriated reserve equal to 2% of operating fund expenditures. The District has met the 2% contingency requirement, which is reported in the committed fund balance, as of June 30, 2017.

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.

Notes to Financial Statements (Continued) June 30, 2017

NOTE 15: CAPITAL CONTRIBUTIONS TO COMPONENT UNITS

During fiscal year ended June 30, 2017, the District and each of its component units entered into individual agreements for the funding of capital construction projects. With the successful passage of voter-authorized 2016 building bonds, the District agreed to allocate a portion of the proceeds to pay for various capital improvements and upgrades. As of June 30, 2017, the component units reported capital contributions from the District of \$901,146. The District records the construction activity as a service provided to the charter schools. Depending on the scope of work and organization of the charter school, the component unit may report the construction expenditures as Construction in Progress in its Building Corporation or as Repair and Maintenance in its Statement of Revenues, Expenditures and Changes in Fund Balances.



REQUIRED SUPPLEMENTARY INFORMATION

<u>General Fund</u> – The <u>General Fund</u> 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 <u>Colorado Preschool Program</u> Fund is reported as a sub-fund of the <u>General Fund</u>. Moneys allocated to this fund from the <u>General Fund</u> are used to pay the costs of providing preschool services directly to qualified at-risk children enrolled in the District's preschool program. The <u>Risk Management Fund</u>, also a sub-fund of the <u>General Fund</u>, 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.

<u>Governmental Designated-Purpose Grants</u> – 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.

<u>Pension.</u> During fiscal year 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.* The primary objective of these Statements 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, 2017

	General Fund				(chool Program ne General Fund)	
P	Original Budget	Amended Budget	Actual		Variance to Budget Positive (Negative)	Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)
Revenues Local									
Property taxes	\$ 69,027,290	\$ 77,680,851	\$ 77,769	653	\$ 88.802	\$ -	\$ -	\$ -	\$ -
Specific ownership taxes	7,800,000	7,691,684	9,904		2,212,965	-	-	-	-
Mill levy override	35,572,000	39,980,706	40,087		106,623	-	-	-	-
Investment income	99,008	200,000		714	493,714	700	1,600	1,861	261
Charges for services	5,590,977	4,992,980	5,699	080	706,100	-	-	-	-
Miscellaneous	2,582,358	3,569,926	4,675	295	1,105,369				
Total local revenues	120,671,633	134,116,147	138,829	720	4,713,573	700	1,600	1,861	261
State									
Equalization, net	131,925,622	127,087,675	125,143	359	(1,944,316)	1,558,854	1,554,417	1,554,417	_
Special Education	5,920,708	5,952,328	6,042		90.055	-	-	-	-
Vocational Education	689,350	709,260		317	52,057	-	-	-	-
Transportation	1,627,698	1,833,675	1,850	785	17,110	-	-	-	-
Gifted and Talented	285,409	262,896	262	896	-	-	-	-	-
English Language Proficiency Act	1,552,331	1,633,009	1,633	009	-	-	-	-	-
Other state sources	600,051	789,335	916	670	127,335				
Total state revenues	142,601,169	138,268,178	136,610	419	(1,657,759)	1,558,854	1,554,417	1,554,417	
Federal									
Build America Bond rebates	1,418,885	1,417,362	1,417	362	_	_	_	_	_
Migrant passed through BOCES	46,741	40,000	,	.022	(9,978)	_	_	_	_
Other federal sources	1,200,000	1,556,955	3,246		1,689,190	-	-	-	-
Total federal revenues	2,665,626	3,014,317	4,693		1,679,212				
Total revenues	265,938,428	275,398,642	280,133	668	4,735,026	1,559,554	1,556,017	1,556,278	261
Expenditures, encumbered basis									
Salaries	157,037,725	157,579,261	153,067	804	4,511,457	180,996	197,438	219,992	(22,554)
Benefits	51,449,303	49,679,720	48,803		876,469	57,887	65,762	66,047	(285)
Purchased services	10,465,165	10,560,020	12,363		(1,803,171)	1,133,380	1,177,750	1,172,334	5,416
Supplies and materials	26,608,878	26,560,900	21,060	741	5,500,159	87,200	87,200	72,697	14,503
Claims paid	-	-		-	-	-	-	-	-
Other	857,229	857,229	853	,084	4,145	26,665	26,730	26,968	(238)
Charter schools	25,845,092	25,867,216	25,875	162	(7,946)	-	-	-	-
Capital outlay	50,000	600,000	1,579	988	(979,988)	150,000	250,000		250,000
Total expenditures, US GAAP basis	272,313,392	271,704,346	263,603	221	8,101,125	1,636,128	1,804,880	1,558,038	246,842
Excess (deficiency) of revenues over (under) expenditures and other financing sources uses	\$ (6,374,964)	\$ 3,694,296	16,530	447 _	\$ 12,836,151	\$ (76,574)	\$ (248,863)	(1,760)	\$ 247,103
Fund balance, beginning			90,856	158				578,708	
Fund balance, ending			\$ 107,386	605				\$ 576,948	

Risk Management Fund	
(A sub-fund of the General Fund)	

A sub-fund of the	o comorai i ana)	Variance			otal	
Budget	Actual	to Budget Positive (Negative)	Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ 69,027,290	\$ 77,680,851	\$ 77,769,653	\$ 88,802
-	-	-	7,800,000	7,691,684	9,904,649	2,212,965
-	-	-	35,572,000	39,980,706	40,087,329	106,623
5,000				,	,	501,212
-			5,590,977	4,992,980	5,699,480	706,500
			2,592,358	3,649,926	4,699,059	1,049,133
85,000	36,401	(48,599)	120,687,333	134,202,747	138,867,982	4,665,235
2,929,095	4,779,095	1,850,000	136,913,571	131,571,187	131,476,871	(94,316)
-	-	-	5,920,708	5,952,328	6,042,383	90,055
-	-	-	689,350	709,260	761,317	52,057
-	-	-	1,627,698	1,833,675	1,850,785	17,110
-	-	-	285,409	262,896	262,896	
-	-	-	1,552,331	1,633,009	1,633,009	-
	14,567		600,051	789,335	931,237	141,902
2,929,095	4,793,662	1,864,567	147,589,118	142,751,690	142,958,498	206,808
-	_	-	1,418,885	1,417,362	1,417,362	-
-	-	-	46,741	40,000	30,022	(9,978)
	87,400	87,400	1,200,000	1,556,955	3,333,545	1,776,590
	87,400	87,400	2,665,626	3,014,317	4,780,929	1,766,612
3,014,095	4,917,463	1,903,368	270,942,077	279,968,754	286,607,409	6,638,655
240 690	233 202	7 /99	157 458 014	158 017 380	153 520 008	4,496,391
						877,559
,	,			, ,	, ,	(1,419,842)
						5,538,926
,	,			, ,	, ,	(3,431,829
	, ,					48,057
-	-	,				(7,946
_	2,659	(2,659)	200,000	850,000	1,582,647	(732,647
	6,574,850	(2,979,298)	277,545,221	277,104,778	271,736,109	5,368,669
	5,000 - 80,000 85,000 2,929,095 - - - 2,929,095	5,000 12,237 400 80,000 23,764 85,000 36,401 2,929,095 4,779,095 	5,000 12,237 7,237 400 400 80,000 23,764 (56,236) 85,000 36,401 (48,599) 2,929,095 4,779,095 1,850,000 -	- 7,800,000 - 35,572,000 - 400 400 5,590,977 - 400 400 5,590,977 - 80,000 23,764 (56,236) 2,592,358 - 85,000 36,401 (48,599) 120,687,333 2,929,095 4,779,095 1,850,000 136,913,571 5,920,708 5,920,708 689,350 1,627,698 1,552,331 - 14,567 14,567 600,051 - 14,567 14,567 147,589,118 1,418,885 1,418,885 1,418,885 46,741 - 87,400 87,400 1,200,000 - 87,400 87,400 2,665,626 3,014,095 4,917,463 1,903,368 270,942,077 240,690 233,202 7,488 157,458,914 - 65,422 64,047 1,375 51,573,258 1,532,570 1,154,657 377,913 13,131,115 - 72,650 48,386 24,264 26,768,728 1,632,000 5,063,829 (3,431,829) 1,632,000 - 936,114 25,845,092	7,800,000 7,691,684 35,572,000 39,980,706 5,000 12,237 7,237 104,708 206,600 - 400 400 5,590,977 4,992,980 80,000 23,764 (56,236) 2,592,358 3,649,926 85,000 36,401 (48,599) 120,687,333 134,202,747 2,929,095 4,779,095 1,850,000 136,913,571 131,571,187 5,920,708 5,952,328 689,350 709,260 1,627,698 1,833,675 285,409 262,896 14,567 14,567 600,051 789,335 2,929,095 4,793,662 1,864,567 147,589,118 142,751,690 1,418,885 1,417,362 1,418,885 1,417,362 1,418,885 1,417,362 1,418,885 1,417,362 1,418,885 1,417,362 1,418,885 1,417,362 1,418,845 1,417,362 1,418,885 1,417,362 1,418,885 1,417,362	

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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, 2017

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues State grants Federal grants ARRA - Federal education stimulus grants Total revenues	\$ 278,000 10,813,000 3,125,000 14,216,000	\$ 278,344 10,733,985 2,884,889 13,897,218	\$ 781,050 8,163,148 2,811,794 11,755,992	\$ 502,706 (2,570,837) (73,095) (2,141,226)
Expenditures Salaries Benefits Purchased services Supplies and materials Other Capital outlay Total expenditures	9,010,000 2,550,000 400,000 1,330,000 896,000 30,000	8,010,622 2,540,306 299,513 2,078,802 941,156 26,819	7,610,615 2,338,071 240,513 589,709 927,438 49,646 11,755,992	400,007 202,235 59,000 1,489,093 13,718 (22,827) 2,141,226
Excess (deficiency) of revenues over (under) expenditures Fund balance, beginning Fund balance, ending	\$ -	- - \$ -	- - \$ -	\$ -

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, (Meaurement Date) Employee Pension Plan

Employee Pension Pl Year Three **

	 2014		2015		2016
District's proportion of the net pension liability (asset)	3.4574%		3.4942%		3.5445%
District's proportionate share of the					
net pension liability (asset)	\$ 468,595,684	\$	534,414,453	\$	1,055,346,922
District's covered-employee payroll	\$ 144,605,343	\$	152,401,888	\$	159,046,911
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	324.05%		350.66%		663.54%
or the coronal employee payton	S = S 7 5		000.0070		000.0170
Plan fiduciary net position as a percentage of the total pension liability	62.84%		59.20%		43.10%

^{**} 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 Schedule of Required Supplementary Information Schedule of District Contributions

Year Ended June 30, (Fiscal Year End Date) Employee Pension Plan Year Three **

	2015		2016	2017
Contractually required contribution (excluding HTCF)	\$	25,104,314	\$ 27,643,539	\$ 29,805,956
Contributions in relation to the contractually required contribution		(25,104,314)	(27,643,539)	(29,805,956)
Contribution deficiency (excess)	\$		\$ -	\$ -
District's covered-employee payroll	\$	148,684,016	155,886,834	162,112,201
Contributions as a percentage of covered-employee payroll (excluding HTCF)		16.88%	17.73%	18.39%

^{**} 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.

Notes to Required Supplementary Information

June 30, 2017

NOTE 1: GENERAL FUND BUDGETARY INFORMATION

Prior to July 1, 2015, the General Fund annual budget was adopted on a basis consistent with US GAAP. While 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 – a US GAAP basis budget, on the other hand, 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:

- \$3.2 million increase in total program funding resulting from increased per pupil revenue and student growth;
- \$4.4 million increase in mill levy override dollars due to increased property values:
- \$1.1 million increase in miscellaneous revenues primarily due to a reclassification of certain revenues from the charges for services category;
- \$1.2 million net decrease in salaries and benefits primarily due to vacancies that were filled at a lower cost than anticipated; and,
- \$650 thousand increase in capital outlay due to anticipated playground projects funded by the Mill Levy Override.

During the current fiscal year, the District received federal interest income of \$1.4 million as a subsidy from issuing Direct Pay Build America Bonds, Series 2010B.

Expenditures for the Risk Management Fund, a sub-fund of the General Fund, of \$6,574,850 exceeded budgeted appropriations of \$3,595,552 due to an unforeseen legal matter. This may be a violation of state statute. An additional allocation from the General Fund to the Risk Management Fund was approved by the District Board of Education to offset this additional cost.

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 three years are 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

<u>Bond Redemption Fund</u> – The <u>Bond Redemption Fund</u> 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.

<u>Building Fund</u> – The <u>Building Fund</u> 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.

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Bond Redemption Fund For the Year Ended June 30, 2017

	Original Budget	2nd Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes Investment income	\$ 41,752,128 2,000	' ' '	\$ 52,251,159 50,090	\$ 620,159 23,090
Total revenues	41,754,128	51,658,000	52,301,249	643,249
Expenditures				
Debt principal Debt interest Fiscal charges	18,145,000 17,388,477 10,000	21,910,379	18,145,000 21,910,379 214,070	- - 17,930
Total expenditures	35,543,477	40,287,379	40,269,449	17,930
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	6,210,651	11,370,621	12,031,800	661,179
Other Financing Sources (Uses)				
Issuance of refunding bonds, coupons Premium on bonds issued Payment to refunded bond escrow agent		- 14,390,000 - 2,430,004 - (17,032,347)	14,390,000 2,430,004 (17,032,347)	- - -
Total other financing sources (uses)		- (212,343)	(212,343)	
Net change in fund balances	\$ 6,210,651	11,158,278	11,819,457	\$ 661,179
Fund balance, beginning		43,375,929	43,375,929	
Fund balance, ending		\$ 54,534,207	\$ 55,195,386	

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Building Fund For the Year Ended June 30, 2017

		Original Amended Budget Budget			Actual		Variance Positive (Negative)	
Revenues Investment income	\$	25,000	\$	750,000	\$	1,209,493	\$	459,493
Miscellaneous	Ψ 	25,000	—	35,000	Ψ 	4,352	φ 	(30,648)
Total revenues		25,000		785,000		1,213,845		428,845
Expenditures								
Salaries		278,500		510,000		360,889		149,111
Benefits		83,000		138,000		104,244		33,756
Purchased services		2,500,000		9,393,658		9,541,489		(147,831)
Supplies and materials		10,000		100,000		-		100,000
Capital outlay		3,921,361		50,000,000		19,167,192		30,832,808
Other		10,000		50,000		3,705		46,295
Total expenditures		6,802,861		60,191,658		29,177,519		31,014,139
Excess (deficiency) of revenues over (under) expenditures		(6,777,861)		(59,406,658)		(27,963,674)		31,442,984
Other Financing Sources Proceeds of bonds Premium received on issuance of bonds		-		200,000,000 23,640,238		200,000,000 23,640,238		- -
Total other financing sources				223,640,238		223,640,238		
Net change in fund balances	\$	(6,777,861)		164,233,580		195,676,564	\$	31,442,984
Fund balance, beginning				7,444,683		7,444,683		
Fund balance, ending			\$	171,678,263	\$	203,121,247		

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SUPPLEMENTARY SCHEDULES - GOVERNMENTAL FUNDS

Nonmajor Capital Projects Fund

<u>Capital Reserve Capital Projects Fund</u> – 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

<u>Special Revenue Funds</u> 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 The Nutrition Services Fund accounts for the financial transaction related to the food service operations of the District.
- Student Activity Fund This fund is used to record financial transactions related to schoolsponsored pupil intrascholastic and interscholastic athletic and other related activities. Revenues of this fund are primarily from student fees, gate receipts, and gifts.

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2017

	pital Reserve pital Projects Fund
Assets Cash and investments Accounts receivable Grants receivable Prepaids Deposits Inventories	\$ 7,335,357 - - - 280
Total assets	\$ 7,335,637
Liabilities Accounts payable Due to other funds Accrued salaries and benefits Unearned revenues	\$ 583,594 209,580 - -
Total liabilities	793,174
Fund Balances Nonspendable: deposits, inventories, prepaids Restricted: special revenue funds Committed: capital projects Committed: special revenue fund	280 - 6,542,183
Total fund balances	6,542,463
Total liabilities and fund balances	\$ 7,335,637

Special Revenue Funds									
	Community Education	_Cc	Fair ontributions		Nutrition Services		Student Activity		tal Nonmajor overnmental Funds
\$	3,155,217 21,553 - - - -	\$	7,513,285 - - - - - -	\$	2,105,631 17,984 86,304 1,000 - 455,282	\$	4,878,724 17,543 - - - -	\$	24,988,214 57,080 86,304 1,000 280 455,282
\$	3,176,770	\$	7,513,285	\$	2,666,201	\$	4,896,267	\$	25,588,160
\$	25,385 - 396,910 36,358	\$	151,548 - - - -	\$	73,957 - 135,484 -	\$	44,007 - 9,197 16,380	\$	878,491 209,580 541,591 52,738
	458,653		151,548		209,441		69,584		1,682,400
	2,718,117 - - 2,718,117		7,361,737		456,282 2,000,478 - - 2,456,760		4,826,683 - - - 4,826,683		456,562 9,545,278 6,542,183 7,361,737 23,905,760
\$	3,176,770	\$	7,513,285	\$	2,666,201		4,896,267	\$	25,588,160
Ψ	5,170,770	Ψ_	1,010,200	Ψ	<u> </u>	Ψ	- ,∪3∪,∠∪1	Ψ	20,000,100

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended June 30, 2017

	Capital Reserve Capital Projects Fund		
Revenues			
Intergovernmental Investment income Charges for services Pupil activities	\$	6,500,407 63,853 -	
Miscellaneous State intergovernmental Federal intergovernmental		203,551 - -	
Total revenues		6,767,811	
Expenditures Instruction Supporting services Food service operations		-	
Capital expenditures/outlay		7,092,579	
Total expenditures		7,092,579	
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)		(324,768)	
Other Financing Sources (Uses) Transfers in Transfers out		<u>-</u>	
Total other financing sources (uses)			
Net changes in fund balances		(324,768)	
Fund balances, beginning		6,867,231	
Fund balances, ending	\$	6,542,463	

	Total Namesian			
Community Education	Fair Contributions	Nutrition Services	Student Activity	Total Nonmajor Governmental Funds
\$ 22,634 7,221,783 - - -	\$ - 52,049 - - 1,157,140	\$ - 8,868 3,328,893 - 73,724 159,105 5,985,630	\$ - 31,730 - 7,227,224 - -	\$ 6,500,407 179,134 10,550,676 7,227,224 1,434,415 159,105 5,985,630
 7,244,417	1,209,189	9,556,220	7,258,954	32,036,591
 5,078,592 1,650,855 - 99,577 6,829,024	249,585 - 529,140 - 778,725	9,447,360 59,940 9,507,300	6,025,037 669,829 - 39,133 6,733,999	11,103,629 2,570,269 9,447,360 7,820,369 30,941,627
 415,393	430,464	48,920	524,955	1,094,964
 2,340	<u> </u>		(2,340)	2,340 (2,340)
2,340			(2,340)	
417,733	430,464	48,920	522,615	1,094,964
2,300,384	6,931,273	2,407,840	4,304,068	22,810,796
\$ 2,718,117	\$ 7,361,737	\$ 2,456,760	\$ 4,826,683	\$ 23,905,760

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Capital Reserve Capital Projects Fund For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)	
Revenues Allocation from General Fund Investment income Miscellaneous	\$ 5,345,009 28,000 75,000	\$ 6,335,782 30,000 100,000	\$ 6,500,407 63,853 203,551	\$ 164,625 33,853 103,551	
Total revenues	5,448,009	6,465,782	6,767,811	302,029	
Expenditures Capital expenditures	7,750,000	10,150,000	7,092,579	3,057,421	
Total expenditures Net change in fund balances	7,750,000 \$ (2,301,991)	(3,684,218)	7,092,579 (324,768)	3,057,421 \$ 3,359,450	
Fund balance, beginning		6,867,231	6,867,231		
Fund balance, ending		\$ 3,183,013	\$ 6,542,463		

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Community Education Fund For the Year Ended June 30, 2017

		Original Budget	Amended Budget		Actual			/ariance Positive Negative)
Revenues	ф	40.000	Φ	40.000	Φ	22.024	¢	4.004
Investment income Charges for services	\$	10,000 6,300,000	\$ 	18,000 6,800,000	\$	22,634 7,221,783	\$	4,634 421,783
Total revenues		6,310,000		6,818,000		7,244,417		426,417
Expenditures								
Instruction		5,900,000		5,700,000		5,078,592		621,408
Support services		750,000		1,000,000		1,650,855		(650,855)
Capital outlay		75,000		200,000		99,577		100,423
Total expenditures		6,725,000		6,900,000		6,829,024		70,976
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)		(415,000)		(82,000)		415,393		497,393
Other Financing (Uses)								
Transfers in		-		-		2,340		2,340
Net change in fund balances	\$	(415,000)		(82,000)		417,733	\$	499,733
Fund balance, beginning				2,300,384		2,300,384		
Fund balance, ending			\$	2,218,384	\$	2,718,117		

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Fair Contributions Fund For the Year Ended June 30, 2017

	Original Amended Budget Budget		Actual	Variance Positive (Negative)	
Revenues Investment income Cash in lieu	\$ 65,000 1,400,000	\$ 65,000 1,400,000	\$ 52,049 1,157,140	\$ (12,951) (242,860)	
Total revenues	1,465,000	1,465,000	1,209,189	(255,811)	
Expenditures Purchased services Capital outlay Other	150,000 8,295,643 	100,000 8,296,273	249,135 529,140 450	(149,135) 7,767,133 (450)	
Total expenditures	8,445,643	8,396,273	778,725	7,617,548	
Excess (deficiency) of revenues over (under) expenditures	\$ (6,980,643)	(6,931,273)	430,464	\$ 7,361,737	
Fund balance, beginning		6,931,273	6,931,273		
Fund balance, ending		\$ -	\$ 7,361,737		

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Nutrition Services Fund For the Year Ended June 30, 2017

	Original Budget		2nd Amended Budget		Actual		Variance Positive (Negative)	
Revenues								
Investment income	\$	2,000	\$	6,000	\$	8,868	\$	2,868
Charges for services		3,400,000		3,430,000		3,328,893		(101,107)
Other food service charges		25,000		35,000		73,724		38,724
State match		159,000		157,785		159,105		1,320
Commodities entitlement		726,098		726,098		773,829		47,731
National School Lunch/Breakfast Program		5,299,126		5,195,000		5,211,801		16,801
Total revenues		9,611,224		9,549,883		9,556,220		6,337
Expenditures								
Salaries		3,278,227		3,197,992		3,162,369		35,623
Benefits		1,277,636		1,273,691		1,219,412		54,279
Purchased services		160,000		190,000		217,429		(27,429)
Supplies and materials		4,733,907		4,837,577		4,748,150		89,427
Capital outlay		75,000		75,000		59,940		15,060
Other		100,000		100,000		100,000		<u> </u>
Total expenditures		9,624,770		9,674,260		9,507,300		166,960
Excess (deficiency) of revenues								
over (under) expenditures	\$	(13,546)		(124,377)		48,920	\$	173,297
Fund balance, beginning				2,407,840		2,407,840		
Fund balance, ending			\$	2,283,463	\$	2,456,760		

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Student Activity Fund For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues Investment income Athletic activities Pupil activities	\$ 13,000 2,178,000 3,405,000	\$ 14,000 2,300,000 3,500,000	\$ 31,730 2,575,724 3,698,243	\$ 17,730 275,724 198,243
PTO/Gift activities	827,000	660,000	953,257	293,257
Total revenues	6,423,000	6,474,000	7,258,954	784,954
Expenditures Athletic activities Pupil activities PTO/Gift activities Resources to agency fund Total expenditures	3,547,404 5,611,611 1,399,608 	3,841,234 5,743,218 1,193,616 	2,402,240 3,489,034 840,536 2,189 6,733,999	1,438,994 2,254,184 353,080 (2,189) 4,044,069
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(4,135,623)	(4,304,068)	524,955	4,829,023
Other Financing Sources Transfers out			(2,340)	(2,340)
Net change in fund balances	\$ (4,135,623)	(4,304,068)	522,615	\$ 4,826,683
Fund balance, beginning		4,304,068	4,304,068	
Fund balance, ending		\$ -	\$ 4,826,683	

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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.

Schedule of Revenues, Expenses and Changes in Fund Net Position - Budget and Actual Self Insurance Fund For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)	
Revenues Investment income Charges for services Miscellaneous Total revenues	\$ 19,000 16,000,000 - 16,019,000	\$ 19,000 16,500,000 - 16,519,000	\$ 45,779 16,326,094 235,508 16,607,381	\$ 26,779 (173,906) 235,508 88,381	
Expenditures Salaries Benefits Purchased services Supplies and materials Other Claims paid Total expenditures	170,300 53,200 2,000,000 5,000 - 13,500,000 15,728,500	156,000 46,000 2,100,000 5,000 275,000 14,520,000 17,102,000	155,889 46,486 1,965,470 36 256,661 13,685,049 16,109,591	111 (486) 134,530 4,964 18,339 834,951 992,409	
Change in net position	\$ 290,500	(583,000)	497,790	\$ 1,080,790	
Net position, beginning		4,157,720	4,157,720		
Net position, ending		\$ 3,574,720	\$ 4,655,510		

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:

- <u>Private purpose trust funds</u> 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.

Schedule of Additions, Deductions and Changes in Fiduciary Net Position - Budget and Actual Student Scholarship Fund For the Year Ended June 30, 2017

	Original Budget		Amended Budget		Actual		Variance Positive (Negative)	
Additions								
Investment income	\$	450	\$	500	\$	1,199	\$	699
Contributions		50,000		50,000		34,902		(15,098)
Total additions		50,450		50,500		36,101		(14,399)
Deductions								
Scholarships		50,450		50,500		32,352		18,148
Total deductions		50,450		50,500		32,352		18,148
Change in net position	\$			-		3,749	\$	3,749
Net position, beginning				219,763		219,763		
Net position, ending			\$	219,763	\$	223,512		

Statement of Changes in Assets and Liabilities Agency Fund For the Year Ended June 30, 2017

	-	Balance e 30, 2016	 Additions		Deductions		Balance June 30, 2017	
Assets								
Cash and investments Accounts receivable	\$	177,628 <u>85</u>	\$ 204,711 12,879	\$	187,430 85	\$	194,909 12,879	
Total assets	\$	177,713	\$ 217,590	\$	187,515	\$	207,788	
Liabilities								
Accounts payable	\$	138	\$ 340	\$	138	\$	340	
Deferred additions		-	6,750		-		6,750	
Undistributed monies		177,575	 210,500		187,377		200,698	
Total liabilities	\$	177,713	\$ 217,590	\$	187,515	\$	207,788	

Schedule of Additions, Deductions and Changes in Undistributed Monies - Budget and Actual Student Activity (Agency) Fund For the Year Ended June 30, 2017

	Original Budget		 Amended Budget		Actual		Variance Positive (Negative)	
Additions								
Elementary Schools	\$	50,000	\$ 90,000	\$	106,285	\$	16,285	
Middle Schools		26,000	27,000		16,887		(10,113)	
High Schools		40,000	45,000		49,296		4,296	
Other additions		-	-		35,843		35,843	
Resources from special revenue funds					2,189		2,189	
Total additions		116,000	162,000		210,500		48,500	
Deductions								
Elementary Schools		106,533	175,898		94,814		81,084	
Middle Schools		65,731	44,503		19,593		24,910	
High Schools		96,852	117,494		51,076		66,418	
Other deductions		6,240	1,680		21,894		(20,214)	
Total deductions		275,356	339,575		187,377		152,198	
Change in undistributed monies	\$	(159,356)	(177,575)		23,123	\$	200,698	
Undistributed monies, beginning			177,575		177,575			
Undistributed monies, ending			\$ -	\$	200,698			

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 pre-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 pre-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 pre-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.

Combining Statement of Net Position Component Units June 30, 2017

		spen Ridge Preparatory School		irbon Valley Academy	Flagstaff Academy		
Assets	_		_		_		
Cash and investments	\$	1,731,588	\$	872,532	\$	3,898,665	
Accounts receivable		311		-		12,777	
Grants receivable		59,572		-		-	
Prepaids		43,561		8,270		56,458	
Deposits		600		<u>-</u>			
Restricted cash and investments		1,466,136		564,707		1,259,739	
Capital assets,							
Non-depreciable		765,310		1,158,251		349,882	
Depreciable, net		8,450,465		2,882,541		9,425,580	
Total assets		12,517,543		5,486,301		15,003,101	
Deferred outflows of resources							
Related to debt		-		-		1,446,413	
Related to pensions		4,592,385		3,086,043		10,287,038	
Total deferred outflows of resources		4,592,385		3,086,043		11,733,451	
Liabilities							
Accounts payable		69,585		25,612		26,609	
Due to primary government		59,572		663		9,942	
Accrued salaries and benefits		103,079		106,959		348,778	
Accrued interest payable		279,300		22,023		226,120	
Unearned revenue		24,188		-		55,420	
Noncurrent liabilities							
Due within one year		180,000		120,000		230,000	
Due in more than one year		11,055,000		4,285,000		13,843,702	
Pension liability		8,798,164		7,541,936		24,960,409	
Total liabilities		20,568,888		12,102,193		39,700,980	
Deferred inflows of resources		<u>.</u>				_	
Related to pensions		39,752		261,012		112,777	
Net Position							
Net investment in capital assets		(553,089)		(957,752)		(3,388,383)	
Restricted for		(555,005)		(337,732)		(3,300,303)	
Emergencies		97,000		70,000		245,000	
Debt service		37,000		70,000		243,000	
Unrestricted		(3,042,623)		(2,903,109)		(9,933,822)	
Total net position	\$	(3,498,712)	\$	(3,790,861)	\$	(13,077,205)	
Total Hot position		(3, 100,7 12)	<u> </u>	(3,700,001)	<u> </u>	(10,011,200)	

						Component Units
			St Vrain			
	gine Charter Community		٦	Twin Peaks		
	School at	N	Montessori		Charter	Total Charter
	Firestone		School		Academy	Schools
\$	2,171,443	\$	924,034	\$	3,598,071	\$ 13,196,333
Ф	2,171, 44 3 31,503	Φ	924,03 4 2,505	Φ	250	\$ 13,196,333 47,346
	31,303		2,303		250	59,572
	10,892		29,681		29,435	178,297
	10,092		13,841		29,433	14,441
	-		13,041		2,490,595	5,781,177
	-		-		2,490,595	5,761,177
	-		7,250		2,761,981	5,042,674
			53,419		19,893,130	40,705,135
	2,213,838		1,030,730		28,773,462	65,024,975
	_		_		2,955,785	4,402,198
	5,970,739		3,121,057		10,004,415	37,061,677
	5,970,739		3,121,057		12,960,200	41,463,875
	0,070,700		0,121,007		12,000,200	11,100,070
	2,475		22,849		134,895	282,025
	-		-		7,632	77,809
	179,249		8,836		404,583	1,151,484
	-		-		203,110	730,553
	39,578		128,507		3,335	251,028
	10,655		_		470,000	1,010,655
	42,108		_		25,560,123	54,785,933
	14,343,581		6,839,179		24,261,991	86,745,260
-	14,617,646		6,999,371		51,045,669	145,034,747
	91,537		30,901		109,622	645,601
	·		<u> </u>		·	<u> </u>
	_		53,419		(884,417)	(5,730,222)
			00,710		(004,417)	(0,100,222)
	165,000		66,000		242,005	885,005
	-		-		807,523	807,523
	(6,689,606)		(2,997,904)		(9,586,740)	(35,153,804)
\$	(6,524,606)	\$	(2,878,485)	\$	(9,421,629)	\$ (39,191,498)

Combining Statement of Activities Component Units For the Year Ended June 30, 2017

_	Aspen Ridge Preparatory School			arbon Valley Academy		Flagstaff Academy
Expenses Instruction Supporting services Interest expense	\$	2,902,142 2,169,586 558,600	\$	2,409,804 1,319,710 251,094	\$	8,189,984 3,847,108 594,828
Total expenses		5,630,328		3,980,608		12,631,920
Program Revenues Charges for Services Operating Grants and Contributions Capital Grants and Contributions		323,624 163,674 102,983		120,873 83,055 58,364		955,040 185,303 231,427
Total program revenues		590,281		262,292		1,371,770
General Revenues Per pupil revenue Mill levy override Interest income Other Capital contribution Total general revenues		2,691,670 131,087 3,912 5,355 83,160 2,915,184	_	1,478,277 551,426 3,969 128,264 210,080 2,372,016	_	6,048,818 966,264 26,031 30,923 349,882 7,421,918
Change in net position		(2,124,863)		(1,346,300)		(3,838,232)
Net position, beginning		(1,373,849)		(2,444,561)		(9,238,973)
Net position, ending	\$	(3,498,712)	\$	(3,790,861)	\$	(13,077,205)

						(Component Units	
Ima	gine Charter	C	St Vrain Community	Т	win Peaks			
	School at	N	Montessori		Charter	Т	otal Charter	
	Firestone		School		Academy		Schools	
\$	4,997,539	\$	2,203,166	\$	6,958,992	\$	27,661,627	
•	3,517,589	•	1,312,188	•	4,434,187	·	16,600,368	
	<u> </u>		<u> </u>		1,207,531		2,612,053	
	8,515,128		3,515,354		12,600,710		46,874,048	
	519,255		325,839		204,030		2,448,661	
	92,119		210,387		99,468		834,006	
	148,297		53,782		252,196		847,049	
	759,671		590,008		555,694		4,129,716	
	3,878,210		1,405,706		6,591,651		22,094,332	
	791,451		159,222		1,181,380		3,780,830	
	-		2,286		14,775		50,973	
	337,229		108,731		27		610,529	
	5,648		5,000		247,376		901,146	
	5,012,538		1,680,945		8,035,209		27,437,810	
	(2,742,919)		(1,244,401)		(4,009,807)		(15,306,522)	
	(3,781,687)		(1,634,084)		(5,411,822)		(23,884,976)	
\$	(6,524,606)	\$	(2,878,485)	\$	(9,421,629)	\$	(39,191,498)	



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	<u>Pages</u>
Financial Trends The schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	108 – 119
Revenue Capacity	
The schedules contain information to help the reader assess the District's most significant local and state revenue sources	120 – 124
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	125 – 129
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.	130 – 135
Operating Information	
The schedules contain information to help the reader understand the staffing of the District, student population it serves, and capital asset data	136 - 143
Sources: Unless otherwise noted, the information in the schedules is derived frannual financial reports for the relevant year.	rom the comprehensive

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

	2008	2009	2010	2011
Governmental activities				
Net investment in capital assets (1)	\$ 17,752,278	\$ 16,389,200	\$ 5,837,277	\$ 1,650,384
Restricted	36,348,780	43,552,511	48,873,296	41,903,392
Unrestricted	14,481,434	35,783,693	41,983,603	49,879,868
Total governmental net position	68,582,492	95,725,404	96,694,176	93,433,644
Business-type activities (2)				
Net investment in capital assets	926,902	1,075,631	1,042,353	908,812
Restricted	-	-	-	-
Unrestricted	695,203	476,099	967,637	1,534,339
Total business-type net position	1,622,105	1,551,730	2,009,990	2,443,151
Primary government				
Net investment in capital assets	18,679,180	17,464,831	6,879,630	2,559,196
Restricted	36,348,780	43,552,511	48,873,296	41,903,392
Unrestricted	15,176,637	36,259,792	42,951,240	51,414,207
Total primary government net position	\$ 70,204,597	\$ 97,277,134	\$ 98,704,166	\$ 95,876,795

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. Note 3: Due to the implementation of GASB Statements No. 68 and 71 in FY15, the District recognized its share of the net pension liability, resulting in a deficit net position.

2012	2013	2014	2015 (3) 2016		2017	
\$ (4,553,120)	\$ 5,975,997	\$ 4,819,681	\$ 4,340,004	\$ 6,071,204	\$ 11,775,724	
42,346,312	43,513,161	47,616,074	50,736,515	62,443,429	281,601,451	
52,817,264	74,351,302	75,262,484	(355,968,501)	(365,795,314)	(733,090,324)	
90,610,456	123,840,460	127,698,239	(300,891,982)	(297,280,681)	(439,713,149)	
1,201,873	1,137,800	1,046,337	-	-	-	
-	-	-	-	-	-	
 1,957,064	2,065,046	2,226,743				
3,158,937	3,202,846	3,273,080				
(3,351,247)	7,113,797	5,866,018	4,340,004	6,071,204	11,775,724	
42,346,312	43,513,161	47,616,074	50,736,515	62,443,429	281,601,451	
54,774,328	76,416,348	77,489,227	(355,968,501)	(365,795,314)	(733,090,324)	
\$ 93,769,393	\$ 127,043,306	\$ 130,971,319	\$ (300,891,982)	\$ (297,280,681)	\$ (439,713,149)	

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

	_	2008		2009		2010		2011
Expenses								
Governmental activities:								
Instruction	\$	122,240,743	\$	127,681,937	\$	136,783,787	\$	154,559,432
Supporting services		60,629,900		69,745,866		106,835,640		92,466,787
Interest		15,500,560		15,845,498		19,182,556		20,837,721
Total governmental activities expenses		198,371,203		213,273,301		262,801,983	_	267,863,940
Business-type activities: Food services		7,069,557		7,825,813		7,795,085		8,155,509
Total primary government expenses	\$	205,440,760	\$	221,099,114	\$	270,597,068	\$	276,019,449
Program Revenues								
Governmental activities:								
Charges for services								
Tuition and fees	\$	7,167,010	\$	8,182,298	\$	11,324,592	\$	10,924,440
Internal charges		731,765		1,892,602		2,033,494		1,594,055
Operating grants and contributions		13,200,675		14,558,258		19,607,144		26,905,761
Capital grants and contributions		507,755		199,537		452,712		334,803
Total governmental activities program revenues	_	21,607,205		24,832,695	_	33,417,942	_	39,759,059
Business-type activities: (1)								
Charges for services		3,574,268		3,776,079		3,911,304		3,709,186
Operating grants and contributions		3,106,894		3,661,169		4,206,325		4,878,818
Capital grants and contributions	_			312,655	_	135,146	_	0.500.004
Total business-type activities program revenues	_	6,681,162	_	7,749,903	_	8,252,775	_	8,588,004
Total primary government program revenues	\$	28,288,367	\$	32,582,598	<u>\$</u>	41,670,717	\$	48,347,063
Net (expense) / revenue								
Governmental activities	\$	(176,763,998)	\$	(188,440,606)	\$	(229,384,041)	\$	(228,104,881)
Business-type activities	•	(388,395)	•	(75,910)	•	457,690	,	432,495
Total primary government net expense	\$	(177,152,393)	\$	(188,516,516)	\$	(228,926,351)	\$	(227,672,386)
General Revenues and Other Changes								
in Net Position								
Governmental activities:								
Property taxes	\$	83,233,225	\$	88,457,619	\$	91,637,477	\$	91,600,278
Specific ownership taxes		6,047,704		6,054,107		6,023,739		5,805,254
Mill levy override		-		15,923,875		17,385,887		17,180,635
State equalization		90,264,910		100,658,351		110,042,029		101,290,756
Investment income		4,350,866		1,690,910		1,361,173		2,014,620
Other		1,330,495		2,798,656		3,902,508		6,952,806
Transfers	_	405 207 200			_		_	
Total governmental activities	_	185,227,200		215,583,518	_	230,352,813	_	224,844,349
Business-type activities:		22.026		E E2E		F70		666
Investment income Transfers		23,926		5,535		570		666
Total business-type activities	_	23,926	_	5,535	_	570	_	666
	_		_		_		_	
Total primary government	\$	185,251,126	\$	215,589,053	\$	230,353,383	\$_	224,845,015
Change in Net Position								
Governmental activities	\$	8,463,202	\$	27,142,912	\$	968,772	\$	(3,260,532)
Business-type activities	_	(364,469)		(70,375)		458,260		433,161
Total primary government	\$	8,098,733	\$	27,072,537	\$	1,427,032	\$	(2,827,371)

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.

	2012		2013		2014		2015		2016		2017
\$	156,466,950	\$	162,259,184	\$	178,639,344	\$	201,741,825	\$	218,636,924	\$	347,824,746
Ψ	87.621.269	Ψ	82,910,079	Ψ	102,775,349	Ψ	122.353.964	Ψ	122,197,878	Ψ	158,628,561
	20,839,718		20,383,627		19,739,295		13,866,228		14,561,966		20,528,709
	264,927,937		265,552,890		301,153,988		337,962,017		355,396,768		526,982,016
_	8,338,941	_	8,550,602	_	8,878,049	_	-	_	-	_	-
\$	273,266,878	\$	274,103,492	\$	310,032,037	\$	337,962,017	\$	355,396,768	\$	526,982,016
\$	12,478,933	\$	14,190,837	\$	15,704,630	\$	19,348,384	\$	20,154,234	\$	21,956,420
Ψ	1,731,141	Ψ	1,557,178	Ψ	1,517,636	Ψ	1,469,687	Ψ	1,438,908	Ψ	1,520,960
	19,577,033		19,285,254		25,359,439		34,241,186		33,671,661		34,163,283
	514,826		742,088		1,022,765		1,078,391		1,302,197		1,157,140
	34,301,933	_	35,775,357	_	43.604.470	_	56,137,648		56,567,000		58,797,803
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		-,		-,,				,,		,,
	3,804,775		3,448,430		3,879,122		-		-		-
	4,884,351		5,035,106		5,052,608		-		-		-
	364,451		109,033		15,396				-		-
_	9,053,577	_	8,592,569	_	8,947,126			_			-
\$	43,355,510	\$	44,367,926	\$	52,551,596	\$	56,137,648	\$	56,567,000	\$	58,797,803
\$	(230,626,004)	\$	(229,777,533)	\$	(257,549,518)	\$	(281,824,369)	\$	(298,829,768)	\$	(468,184,213)
	714,636	_	41,967		69,077				-		-
\$	(229,911,368)	\$	(229,735,566)	\$	(257,480,441)	\$	(281,824,369)	\$	(298,829,768)	\$	(468,184,213)
\$	04 229 499	\$	99,933,752	\$	96,794,464	\$	97,352,334	\$	117,616,184	\$	130,381,255
φ	94,238,488 5,920,333	Φ	7,090,842	φ	8,241,096	φ	8,253,685	Φ	7,938,746	φ	9,904,649
	17,108,522		7,090,642 31,646,447		32,675,735		31,932,829		38,998,710		40,087,329
	103,622,720		108,346,576		119,131,699		133,584,264		132,980,049		137,977,278
	952,516		770,928		447,054		370,277		537,862		2,192,308
	5,960,237		15,218,992		6,677,328		4,889,519		4,369,518		5,208,926
	-		-		-		-,000,010		-,000,010		-
	227,802,816		263,007,537		263,967,376		276,382,908		302,441,069		325,751,745
					==						
	1,150		1,942		1,157		-		-		-
	1,150	_	1,942		1,157					_	<u> </u>
\$	227,803,966	\$	263,009,479	\$	263,968,533	\$	276,382,908	\$	302,441,069	\$	325,751,745
\$	(2,823,188)	\$	33,230,004	\$	6,417,858	\$	(5,441,461)	\$	3,611,301	\$	(142,432,468)
Ψ	715,786	Ψ	43,909	Ψ	70,234	Ψ	(0,1,-01)	Ψ		Ψ	(172,702,700)
\$	(2,107,402)	\$	33,273,913	\$	6,488,092	\$	(5,441,461)	\$	3,611,301	\$	(142,432,468)

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)

	2008	2009	2010	2011
Governmental activities: Property taxes Specific ownership taxes State equalization Total finance act revenues	\$ 83,233,225 6,047,704 90,264,910 \$ 179,545,839	\$ 88,457,619 6,054,107 100,658,351 \$ 195,170,077	\$ 91,637,477 6,023,739 110,042,029 \$ 207,703,245	\$ 91,600,278 5,805,254 101,290,756 \$ 198,696,288
Total governmental activities revenues (1)	\$ 206,834,405	\$ 240,416,213	\$ 263,770,755	\$ 264,603,408
Public School Finance Act revenues as percentage of total governmental activities revenues	86.8%	81.2%	78.7%	75.1%

Note 1: Governmental activities revenues are a combination of program revenues and general revenues as shown on page 110-111

2012	2013	2014	2015	2016	2017
\$ 94,238,488 5,920,333 103,622,720 \$ 203,781,541	\$ 99,933,752 7,090,842 108,346,576 \$ 215,371,170	\$ 96,794,464 8,241,096 119,131,699 \$ 224,167,259	\$ 97,352,334 8,253,685 133,584,264 \$ 239,190,283	\$ 117,616,184 7,938,746 132,980,049 \$ 258,534,979	\$ 130,381,255 9,904,649 137,977,278 \$ 278,263,182
Ψ 200,701,041	Ψ 210,071,170	Ψ 22-1,107,200	Ψ 200,100,200	Ψ 200,004,010	Ψ 270,200,102
\$ 262,104,749	\$ 298,782,894	\$ 307,571,846	\$ 332,520,556	\$ 359,008,069	\$ 384,549,548
77.7%	72.1%	72.9%	71.9%	72.0%	72.4%

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)

	2008			2009			2010	_	2011 (3)
General Fund									
Nonspendable	\$	470,427	\$	279,157		\$	368,341		\$ 412,819
Restricted		3,335,550		5,887,253			7,012,090		7,152,152
Committed		1,430,725		4,637,168			6,448,562		6,797,608
Assigned		3,468,174		21,235,851	(2)		22,768,212		23,713,563
Unassigned		6,758,492		3,675,281			5,750,977		8,526,501
Total General Fund	\$	15,463,368	\$	35,714,710	-	\$	42,348,182	=	\$ 46,602,643
All Other Governmental Funds									
Nonspendable	\$	42,257	\$	42,257		\$	42,257		\$ 42,257
Restricted		33,013,230		37,665,258			41,861,206		34,751,240
Committed		23,459,105		114,283,595			162,632,220		104,057,163
Assigned		-		-			-		1,712,983
Unassigned		-		-	_		-	_	-
Total all other governmental funds	\$	56,514,592	\$	151,991,110	_	\$	204,535,683	_	\$ 140,563,643

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.

2012		2013		2014		2015		2016	 2017
\$ 436,926	\$	1,093,153	\$	550,152	\$	564,695	\$	602,083	\$ 635,580
7,058,536		7,253,916		8,255,777		8,581,421		9,102,103	12,208,279
12,435,243		14,714,696		16,712,437		17,356,755		19,457,385	18,671,797
24,551,891		37,334,057		29,144,534		30,313,348		38,441,989	48,397,718
 5,409,629		4,126,286		11,494,113		22,041,660		28,127,324	30,688,810
\$ 49,892,225	\$	64,522,108	\$	66,157,013	\$	78,857,879	\$	95,730,884	\$ 110,602,184
\$ 14,537	\$	14,537	\$	606,233	\$	886,069	\$	500,271	\$ 533,832
35,287,776	·	36,259,245	·	39,360,297	·	42,155,094	·	51,997,880	267,784,641
78,979,099		46,545,871		38,120,748		26,529,450		21,133,257	13,903,920
-		-		-		-		-	-
-		-		-		-		-	-
\$ 114,281,412	\$	82,819,653	\$	78,087,278	\$	69,570,613	\$	73,631,408	\$ 282,222,393

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)

	2008	2009	2010	2011
Revenues				
Property taxes Specific ownership taxes	\$ 82,001,081 6,047,704	\$ 87,124,649 6,054,107	\$ 92,597,766 6,023,739	\$ 92,576,990 5,805,254
Mill levy override	-	15,923,875	17,385,887	17,180,635
Investment income	4,324,865	1,690,910	1,361,173	2,014,620
Charges for service	4,949,331 2,949,444	7,072,297 3,002.603	7,492,878	7,572,312
Student activities (1) Miscellaneous	2,949,444 1,804,691	2,643,533	5,865,208 4,210,074	5,273,683 6,398,209
Local intergovernmental	33,559	24,271	10,000	889,400
State intergovernmental	96,769,997	106,647,109	116,754,564	108,561,877
Federal intergovernmental	7,720,045	8,569,500	12,894,609	19,634,640
Total revenues	\$ 206,600,717	\$ 238,752,854	\$ 264,595,898	\$ 265,907,620
Expenditures				
Instruction	\$ 107,631,101	\$ 118,531,065	\$ 136,127,577	\$ 137,948,105
Supporting services	59,126,506	65,842,654	106,358,121	82,318,652
Student activities (1)	2,839,834	3,317,010	5,588,472	5,351,321
Food service operations (2)	=	-	=	-
Capital outlay	54,797,679	11,845,608	11,933,633	63,702,969
Debt service	40.005.000	44.045.000	44.005.000	40 500 000
Principal Interest, bond issuance costs, fiscal charges	18,835,000 15,222,489	11,045,000 16,214,243	11,695,000 19,906,806	12,560,000 23,023,214
Toal expenditures	\$ 258,452,609	\$ 226,795,580	\$ 291,609,609	\$ 324,904,261
Excess of revenues over (under) expenditures	(51,851,892)	11,957,274	(27,013,711)	(58,996,641)
Other financing sources (uses)				
Issuance of bonds, coupons	\$ -	\$ 104,000,000	\$ 85,000,000	\$ 65,505,000
Premium received on issuance of bonds	-	504,199	1,191,756	8,370,336
Paid to bond agent	-	(751,347)	-	(74,596,274)
Proceeds from sale of land	-	-	-	-
Capital lease proceeds	-	-	-	-
Lease obligations	705.405	-	075 504	-
Transfers in (3)	705,425	377,825	675,521	5,034,643
Transfers out (3)	(705,425)	(360,091)	(675,521)	(5,034,643)
Total other financing sources (uses)	\$ -	\$ 103,770,586	\$ 86,191,756	\$ (720,938)
Net change in fund balances	\$ (51,851,892)	\$ 115,727,860	\$ 59,178,045	\$ (59,717,579)
Debt service as percentage of				
noncapital expenditures	16.6%	12.9%	11.7%	13.5%

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.

2012	2013	2014	2015	2016	2017
\$ 94,084,083 5,920,333	\$ 97,617,286 7,090,842	\$ 97,868,432 8,241,096	\$ 95,556,636 8,253,685	\$ 117,473,228 7,938,746	\$ 130,020,812 9,904,649
17,108,522 952,516	31,646,447 768,369	32,675,735 441,771	31,932,829 364,441	38,998,710 518,599	40,087,329 2,146,529
8,823,864 5,386,210	9,657,975 6,090,040	11,233,462 5,988,804	13,976,867 6,841,204	15,193,163 6,399,979	16,250,156 7,227,224
5,962,833 147,779	5,870,507 149,260	7,684,697	5,815,650 152,260	5,671,715	6,137,826
111,631,898 11,567,855	115,745,102 11,886,728	129,412,975 15,078,163	145,784,457 22,040,993	144,672,380 21,979,330	150,399,060 21,741,501
\$ 261,585,893	\$ 286,522,556	\$ 308,625,135	\$ 330,719,022	\$ 358,845,850	\$ 383,915,086
\$ 135,709,381 80,315,183	\$ 139,805,061 80,357,118	\$ 155,545,205 100,099,062	\$ 160,954,003 103,793,219	\$ 175,857,230 105,198,115	\$ 179,215,964 119,633,203
4,544,634	5,047,925	5,737,781	6,416,414 8,960,303	5,969,981 9,184,944	6,694,866
28,764,568	39,198,675	16,466,640	14,786,624	8,167,677	9,447,360 28,619,854
13,060,000 22,209,181	13,870,000 21,597,766	13,360,000 20,513,917	14,205,000 19,139,633	15,225,000 17,946,933	18,145,000 22,124,449
\$ 284,602,947	\$ 299,876,545	\$ 311,722,605	\$ 328,255,196	\$ 337,549,880	\$ 383,880,696
(23,017,054)	(13,353,989)	(3,097,470)	2,463,826	21,295,970	34,390
\$ 35,395,000 4,224,186	\$ - -	\$ - -	\$ 50,355,000 10,821,491 (61,683,860)	\$ 115,155,000 12,871,395	\$ 214,390,000 26,070,242
(39,594,781)	-	-	(61,682,860)	(128,498,887)	(17,032,347)
-	-	-	-	110,322 -	-
217,592 (217,592)	3,972 (3,481,859)	50,123 (50,123)	6,669 (6,669)	7,620 (7,620)	2,340 (2,340)
\$ 24,405	\$ (3,477,887)	\$ -	\$ (506,369)	\$ (362,170)	\$ 223,427,895
\$ (22,992,649)	\$ (16,831,876)	\$ (3,097,470)	\$ 1,957,457	\$ 20,933,800	\$ 223,462,285
13.1%	13.2%	11.2%	10.3%	9.8%	11.3%

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)

	2008		2009			2010	_	2011
Governmental activities: Property taxes Specific ownership taxes State equalization Total finance act revenues	\$	82,001,081 6,047,704 90,264,910 178,313,695	\$	87,124,649 6,054,107 100,658,351 193,837,107	\$	92,597,766 6,023,739 110,042,029 208,663,534	\$	92,576,990 5,805,254 101,290,756 199,673,000
Total revenues (1)	\$	206,600,717	\$	238,752,854	\$	264,595,898	\$	265,907,620
Public School Finance Act revenues as percentage of total governmental funds revenues		86.3%		81.2%		78.9%		75.1%

Note 1: As shown on the Changes in Fund Balances of Governmental Funds schedule, pages 116-117

 2012		2013	2014		2015		2016	2017
\$ 94,084,083 5,920,333 103,622,720	\$	97,617,286 7,090,842 108,346,576	\$ 97,868,432 8,241,096 119,131,699	\$	95,556,636 8,253,685 133,584,264	\$	117,473,228 7,938,746 132,980,049	\$ 130,020,812 9,904,649 137,977,278
\$ 203,627,136	_\$_	213,054,704	\$ 225,241,227	_\$_	237,394,585	_ \$	258,392,023	\$ 277,902,739
\$ 261,585,893	\$	286,522,556	\$ 308,625,135	\$	330,719,022	\$	358,845,850	\$ 383,915,086
77.8%		74.4%	73.0%		71.8%		72.0%	72.4%

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	-	ommercial Property	 Industrial Vacant Property Property		_	Oil & Gas		Public <u>Utilities</u>	
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
2015	2016	1,411,528		619,463	209,403		100,063		481,547		81,294
2016	2017	1,209,020		594,681	297,679		58,793		683,730		163,107

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 esources	 otal Taxable Assessed Value	Total Direct ax Rate	_	Estimated Actual Taxable Value (1)	 Assessed Value as a Percentage of Actual Value
\$	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%
	29,086		5,112	2,937,496	53.887	(2)	21,989,300	13.36%
	30.392		4.676	3.042.078	56.945	(2)	22.561.109	13.48%

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
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
2015	2016	39.087	14.800	53.887	22.624	15.800	21.882	28.968	89.274	13.420
2016	2017	39.395	17.550	56.945	24.064	15.800	22.521	28.968	91.353	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)

	2008				2017			
Taxpayer		2007 Taxable Assessed Valuation	Rank	Percent of Total District Taxable Assessed Value (2)	2016 Taxable Assessed Valuation	Rank	Percent of Total District Taxable Assessed Value (2)	
Kerr-McGee Rocky Mtn. Corp.	\$	57,612,400	1	2.60%	\$ 293,131,980	1	9.81%	
Encana Oil & Gas (USA) Inc. Great Western Oil & Gas		32,728,590	3	1.48%	210,421,980 28,433,960	2	7.05% 0.95%	
Noble Energy, Inc.		27,964,670	4	1.26%				
Circle Capital Longmont LLC		20,105,830	6	0.91%				
Amgen Inc.		37,304,720	2	1.69%	19,691,183	4	0.66%	
Public Service Co. nka Xcel Energy					18,384,098	5	0.62%	
Longmont Diagonal Investments LP					16,496,453	6	0.55%	
Xilinx Inc.		9,919,740	7	0.45%	14,989,755	7	0.50%	
Seagate Technology LLC		24,396,630	5	1.10%	14,116,624	8	0.47%	
NMMS Twin Peaks LLC					13,785,174	9	0.46%	
Ramco-Gershenson Properties LP					12,678,508	10	0.42%	
Qwest Corporation		9,801,200	8	0.44%				
Cemex, Inc.		9,023,180	9	0.41%				
Twin Peaks Mall Associated Ltd.		8,812,720	10	0.40%				
Total	\$	237,669,680		10.75%	\$ 642,129,715		21.50%	

Note 1: Based on a 2007 certified assessed valuation of \$2,211,838,260

Note 2: Based on a 2016 certified assessed valuation of \$2,986,721,795

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)
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
2015	2016	156,721,715	151,709,870	96.80%	1,889,241	153,599,111	98.01%	5,011,845
2016	2017	170,078,874	164,706,586	96.84%	1,720,288	166,426,874	97.85%	5,372,288

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.

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 Source:

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

Governmental Activities General Percentage Fiscal Obligation Capital Registered of Average Per Bonds Leases Coupons Total Personal Income (2) Year Capita (2) 2008 \$ 299,035,000 1,013,917 300,048,917 3.4% \$ 2,015 391,990,000 2009 623,268 392,613,268 4.5% 2,601 2010 465,295,000 755,927 466,050,927 5.2% 3,027 451,865,000 451,865,000 2,877 2011 4.8% 2012 438,795,000 700,000 439,495,000 4.4% 2,764 2013 424,925,000 300,000 426,149,117 2,621 924,117 4.0% 2014 411,565,000 736,161 300,000 412,601,161 3.4% 2,525 2015 548,205 300,000 391,800,000 392,648,205 3.1% 2,391 463,558 2,254 2016 375,995,000 300,000 376,758,558 (1) 2017 555,565,000 240,084 555,805,084 (1) 3,279

Note 1: Personal income data for 2016 and 2017 not available

Note 2: Personal Income and Per Capita data from the Demographic and Economic Information on pages 130-131

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)

						Percentage of	
						Estimated	
		General				Actual Taxable	
Levy	Collection	Obligation		Less Debt	Net	Value (1) of	Per
Year	Year	 Bonds	Se	ervice Funds	 Bonded Debt	Property	Capita (2)
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
2015	2016	375,995,000		43,375,929	332,619,071	1.51%	1,990
2016	2017	555,565,000		55,195,386	500,369,614	2.22%	2,993

Note 1: Refer to Assessed and Estimated Actual Values of Taxable Property schedule on page 120-121

Note 2: Population data is in the Demographic and Economic Information on page 130-131

Source: District's financial records

St. Vrain Valley School District RE-1J Debt Capacity Direct and Overlapping Governmental Activities Debt As of June 30, 2017 (Unaudited)

Name of		2016 Assessed		Outstanding General Obligation		Outstanding General Obligation Debt Attributable to the District Percent Amount			
Overlapping Entity		Valuation		Debt		rercent		Amount	
Berthoud Fire Protection District	\$	249,754,372	\$	300,000		25.35%	\$	76,050	
City of Boulder		3,146,951,609		29,580,000		1.06%		313,548	
Carbon Valley Park & Recreation District		565,627,850		4,030,000		67.36%		2,714,608	
Central Colorado Water Conservancy		2,340,186,120		27,675,000		0.03%		8,303	
Central Colorado Water Conservancy-									
Groundwater Mgnt Subdistrict		1,484,686,260		14,609,479		0.05%		7,305	
Colliers Hill Metro District No. 1		8,224,630		607,642		100.00%		607,642	
City of Dacono		53,433,210		1,734,394		41.12%		713,183	
Town of Erie		292,150,639		17,465,000		79.32%		13,853,238	
Erie Commons Metro District No. 1		10		7,325,000		100.00%		7,325,000	
Erie Highlands Metro District No. 1		2,481,250		9,156,000		100.00%		9,156,000	
Fort Lupton Fire Protection District		883,515,120		2,725,000		0.00%		-	
Frederick-Firestone Fire Protection Dist.		445,236,240		1,710,000		94.04%		1,608,084	
Godding Hollow Metropolitan District		501,040		403,361		100.00%		403,361	
Harvest Junction Metropolitan District		26,547,098		8,100,000		100.00%		8,100,000	
Left Hand Water & Sanitation District		6,174,131		52,620		100.00%		52,620	
Liberty Ranch Metropolitan District		13,108,980		4,530,000		100.00%		4,530,000	
Lyons Fire Protection District		61,773,835		535,000		98.74%		528,259	
Mead Western Meadows Metro District		4,241,730		3,055,000		100.00%		3,055,000	
North Metro Fire Rescue Authority		1,235,654,169		37,890,000		0.26%		98,514	
Northern Colorado Water Cons. District		17,495,781,188		3,929,311		15.71%		617,295	
Palisade Metropolitan District No. 2		256,277		6,746,611		100.00%		6,746,611	
Stoneridge Metropolitan District		8,825,590		3,865,000		99.48%		3,844,902	
Sweetgrass Metropolitan District No. 2		5,772,170		2,750,000		0.04%		1,100	
Vista Ridge Metropolitan District		62,339,990		37,200,000		100.00%		37,200,000	
Wildflower Metropolitan District No. 1		1,040,650		62,100		100.00%		62,100	
Wyndham Hill Metropolitan District No. 2		18,170,390		3,245,000		100.00%		3,245,000	
Total overlapping debt								104,867,723	
Direct debt of the District								555,805,084	
Total direct and overlapping debt							\$	660,672,807	

This chart includes a summary of the estimated overlapping general obligation debt, as of December 31, 2016, 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)

		2008		2009		2010		2011	
Debt Limit	\$	442,367,652	\$	454,114,207	\$	480,457,607		\$	472,060,055
Total net debt applicable to limit		299,035,000		391,990,000		465,295,000			451,865,000
Legal debt margin	\$	143,332,652	\$	62,124,207	\$	15,162,607		\$	20,195,055
Total net debt applicable to the li as a percentage of debt limit	mit	67.6%		86.3%		96.8%			95.7%

Fiscal Year 2016 Calculation

Under the Colorado Public School Finance Act of 1994, per Colorado Revised Statute 22-42-104, 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	\$	2,986,721,795 (1)	\$	22,561,108,850		
Debt Limit Percentage **	20.00% (2)			6.00%		
Legal debt limit	597,344,359			1,353,666,531		
Amount of debt applicable to debt limit: Total bonded debt as of June 30, 2016		555,565,000		555,565,000		
Legal debt margin	\$	41,779,359	\$	798,101,531		

^{**} Per section 1.3, in years of high growth as defined in the statute, the debt limit can be raised to 25%

Note 1: The assessed valuation shown here includes \$55,361,693 of assessed valuation attributable to tax increment financing districts (including, but not limited to, Longmont Downtown Development Authority, Broomfield URA, Erie URA, Firestone URA and Mead URA) 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% (or 25% as applicable) 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

2012	2013	2014	2015	2016	2017
\$ 471,961,545	\$ 492,142,370	\$ 484,070,694	\$ 477,792,210	\$ 727,084,991	\$ 597,344,359
438,795,000	424,925,000	411,565,000	391,800,000	375,995,000	555,565,000
\$ 33,166,545	\$ 67,217,370	\$ 72,505,694	\$ 85,992,210	\$ 351,089,991	\$ 41,779,359
93.0%	86.3%	85.0%	82.0%	51.7%	93.0%

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

2008	2009	2010	2011
148,920	150,949	153,967	157,047

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

	2008	2009	2010	2011
Boulder	\$ 15,039,895	\$ 14,584,246	\$ 14,786,545	\$ 15,535,659
Broomfield	2,023,405	2,079,193	2,115,979	2,345,227
Larimer	11,378,132	11,291,870	11,585,090	12,149,896
Weld	7,067,989	6,925,906	7,326,422	7,755,562
Average	\$ 8,877,355	\$ 8,720,304	\$ 8,953,509	\$ 9,446,586

Source:

United States Department of Commerce, Bureau of Economic Analysis Data subject to revision; not available for 2015 and beyond.

Annual Per Capita Personal Income by County

	 2008	 2009	 2010	2011	
Boulder	\$ 50,058	\$ 48,056	\$ 50,095	\$	51,893
Broomfield	36,915	37,135	37,709		40,892
Larimer	38,848	37,844	38,546		39,767
Weld	 28,402	 27,186	 28,817		29,986
Average	\$ 38,556	\$ 37,555	\$ 38,792	\$	40,635

Source:

United States Department of Commerce, Bureau of Economic Analysis Data subject to revision; not available for 2015 and beyond.

Note: Prior years' income has been modified by the Bureau based on updated information and can substantially change from one year to the next. However, data above is shown as it was reported in previous CAFRs.

2012	2013	2014	2015	2016	2017
159,000	162,579	163,400	164.205	167.182	169,500

2012	2013	2014	2015
\$ 16,417,561	\$ 17,043,764	\$ 18,369,741	\$ 19,232,516
2,701,856	2,906,192	4,786,503	4,756,725
12,826,581	13,545,018	14,126,667	15,116,879
8,347,637	9,008,919	10,735,917	12,201,617
\$ 10,073,409	\$ 10,625,973	\$ 12,004,707	\$ 12,826,934

2012	 2013	 2014	 2015
\$ 53,772	\$ 54,968	\$ 58,627	\$ 60,220
46,346	48,867	77,030	73,107
41,311	42,866	43,584	45,318
31,657	 33,393	38,664	42,787
\$ 43,272	\$ 45,024	\$ 54,476	\$ 55,358

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

Median Age by County

	2008	2009	2010	2011	2012
Boulder	36.1	36.3	37.0	37.3	36.5
Broomfield	34.9	35.5	35.8	36.1	36.9
Larimer	35.2	35.5	36.3	36.7	35.8
Weld	31.7	31.8	32.4	32.6	33.6

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

Annual Unemployment Rate by County (1)

		2008	2009	2010	2011	2012
Boulder	(2)	4.8%	6.6%	7.1%	6.6%	6.1%
Broomfield	(3)	5.4%	7.5%	7.9%	7.7%	7.1%
Larimer	(4)	4.7%	6.6%	7.4%	6.9%	6.4%
Weld	(5)	5.6%	8.8%	10.2%	9.7%	8.7%

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

2013	2014	2015	2016	2017
36.6	37.2	37.5	37.7	38.0
37.0	37.3	37.5	37.6	37.4
35.9	36.4	36.8	36.8	36.9
33.8	33.9	34.0	33.8	33.9

2013	2014	2015	2016 (6)	2017 (6)
6.1%	4.1%	3.2%	3.4%	2.3%
7.1%	4.3%	3.3%	3.6%	2.4%
6.2%	4.3%	3.3%	3.4%	2.1%
8.3%	4.5%	3.8%	4.2%	2.5%

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St. Vrain Valley School District RE-1J Demographic and Economic Information Major Private and Public Employers (1) Northern Colorado Current Year and Nine Years Ago (Unaudited)

		2008		2017	
		Estimated		Estimated	
		Number of		Number of	
Employer	Product of Service	Employees (2)	Rank	Employees (2)	Rank
St. Vrain Valley School District	Public education			4,727	1
Vestas	Wind turbine manufacturing			2,400	2
Level 3 Communications Inc.	Communication/fiber optic network	2,000	4	2,360	3
Boulder Community Hospital	Healthcare			2,310	4
Medtronic PLC	Medical devices and products			2,150	5
Oracle Corp.	Network computer systems/software	2,593	3	2,000	6
Ball Aerospace & Technologies Corp	o. Aerospace instruments and data systems	2,800	2	1,980	7
Centura Health: Longmont United					
and Avist Adventist Hospitals	Healthcare			1,910	8
IBM Corp.	Computer systems and services	3,000	1	1,900	9
Covidien (parent of Valleylab)	Surgical solution products	1,775	5		
Seagate Technology	Computer hard disc drives	1,600	6	1,600	10
Wal-Mart Stores Inc.	Discount retail chain	1,300	7		
Safeway Inc.	Food and drug retail	1,250	8		
Hunter Douglas Window Fashions	Window louvers	968	9		
Amgen, Inc.	Human Therapeutics	950	10		
		18,236		23,337	

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: 2017 data from Developtment Research Partners & Longmont Economic Developemtn Partnership 2008 data from The Daily Camera, "Top 50 Local Businesses 2008", July 13, 2008

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	2008	2009	2010 (2)
Direct Instr	ruction	Classroom teachers, special education and English as a Second Language teachers, teachers' aides, librarians (3), counselors (3)	1,753	1,514	1,612
Classroom Support		Librarians (3), counselors (3), school principals and assistant principals, support staff including speech services, attendance, and extra-curricular activities	441	381	366
Building Su	upport	Student transportation, utilities, maintenance, custodial services, printing, purchasing, technology services, etc.	356	307	336
Central Sup Administra	• •	Human resources, finance, payroll, budgeting, legal, clerical support, supervision of instruction, public information, superintendent's office, etc.	34	30	32
Total FTE			2,584	2,232	2,346
Note 1:	as of June	pove are from the Employee Management System f 30 and do not take into account staffing fluctuations as at year-end. However, beginning with fiscal year 2	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, 399, 427 and 401 for fiscal years 2014, 2015, 2016 and 2017, respectively.

District's Human Resouces Department Source:

2011	2012	2013	2014	_	2015	_	2016	_	2017	_
1,589	1,535	1,549	1,813	(4)	1,844	(4)	1,892	(4)	1,927	(4)
388	406	382	401	(4)	430	(4)	444	(4)	474	(4)
338	354	374	386	(4)	398	(4)	416	(4)	432	(4)
34	36	37	36		38		38		38	
2,349	2,331	2,342	2,636	- =	2,710	- =	2,790	- =	2,871	• •

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

		Student
	Student	Funded Pupil
	Membership/	Count (FPC)
Fiscal	Enrollment	As of October 1
Year	(1)	(2)
2008	24,582.0	22,836.5
2009	25,751.0	23,901.1
2010	26,724.0	24,905.9
2011	27,379.0	25,493.3
2012	28,109.0	26,120.2
2013	29,382.0	27,207.8
2014	30,195.0	28,011.8
2015	31,076.0	28,740.5
2016	31,777.0	29,373.5
2017	32,171.0	29,821.6

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

Note 2: Student Funded Pupil Count (FPC) represents the eligibility of funding based on students' individual academic schedules. For example, students considered part time are 0.5 FPC, full time are 1.0 FPC, and Kindergarten are 0.58 FPC.

Source:

District's Records Management

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

Fiscal Year	Expenses (1)	Enrollment (2)	Cost per Pupil	Pupil Teacher Ratio (3)		Number of Free and Reduced Students (4)	Percent of Free and Reduced Students in Lunch Program
2008	\$ 198,371,203	24,582.0	\$ 8,070	24.1:1		7,325	29.8%
2009	213,273,301	25,751.0	8,282	24.8:1		7,877	30.6%
2010	262,801,983	26,724.0	9,834	24.0:1	(5)	9,083	34.0%
2011	267,863,940	27,379.0	9,784	24.0:1	(5)	9,358	34.2%
2012	264,927,937	28,109.0	9,425	25.0:1	(5)	9,586	34.1%
2013	265,552,890	29,382.0	9,038	25.4:1	(5)	9,433	32.1%
2014	301,153,988	30,195.0	9,974	25.4:1	(5)	10,879	36.0%
2015	337,962,017	31,076.0	10,875	25.4:1	(5)	8,937	28.8%
2016	355,396,768	31,777.0	11,184	25.4:1	(5)	9,701	30.5%
2017	526,982,016	32,171.0	16,381	25.4:1	(5)	9,651	30.0%

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)

	2008	2009	2010	2011	2012
Elementary schools (2) Total square feet Total program capacity Enrollment Percent capacity	22	25	25	26	26
	1,072,642	1,228,045	1,232,741	1,305,337	1,305,337
	10,411	11,505	11,641	12,291	12,336
	10,810	11,479	11,776	11,996	12,045
	104%	100%	101%	98%	98%
(P)K-8 schools (3) Total square feet Total program capacity Enrollment Percent capacity					
Middle schools Total square feet Total program capacity Enrollment Percent capacity	9	9	9	9	9
	905,153	905,153	908,105	908,105	908,105
	6,331	6,331	6,331	6,392	5,740
	4,992	4,901	5,065	5,081	5,122
	79%	77%	80%	79%	89%
High schools Total square feet Total program capacity Enrollment Percent capacity	7	7	8	8	9
	1,083,994	1,083,994	1,246,227	1,301,849	1,492,200
	6,995	6,995	7,721	8,413	8,738
	7,019	7,034	7,175	7,288	7,463
	100%	101%	93%	87%	85%
Alternative schools (1) Total square feet Enrollment	2	2	2	2	2
	97,032	97,032	152,516	152,516	152,516
	276	365	306	281	328
Charter schools Enrollment	3	4	5	5	6
	1,485	1,972	2,402	2,733	3,151
Other District Facilities Total square feet	144,106	144,106	169,672	169,672	185,720

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.

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

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.

2013	2014	2015	2017			
26	23	23	23	23		
1,305,337	1,227,732	1,240,032	1,238,072	1,238,072		
12,065	11,068	11,068	11,068	11,277		
12,256	11,335	11,507	11,693	11,662		
102%	102%	104%	106%	103%		
	2	2	2	2		
	284,649	284,649	284,649	284,649		
	2,150	2,150	2,150	2,150		
	1,760	1,810	1,844	1,829		
	82%	84%	86%	85%		
9	8	8	8	8		
922,105	828,025	828,025	831,766	830,846		
6,200	5,558	5,640	5,640	5,640		
5,365	5,075	5,241	5,453	5,514		
87%	91%	93%	97%	98%		
8	8	8	8	8		
1,372,591	1,379,891	1,379,891	1,381,331	1,382,771		
8,834	8,834	8,890	8,890	8,890		
7,719	7,929	8,169	8,381	8,790		
87%	90%	92%	94%	99%		
2	1	3	3	3		
152,516	81,600	81,600	81,600	81,600		
667	678	864	1,009	1,011		
6	6	6	6	6		
3,375	3,418	3,485	3,397	3,365		
305,329	271,318	272,482	272,482	271,042		

St. Vrain Valley School District RE-1J Operating Information Capital Assets by Type

Last Ten Fiscal Years (Unaudited)

	2008		2009		2010		2011			
General Capital Assets Group / Governmental Activities										
Land/Sites Projects in progress Water rights	\$ 19,792, 58,980, 4,122,	539 \$ 808	19,792,539 1,811,297 4,340,807	\$	19,792,539 25,144,438 4,943,227	\$	20,073,379 70,274,929 1,095,578			
Capital assets not depreciated	82,895,	754	25,944,643		49,880,204		91,443,886			
Land Improvements Buildings Building Improvements Equipment Capital assets depreciated	19,261, 178,624, 99,725, 26,120,	762 058 496	20,163,514 245,874,910 99,876,713 27,199,661 393,114,798		20,178,134 246,727,350 100,398,102 29,210,118 396,513,704		23,402,497 249,187,029 112,542,642 30,357,183 415,489,351			
Less: accumulated depreciation										
Land Improvements Buildings Building Improvements Equipment	7,477, 42,877, 29,472, 16,644,	045 391	8,409,521 46,979,138 32,574,831 18,731,165		9,298,853 51,412,991 35,740,474 20,548,985		10,271,324 56,207,902 39,379,006 22,192,475			
Total accumulated depreciation	96,470,	780	106,694,655		117,001,303		128,050,707			
Capital assets depreciated, net	227,260,	559	286,420,143		279,512,401		287,438,644			
Total capital assets, General Capital Assets Group / Governmental Activities	\$ 310,156,	<u>313</u> \$	312,364,786	\$	329,392,605	_\$_	378,882,530			
Enterprise Fund / Business-type Activities										
Equipment Less: accumulated depreciation	\$ 2,324, 1,397,		2,634,246 1,558,615	\$	2,756,630 1,714,277	\$	2,823,299 1,914,487			
Total	\$ 926,	902 \$	1,075,631	\$	1,042,353	\$	908,812			

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

	2012 2013		2014		2015 (1)		2016		2017		
\$	20,073,379 23,008,224 1,095,578	\$	20,073,379 46,882,404 1,095,578	\$	20,053,379 6,542,968 1,083,578	\$	20,053,379 12,080,092 1,083,578	\$	20,846,495 554,037 1,083,578	\$	20,846,495 24,831,369 1,083,578
	44,177,181		68,051,361		27,679,925		33,217,049		22,484,110		46,761,442
_	23,402,497 300,679,143 130,861,657 24,868,107 479,811,404	_	24,051,471 301,587,741 135,461,032 25,752,447 486,852,691	_	24,106,959 301,936,554 183,639,236 27,311,492 536,994,241	_	24,106,959 302,473,799 185,061,854 32,364,256 544,006,868	_	24,106,959 303,749,153 198,300,747 34,863,265 561,020,124	_	24,217,045 304,012,383 198,300,747 40,602,430 567,132,605
	11,308,292 61,282,240 43,833,351 18,069,528		12,366,859 66,768,318 48,617,140 17,801,645 145,553,962		13,412,046 71,843,136 54,690,125 19,292,822 159,238,129		14,460,119 77,325,154 61,727,094 22,781,556 176,293,923		15,501,629 83,118,454 68,838,373 24,558,788 192,017,244		16,544,368 88,610,850 76,468,106 26,272,425 207,895,749
	345,317,993		341,298,729		377,756,112		367,712,945		369,002,880		359,236,856
\$	389,495,174	_\$_	409,350,090	_\$_	405,436,037	_\$_	400,929,994	_\$_	391,486,990	\$	405,998,298
\$	3,291,862 2,089,989	\$	3,377,603 2,239,803	\$	3,402,259 2,355,922	\$	- -	\$	- -	\$	- -
\$	1,201,873	\$	1,137,800	\$	1,046,337	\$	-	\$		\$	



COMPLIANCE SECTION

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RubinBrown LLP Certified Public Accountants & Business Consultants

1900 16th Street Suite 300 Denver, CO 80202

T 303.698.1883 F 303.777.4458

W rubinbrown.com
E info@rubinbrown.com

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, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 1, 2017. Our report includes a reference to other auditors, who audited the financial statements of Aspen Ridge Preparatory School, Carbon Valley Academy, 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 Aspen Ridge Preparatory School, Carbon Valley Academy, Flagstaff Academy, Imagine Charter School at Firestone, St. Vrain Community Montessori School and Twin Peaks Charter Academy 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, Carbon Valley Academy, Flagstaff Academy, Imagine Charter School at Firestone, St. Vrain Community Montessori School and Twin Peaks Charter Academy 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

Rulin Brown LLP

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.

November 1, 2017



RubinBrown LLP Certified Public Accountants & Business Consultants

1900 16th Street Suite 300 Denver, CO 80202

T 303.698.1883 F 303.777.4458

W rubinbrown.com
E info@rubinbrown.com

Independent Auditors' Report On Compliance For Each Major Federal Program And Report On Internal Control Over Compliance Required by The Uniform Guidance

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 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, 2017. 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 federal statutes, regulations and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the Uniform Guidance). Those standards and the Uniform Guidance 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, 2017.

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 the Uniform Guidance, 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.

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

Our consideration of internal control over compliance was for the limited purpose described in the 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

This report is intended solely for the information and use of those charged with governance, others within the entity, and federal awarding agencies. Accordingly, this report is not intended to be, and should not be, used by anyone other than those specific parties.

November 1, 2017

Rubin Brown LLP

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor Program of Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Cluster Subtotal			Expenditures To Subrecipients	
U.S. Department Of Education		X	-A				
Direct award from the federal government Race to the Top - District Grants	84.416	5416		\$	2,811,794	\$	
Passed through State of Colorado Department of Education Title I Grants to Local Educational Agencies (Title I, Part A of ESEA) Special Education - Grants to States (IDEA, Part B) Special Education - Preschool Grants (IDEA Preschool) Total of Special Education Cluster (IDEA)	84.010 84.027 84.173	4010, 92xx 4027, 5027 4173	\$ 3,954,575 59,384		3,282,646 4,013,959		
Education for Homeless Children and Youth	84.196	5196			30,570		
Charter Schools (Title V, Part B of ESEA)	84.282	5282			73,101		=
Advanced Placement for Disadvantaged Students: Advanced Placement Fees	84.330	5330			1,960		-
English Language Acquisition State Grants (Title III, Part A of ESEA)	84.365	4365			293,611		-
Improving Teacher Quality State Grants (Title II, Part A of ESEA)	84.367	4367			376,115		-
Passed through Colorado Community Colleges & Occupational Education System							
Career and Technical Education - Basic Grants to States (Perkins IV)	84.048	4048		1.0	164,288		=
Total U.S. Department Of Education					11,048,044		<u>ş=×</u>
U.S. Department Of Agriculture Passed through State of Colorado Department of Public Health & Enviroment Child and Adult Care Food Program	10.558	4558			35,287		
Passed through State of Colorado Department of Human Services	10.008	4008			∂0,481		-
National School Lunch Program (non-cash commodities entitlement)	10.555	4555	773,829				
Passed through State of Colorado Department of Education	ADDINGSTON	1000001	W1154A50W				
School Breakfast Program	10.553	4553	1.207.381				
National School Lunch Program	10.555	4555	3,805,557				
Summer Food Service Program for Children Total of Child Nutrition Cluster	10.559	4559	163,576		5,950,343		<u> 26</u>
Total U.S. Department Of Agriculture				\$1. {************************************	5,985,630		<u>~</u>
Total Expenditures Of Federal Awards				\$	17,033,674	\$	

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended June 30, 2017

1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal award programs of the St. Vrain Valley School District RE-1J (the District) for the fiscal year ended June 30, 2017. The accompanying Schedule is presented on the modified accrual basis of accounting for governmental funds as defined in footnote 1 of the District's basic financial statements. The federal financial reports that are submitted to the grantors are prepared on the cash basis and may not agree on this schedule.

2. Noncash

Commodities donated to the District by the U.S. Department of Agriculture (USDA) of \$773,829 are valued based on the USDA's Donated Commodity Price List. These are shown as part of the National School Lunch program (CFDA #10.555).

3. Indirect Costs

The District has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance, section 414.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For The Year Ended June 30, 2017

Section I - Summary Of Auditors' Results						
Financial Statement	\circ s					
the financial stateme prepared in accordant accepted accounting Internal control over	nce with generally principles: financial reporting:		Unmodified			
Material weaknSignificant defice	ess(es) identified? iency(ies) identified?	yes	$\underline{\hspace{0.2cm}}$ no $\underline{\hspace{0.2cm}}$ none reported			
Noncompliance	material to financial					
statements note	d?	yes	no			
Federal Awards						
Type of auditors' rep for major programs: Any audit findings d	ess(es) identified? iency(ies) identified? ort issued on compliance	yes yes	no none reported Unmodified no			
Identification of major	programs:					
CFDA No.	Name Of Federal Prog	gram Or Cli	uster			
84.010 84.027, 84.173 84.367 84.416	Title 1 Grants to Local I Special Education Clust Improving Teacher Qual Race to the Top - Distric	er (IDEA) lity State Gr				
Dollar threshold used to distinguish between Type A and Type B programs: \$750,000						
Auditee qualified as lo	w-risk auditee?	yes	s no			

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED) For The Year Ended June 30, 2017

Section II - Financial Statement Findings

There were no findings related to the District's financial statements for the year ended June 30, 2017.

Section III - Federal Award Findings And Questioned Costs

There are no findings relating to the District's federal awards that are required to be reported.





Colorado Department of Education

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Auditors Integrity Report

District: 0470 - ST VRAIN VALLEY RE 1J Fiscal Year 2016-17 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number		Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
	Governmental		+		=
10	General Fund	90,856,157	252,737,945	236,207,499	107,386,603
18	Risk Mgmt Sub-Fund of General Fund	4,296,018	4,917,062	6,574,450	2,638,630
19	Colorado Preschool Program Fund	578,708	1,556,278	1,558,037	576,949
	Sub- Total	95,730,884	259,211,285	244,339,987	110,602,182
11	Charter School Fund	9,800,637	28,903,628	28,840,125	9,864,140
20,26-2	29 Special Revenue Fund	9,815,695	9,214,427	8,281,904	10,748,219
06	Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
21	Food Service Spec Revenue Fund	2,407,840	9,556,220	9,507,300	2,456,760
22	Govt Designated-Purpose Grants Fund	0	12,281,353	12,281,353	0
23	Pupil Activity Special Revenue Fund	5,590,383	7,909,945	7,329,708	6,170,621
24	Full Day Kindergarten Mill Levy Override	0	0	0	0
25	Transportation Fund	0	0	0	0
31	Bond Redemption Fund	43,375,929	69,121,253	57,301,796	55,195,385
39	Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41	Building Fund	7,444,682	224,854,084	29,177,520	203,121,246
42	Special Building Fund	0	0	0	0
43	Capital Reserve Capital Projects Fund	6,867,231	6,767,811	7,092,579	6,542,464
46	Supplemental Cap Const, Tech, Main Fund	0	0	0	0
То	tals	181,033,282	627,820,006	404,152,270	404,701,017
	Proprietary		-		
50	Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-	69 Other Internal Service Funds	754,476	1,185,946	393,124	1,547,298
То	tals	754,476	1,185,946	393,124	1,547,298
	Fiduciary				
70	Other Trust and Agency Funds	0	0	0	0
72	Private Purpose Trust Fund	219,763	36,101	32,352	223,512
73	Agency Fund	0	0	0	0
74	Pupil Activity Agency Fund	177,575	210,499	187,376	200,698
79	GASB 34:Permanent Fund	0	0	0	0
85	Foundations	0	0	0	0
To	otals	397,338	246,601	219,728	424,210

FINAL

^{*}If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your priorperiod adjustment is added into both your ending and 11/1/17 3:51 PM



MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of District's 2017 Fiscal Year Assurances for Financial

Accreditation

RECOMMENDATION

That the Board of Education approve the Assurances for Financial Accreditation for the year ended June 30, 2017, as presented.

BACKGROUND

This form is required pursuant to C.R.S. 22-11-206(4). The Colorado Department of Education must determine annually if substantial and good-faith compliance was achieved with relevant provisions of state law and generally accepted accounting principles. Substantial compliance is determined through review of the finance data pipeline submission, audited financial statements, and responses from management to inquiries related to those reviews. Good-faith compliance is determined, in part, by the assurances provided on the form as certified by those charged with governance.

The District is required to complete a checklist stating compliance with the referenced statute. The checklist must be reviewed and approved by the Chief Financial Officer, Superintendent, and the Board of Education. The checklist is part of the required annual reporting package to the Colorado Department of Education.

District staff will be available to answer questions.

Overview

This form is required pursuant to <u>C.R.S. 22-11-206(4)</u>. The Colorado Department of Education must determine annually if substantial and good-faith compliance was achieved with relevant provisions of state law and generally accepted accounting principles. Substantial compliance is determined through review of the finance data pipeline submission, audited financial statements, and responses from management to inquiries related to those reviews. Good-faith compliance is determined, in part, by the assurances provided below as certified by those charged with governance.

Additional information for charter school authorizers

The assurances provided with this form are also applicable to all charter schools unless a separate CHARTER FORM AFA2017 is executed by or on behalf of a charter school and provided to CDE. The provision of a CHARTER FORM AFA2017 by an authorizer communicates that the authorizer does not provide the assurances for that charter school within the authorizer's FORM AFA2017. If applicable, CHARTER FORM AFA2017(s) should be submitted with an authorizer's FORM AFA2017.

Completion and submission

- 1. Open header and select entity from drop down.
- 2. Select the appropriate response for each assurance. Note: Select "N/A" when item is not applicable.
- 3. Complete an Attachment A for each "No" response.
- 4. Scan to PDF the completed and signed FORM AFA2017 with, if applicable, an Attachment A for each "No" response.
- 5. Submit with the following items as PDF files via email attachments to: schoolfinance@cde.state.co.us
 - Audited financial statements for year ended June 30, 2017 (including audit reports for charter schools, if applicable)
 - o Grant Revenue Reconciliation Report with responses for all differences in column 9
 - o Finance December Error Detail Report Rollup with confirmation or responses for all warning edits

SECTION 1 - Assurances for Article 44 Budget Policy and Procedures required pursuant to C.R.S. 22-11-206(4)(a)(I)

Ref.	Description	Statute	Assurance	Response
44-1	Ongoing deficit	C.R.S. 22-44-102(7.3)	Each governmental fund reported positive or zero unassigned fund balance	Yes
			and each proprietary fund reported positive or zero unrestricted net position.	





FORM AFA2017 Assurances for Financial Accreditation

Fiscal Year 2016-17 0470: St Vrain Valley Re 1J

44-2	Detail of budget	C.R.S. 22-44-105 (1)(c)	The budget for fiscal year 2016-17 itemizes expenditures by fund and by pupil.	Yes
44-3	TABOR	C.R.S. 22-44-105(1)(c.5)	The three percent emergency reserve required by TABOR has been properly reported.	Yes
44-4	Uniform summary sheet	C.R.S. 22-44-105(1)(d.5)	The budget for fiscal year 2016-17 includes a uniform summary sheet for each fund.	Yes
44-5	Use of beginning fund equity	C.R.S. 22-44-105(1.5)(a)&(c)	For budgets that include the use of beginning fund equity, a resolution was adopted by the board specifically authorizing this use.	Yes
44-6	Budgetary reserves	C.R.S. 22-44-106(2)	Non-appropriated operating reserves plus any non-appropriated beginning fund balance was less than 15% of total general fund budgeted expenditures.	No
44-7	Appropriation resolution	C.R.S. 22-44-107	The board adopted an appropriation resolution for the amounts of the adopted budget.	Yes
44-8	Preparation of budget	C.R.S. 22-44-108(1)(c)	A proposed budget for fiscal year 2016-17 was submitted to the board by May 31, 2016.	Yes
44-9	Notice of proposed budget	C.R.S. 22-44-109	Notice was made in accordance with law that the proposed budget is available for public inspection.	Yes
44-10	Adoption of budget	C.R.S. 22-44-110(4)	The budget for fiscal year 2016-17 was adopted by the board by June 30, 2016.	Yes
44-11	Supplemental budget	<u>C.R.S. 22-44-110(5)</u>	Modifications to the budget after January 31, 2017 were made through adoption of a supplemental budget by the board.	Yes
44-12	Interfund borrowing	C.R.S. 22-44-113(1)	Interfund borrowings were repaid within 3 months of the fiscal year end.	No
44-13	Spending in excess of appropriations	C.R.S. 22-44-115(1)	Spending did not exceed amounts appropriated for each fund.	No
44-14	Use of handbook and chart of accounts	C.R.S. 22-44-204(3)	The financial policies and procedures handbook and chart of accounts were used for budget development, maintaining financial records, and periodic presentation of financial information to the board.	Yes





FORM AFA2017 Assurances for Financial Accreditation

Fiscal Year 2016-17 0470: St Vrain Valley Re 1J

44-15	Financial transparency	C.R.S. 22-44-304	Information required by the Public School Financial Transparency Act was	Yes
			made available on-line in a downloadable format. Note: Check the	
			organization's website to ensure all required documents are posted and	
			current.	

SECTION 2 - Assurances for Article 45 Accounting and Reporting required pursuant to C.R.S. 22-11-206(4)(a)(II)

Ref.	Description	Statute	Assurance	Response
45-1	Enterprise fund accounting	C.R.S. 22-45-102(1)(a)	The full accrual basis of accounting was used for budgeting and accounting for enterprise funds.	N/A
45-2	Generally Accepted Accounting Principles	<u>C.R.S. 22-45-102(1)(a)</u>	Financial records are kept in accordance with generally accepted principles of governmental accounting.	Yes
45-3	Board review of financial condition	C.R.S. 22-45-102(1)(a) & (b)	The board required the preparation of financial reports that included at a minimum the information required by state law. The board used these reports to review the financial condition of the entity at least quarterly during the fiscal year.	Yes
45-4	Financial records	C.R.S. 22-45-102(2)	All financial records are maintained at the principal administrative offices and general ledger accounts are posted and reconciled at least monthly.	Yes
45-5	Bond redemption fund	C.R.S. 22-45-103(1)(b)	A third party custodian was designated to administer the bond redemption fund.	Yes

SECTION 3 – Assurance required pursuant to C.R.S. 22-11-206(4)(b)

R	ef.	Description	Statute	Assurance	Response
3	0.5-1	Itemized accounting to charter schools	C.R.S. 22-30.5-112(2)(a.4)	An itemized accounting of all costs charged to charter schools was provided to those schools by September 30, 2017.	Yes

SECTION 4 - Optional disclosures

Accounting general ledger software information:

Company/vendor name: Infinite Visions / Tyler Technologies

Company/vendor contact: Name: Kimberly Balentine, Account Executive



Email: kim.balentine@tylertech.com





FORM AFA2017

Assurances for Financial Accreditation

Fiscal Year 2016-17 0470: St Vrain Valley Re 1J

SECTION 5 - Certification of assurances

I certify, to the best of my knowledge and belief, that the assurances provided in Sections 1 through 3 are true and correct. I further certify that all information provided with Attachment A(s), if applicable, is true and correct.

Chief Financial Officer/Business Manager (signature)	(printed name)
Don H. Juth	Gregory A. Fieth
Date: 11/8/2017	
Superintendent/Executive Director (signature)	(printed name)
5 1/	
Attadded	Don Haddad, Ed.D.
D. J. 44/0/2047	
Date: 11/8/2017	
I certify that the board has reviewed the assurances and appr	ove the related responses
reertify that the board has reviewed the assurances and appr	ove the related responses.
President of the Board (signature)	(printed name)
,	,
	Robert J. Smith
Date: 11/8/2017	





Select entity: 0470: St Vrain Valley Re 1J					
Charter school name, if applicable:					
Select related assurance: 44-6, Budgetary reserves					
Explanation for non-compliance:					
Per the District's FY17 amended budget (page 52),					
Total expenditures plus reserves = \$260 million					
x 15%					
= \$39 million					
yet budgeted ending fund balance (= available beginning fund balance plus revenues less					
total expenditures & reserves less non-appropriated reserves) is \$80 million					
Plan to address non-compliance:					
The District administration believes that it is in compliance with C.R.S. 22-44-106(2) but is not in compliance with the language on the accreditation form under 44-6, budgetary reserves. Based on a discussion held March 3, 2017 at the FPP meeting, it was determined that the CDE-18 and Assurances for Financial Accreditation will be updated and available for districts for fiscal year 2017-2018. It is our understanding that the District is in compliance with one of the three options allowed in the subsequent year.					
Actual or expected date of compliance MM/DD/YY: Enter Date					
Additional Comments:					





Select entity: 0470: St Vrain Valle <u>y Re 1J</u>
Charter school name, if applicable:
Select related assurance: 44-12, Interfund borrowing
Explanation for non-compliance:
The Grants Fund had a \$3.1 million amount payable to the General Fund at June 30,
2017. However, the Grants Fund received only \$1.2 million within 3 months of fiscal year
end due to pending approvals of year-end reports, final requests for funds, and
subsequent allocations.
Plan to address non-compliance:
Most federal grants are on a reimbursement basis. The District works closely with CDE to
timely submit year-end reports and final requests for funds; however, reimbursements
are subject to CDE's approval of these reports and requests.
Actual or expected date of compliance MM/DD/YY: Enter Date
Additional Comments:





Select entity: 0470: St Vrain Valley Re 1J
Charter school name, if applicable:
Select related assurance: 44-13, Spending in excess of appropriations
Explanation for non-compliance:
The Risk Management's expenditures of \$6.6 million exceeded budgeted appropriations
of \$3.6 million due to an unforeseen legal matter.
Plan to address non-compliance:
An additional allocation from the General Fund to the Risk Management Fund was
approved by the District Board of Education to offset this additional cost.
Actual or expected date of compliance MM/DD/YY: Enter Date
Additional Comments:





MEMORANDUM

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Adoption of Resolution to Change Custodial/Paying Agent

RECOMMENDATION

That the Board of Education adopt the attached Resolution, Registrar and Paying Agent Agreement, and Custodial Agreement authorizing the replacement of Wells Fargo as Registrar and Paying Agent for the District's bonds, and Custodian of its Bond Redemption Fund, with UMB Bank, effective January 1, 2018.

BACKGROUND

Wells Fargo Bank has been the District's Registrar, Paying Agent, and Custodian of the bonds and bond redemption funds since 2005. The District Financial Services Department periodically reviews the services it receives from outside financial institutions, and issued an RFP through its bond counsel (Butler Snow) for these services in August of 2017. After an in-depth review of candidates who responded to this RFP, the district determined that its needs with regard to these services would best be served by UMB Bank.

The three resolutions attached to this item are as follows:

<u>Resolution:</u> This authorizes the removal and replacement of Wells Fargo as Registrar, Paying Agent, and Custodian of the District's bonds and bond redemption funds with UMB Bank.

Registrar and Paying Agent Agreement: This is the new agreement between the District and UMB Bank authorizing their services as Registrar and Paying Agent for the District's general obligation bonds.

<u>Custodial Agreement:</u> This is the new agreement between the District and UMB Bank authorizing their services as Custodian of the District's bond redemption funds.

UMB Bank meets the requirements for Registrar and Paying Agent and Custodian as required by the prior Bond Resolutions and the Custodial Agreement, as well as statutory requirements of such.

RESOLUTION

BE IT RESOLVED BY THE BOARD OF EDUCATION OF ST. VRAIN VALLEY SCHOOL DISTRICT NO. RE-1J, IN THE COUNTIES OF BOULDER, LARIMER AND WELD AND THE CITY AND COUNTY OF BROOMFIELD, STATE OF COLORADO:

Section 1. Recitals.

- A. The District is a public corporation duly organized and existing under the Constitution and laws of the State.
- B. St. Vrain Valley School District No. RE-1J, in the Counties of Boulder, Larimer and Weld and the City and County of Broomfield, State of Colorado (the "District") has previously authorized and issued its General Obligation Refunding Bonds, Series 2006, in the original aggregate principal amount of \$43,455,000 (the "2006 Bonds") pursuant to a resolution of the Board of Education of the District (the "Board") duly adopted on February 22, 2006, as amended by a resolution adopted on March 15, 2006 (the "2006 Resolution").
- C. The District has previously authorized and issued its General Obligation Bonds, Series 2009, in the original aggregate principal amount of \$104,000,000 (the "2009 Bonds") pursuant to a resolution of the Board duly adopted on January 28, 2009 (the "2009 Resolution").
- D. The District has previously authorized and issued its Tax-Exempt General Obligation Bonds, Series 2010A, in the original aggregate principal amount of \$8,590,000 (the "2010A Bonds") pursuant to a resolution of the Board duly adopted on March 24, 2010 (the "2010 Resolution").
- E. The District has previously authorized and issued its Taxable General Obligation Bonds (Direct Pay Build America Bonds), Series 2010B, in the original aggregate principal amount of \$76,410,000 (the "2010B Bonds") pursuant to the 2010 Resolution.
- F. The District has previously authorized and issued its General Obligation Refunding Bonds, Series 2011, in the original aggregate principal amount of \$34,355,000 (the "2011 Bonds") pursuant to a resolution of the Board duly adopted on November 10, 2010, as amended by a resolution adopted on May 11, 2011 (the "2011 Resolution").
- G. The District has previously authorized and issued its General Obligation Refunding Bonds, Series 2011B, in the original aggregate principal amount of \$31,150,000 (the "2011B Bonds") pursuant to the 2011 Resolution.

- H. The District has previously authorized and issued its General Obligation Refunding Bonds, Series 2012, in the original aggregate principal amount of \$34,695,000 (the "2012 Bonds") pursuant to a resolution of the Board duly adopted on January 11, 2012 (the "2012 Resolution").
- I. The District has previously authorized and issued its General Obligation Refunding Bonds, Series 2014A, in the original aggregate principal amount of \$50,355,000 (the "2014 Bonds") pursuant to a resolution of the Board duly adopted on September 24, 2014 (the "2014 Resolution").
- J. The District has previously authorized and issued its General Obligation Refunding Bonds, Series 2016A, in the original aggregate principal amount of \$115,155,000 (the "2016A Bonds") pursuant to a resolution of the Board duly adopted on February 10, 2016 (the "2016A Resolution").
- K. The District has previously authorized and issued its General Obligation Refunding Bonds, Series 2016B, in the original aggregate principal amount of \$14,390,000 (the "2016B Bonds") pursuant to a resolution of the Board duly adopted on September 14, 2016 (the "2016B Resolution").
- L. The District has previously authorized and issued its General Obligation Bonds, Series 2016C, in the original aggregate principal amount of \$200,000,000 (the "2016C Bonds" and, together with the 2006 Bonds, the 2009 Bonds, the 2010A Bonds, the 2010B Bonds, the 2011 Bonds, the 2011B Bonds, the 2012 Bonds, the 2016A Bonds, and the 2016B Bonds, the "Prior Bonds" pursuant to a resolution of the Board duly adopted on November 16, 2016 (the "2016C Resolution" and, together with the 2006 Resolution, the 2009 Resolution, the 2010 Resolution, the 2011 Resolution, the 2012 Resolution, the 2014 Resolution, the 2016A Resolution, and the 2016B Resolution, the "Prior Resolutions").
- M. Pursuant to the Prior Resolutions, the District entered into certain Registrar and Paying Agent Agreements dated as of April 4, 2006, with respect to the 2006 Bonds, February 19, 2009, with respect to the 2009 Bonds, May 20, 2010, with respect to the 2010A Bonds and the 2010B Bonds, May 12, 2011, with respect to the 2011 Bonds, June 16, 2011, with respect to the 2011B Bonds, February 15, 2012, with respect to the 2012 Bonds, October 16, 2014, with respect to the 2014 Bonds, March 15, 2016, with respect to the 2016A

Bonds, October 6, 2016, with respect to the 2016B Bonds, and December 9, 2016, with respect to the 2016C Bonds (collectively, the "Prior Paying Agent Agreements").

- N. The Prior Paying Agent Agreements are between the District and Wells Fargo Bank, National Association ("Wells Fargo"), acting as registrar and paying agent (the "Registrar and Paying Agent") pursuant to the Prior Resolutions and the Prior Paying Agent Agreements.
- O. Pursuant to the terms of the Prior Resolutions and the Prior Paying Agent Agreements, the Registrar or Paying Agent may be removed by the District upon 30 day's prior written notice to the Registrar and/or Paying Agent.
- P. No resignation or removal of the Registrar or Paying Agent shall take effect until a successor has been appointed. Any successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareowners' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$10,000,000 or shall be an officer of the District.
- Q. The Board has determined that it is in the best interest of the District to remove Wells Fargo, as Registrar and Paying Agent and to replace Wells Fargo with UMB Bank, n.a.
- R. UMB Bank, n.a. meets the qualifications and requirements to act as Registrar and Paying Agent under the terms of the Prior Resolutions.
- S. Section 22-45-103(1)(b), C.R.S. requires that any school district with outstanding bonded indebtedness shall select at least one commercial bank or depository trust company to act as third party custodian to administer the school district's bond redemption fund, which custodian shall be responsible for making payments of principal and interest on a school district's outstanding bonded indebtedness as provided by law.
- T. The District has previously selected Wells Fargo to act as Custodian (the "Custodian") of the District's bond redemption fund as provided in the Custodial Agreement (the "Custodial Agreement") between the District and Wells Fargo dated as of April 20, 2005.
- U. Pursuant to the Custodial Agreement, the District may reasonably determine that the Custodian has been incapable of fulfilling its duties and may remove the Custodian upon 30 days' prior written notice to the Custodian.

- V. No removal of the Custodian shall be effective until a successor has been appointed and any successor Custodian shall be a bank or trust company located in and in good standing in the United States and having a shareowners' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$10,000,000.
- W. The Board has determined that it is in the best interest of the District to remove Wells Fargo, as Custodian and to replace Wells Fargo with UMB Bank, n.a.
- X. UMB Bank, n.a. meets the qualifications and requirements to act as Custodian under the terms of the Custodial Agreement.
- Y. There is on file in the District office the proposed forms of (i) Registrar and Paying Agent between the District and UMB Bank, n.a., as replacement Registrar and Paying Agent and (ii) Custodial Agreement between the District and UMB Bank, n.a., as replacement Custodian.
- **Section 2.** Ratification. All action not inconsistent with the provisions of this Resolution heretofore taken by the Board and the officers of the District directed toward effecting the removal of Wells Fargo as Registrar and Paying Agent and Custodian, and effecting the replacement of Wells Fargo with UMB Bank, n.a. for such purposes be, and the same is hereby ratified, approved and confirmed.
- Section 3. <u>Determination.</u> The Board hereby determines to remove Wells Fargo as Registrar and Paying Agent for the Prior Bonds, and Custodian of its bond redemption fund, and replace Wells Fargo with UMB Bank, n.a. UMB Bank, n.a. meets the requirements for Registrar and Paying Agent and Custodian as required by the Prior Bond Resolutions and the Custodial Agreement.
- Section 4. <u>Direction to Take Authorizing Action</u>. The President, Secretary and any other officers of the District be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including the execution of a Registrar and Paying Agent Agreement and Custodial Agreement with UMB Bank, n.a.
- Section 5. <u>Approvals, Authorizations, and Amendments</u>. The forms of the Registrar and Paying Agent Agreement and Custodial Agreement with UMB Bank, n.a., are hereby approved. The District shall enter into and perform its obligations under the Registrar and Paying Agent Agreement and the Custodial Agreement in the forms of each of such

documents as on file with the District, with only such changes therein as are not inconsistent herewith. The President is hereby authorized and directed to execute the Registrar and Paying Agent Agreement and the Custodial Agreement. The Secretary is hereby authorized to attest and to affix the seal of the District to the Registrar and Paying Agent Agreement and the Custodial Agreement, and the President and Secretary are further authorized to execute, attest, seal and authenticate such other documents, instruments or certificates as are deemed necessary or desirable in order to effect the purposes of this Resolution. Such documents are to be executed in substantially the forms hereinabove approved, provided that such documents may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Resolution.

The approval hereby given to the various documents referred to above includes an approval of such additional details therein as may be necessary and appropriate for their completion, deletions therefrom and additions thereto as may be approved by bond counsel prior to the execution of the documents. The execution of any instrument by the appropriate officers of the District herein authorized shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms hereof.

Section 6. Severability. If any section, subsection, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Repealer. All acts, orders, and resolutions and parts thereof, in conflict with this Resolution, be, and the same hereby are, rescinded and repealed.

Section 8. <u>Effective Date</u>. This Resolution shall be effective immediately upon adoption. The effective date of the replacement of Wells Fargo as Registrar and Paying Agent and Custodian and the execution and delivery of the Registrar and Paying Agent Agreement and Custodial Agreement with UMB Bank is January 1, 2018.

PASSED, ADOPTED, AND APPROVED this November 8, 2017.

	President, Board of Education
(SEAL)	
Attest:	
Secretary, Board of Education	

STATE OF COLORADO)
COUNTIES OF BOULDER, LARIMER)
AND WELD AND THE CITY AND COUNTY OF BROOMFIELD)SS)
ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J)

- I, Debbie Lammers, the duly qualified and acting Secretary of St. Vrain Valley School District RE-1J (the "District"), in the Counties of Boulder, Larimer and Weld and the City and County of Broomfield and State of Colorado, do hereby certify:
- 1. The foregoing pages are a true and correct copy of a resolution (the "Resolution") introduced at a regular meeting of the Board of Education of the District (the "Board") on November 8, 2017.
- 2. The Resolution was duly moved and seconded and the Resolution was adopted at the regular meeting of November 8, 2017, by an affirmative vote of a majority of the members of the Board as follows:

Name	"Yes"	"No"	Absent	Abstain
Robert J. Smith, President				
Joie Siegrist, Vice President				
Paula Peairs, Treasurer				
Debbie Lammers, Secretary				
Amory Siscoe, Assistant Secretary				
John Ahrens, Member				
Dr. Richard Martyr, Member				

- 3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.
- 4. The Resolution was approved and authenticated by the signature of the President of the Board, sealed with the District seal, attested by the Secretary and recorded in the minutes of the Board.
- 5. Attached hereto as Exhibit A is a copy of the notice of the regular meeting on November 8, 2017, which notice was posted in one place within the District at least 24 hours

before such meeting and which notice included agenda information, if available, as provided by law.

6. There are no bylaws, rules or regulations of the Board which prevent the immediate adoption of the Resolution set forth in the foregoing proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said District, this November 8, 2017.

Debbie Lammers, Secretary of the Board of Education

(SEAL)

EXHIBIT A

(Attach Notice of Meeting)

REGISTRAR AND PAYING AGENT AGREEMENT

THIS AGREEMENT, dated as of January 1, 2018, is by and between ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J, IN THE COUNTIES OF BOULDER, LARIMER AND WELD, AND THE CITY AND COUNTY OF BROOMFIELD, STATE OF COLORADO (the "District"), and UMB BANK, N.A., in Denver, Colorado (the "Bank").

WITNESSETH:

St. Vrain Valley School District No. RE-1J, in the Counties of Boulder, Larimer and Weld and the City and County of Broomfield, State of Colorado (the "District") has previously authorized and issued its General Obligation Refunding Bonds, Series 2006, in the original aggregate principal amount of \$43,455,000 (the "2006 Bonds") pursuant to a resolution of the Board of Education of the District (the "Board") duly adopted on February 22, 2006, as amended by a resolution adopted on March 15, 2006 (the "2006 Resolution");

WHEREAS, the District has previously authorized and issued its General Obligation Bonds, Series 2009, in the original aggregate principal amount of \$104,000,000 (the "2009 Bonds") pursuant to a resolution of the Board duly adopted on January 28, 2009 (the "2009 Resolution");

WHEREAS, the District has previously authorized and issued its Tax-Exempt General Obligation Bonds, Series 2010A, in the original aggregate principal amount of \$8,590,000 (the "2010A Bonds") pursuant to a resolution of the Board duly adopted on March 24, 2010 (the "2010 Resolution");

WHEREAS, the District has previously authorized and issued its Taxable General Obligation Bonds (Direct Pay Build America Bonds), Series 2010B, in the original aggregate principal amount of \$76,410,000 (the "2010B Bonds") pursuant to the 2010 Resolution;

WHEREAS, the District has previously authorized and issued its General Obligation Refunding Bonds, Series 2011, in the original aggregate principal amount of \$34,355,000 (the "2011 Bonds") pursuant to a resolution of the Board duly adopted on November 10, 2010, as amended by a resolution adopted on May 11, 2011 (the "2011 Resolution");

WHEREAS, the District has previously authorized and issued its General Obligation Refunding Bonds, Series 2011B, in the original aggregate principal amount of \$31,150,000 (the "2011B Bonds") pursuant to the 2011 Resolution;

WHEREAS, the District has previously authorized and issued its General Obligation Refunding Bonds, Series 2012, in the original aggregate principal amount of \$34,695,000 (the "2012 Bonds") pursuant to a resolution of the Board duly adopted on January 11, 2012 (the "2012 Resolution");

WHEREAS, the District has previously authorized and issued its General Obligation Refunding Bonds, Series 2014A, in the original aggregate principal amount of \$50,355,000 (the "2014 Bonds") pursuant to a resolution of the Board duly adopted on September 24, 2014 (the "2014 Resolution");

WHEREAS, the District has previously authorized and issued its General Obligation Refunding Bonds, Series 2016A, in the original aggregate principal amount of \$115,155,000 (the "2016A Bonds") pursuant to a resolution of the Board duly adopted on February 10, 2016 (the "2016A Resolution");

WHEREAS, the District has previously authorized and issued its General Obligation Refunding Bonds, Series 2016B, in the original aggregate principal amount of \$14,390,000 (the "2016B Bonds") pursuant to a resolution of the Board duly adopted on September 14, 2016 (the "2016B Resolution");

WHEREAS, the District has previously authorized and issued its General Obligation Bonds, Series 2016C, in the original aggregate principal amount of \$200,000,000 (the "2016C Bonds" and, together with the 2006 Bonds, the 2009 Bonds, the 2010A Bonds, the 2010B Bonds, the 2011 Bonds, the 2011B Bonds, the 2012 Bonds, the 2016A Bonds, and the 2016B Bonds, the "Prior Bonds" pursuant to a resolution of the Board duly adopted on November 16, 2016 (the "2016C Resolution" and, together with the 2006 Resolution, the 2009 Resolution, the 2010 Resolution, the 2011 Resolution, the 2012 Resolution, the 2014 Resolution, the 2016A Resolution, and the 2016B Resolution, the "Prior Resolutions");

WHEREAS, by resolution of the Board duly adopted on November 8, 2017 (the "Resolution"), the District has authorized the Bank to act as Registrar and Paying Agent for the Prior Bonds pursuant to the terms of the Prior Resolutions;

WHEREAS, pursuant to the Resolution, the Board appointed the Bank to act as custodian of its bond redemption fund pursuant to a custodial agreement dated effective as of January 1, 2018;

WHEREAS, it is mutually desirable to the District and the Bank that the Bank, through its Corporate Trust Department, located in Denver, Colorado, act as Registrar and Paying Agent for the Prior Bonds and custodian of its bond redemption fund; and

WHEREAS, it is mutually desirable that this agreement (the "Agreement") be entered into between the District and the Bank to provide for certain aspects of such Registrar and Paying Agent services.

NOW, THEREFORE, the District and the Bank, in consideration of the mutual covenants herein contained, agree as follows:

- 1. The Bank hereby accepts all duties and responsibilities of the Registrar and Paying Agent as provided in the Prior Resolutions. The Bank shall cause the Prior Bonds to be honored in accordance with their terms, provided that all funds necessary in order to so honor the Prior Bonds be made or cause to be made available by the District and the Custodian to the Bank. Nothing in this Agreement shall require the Bank to pay or disburse any funds in excess of the amount then on deposit in the "Principal and Interest Payment Account" provided for in Section 2 of this Agreement. Nothing in this Agreement shall require the District or the Bank to pay or disburse any funds for payment of the Prior Bonds or interest thereon except at the times and in the manner provided herein, in the Prior Resolutions and in the Custodial Agreement. In addition, the Bank hereby accepts the duties and responsibilities pertaining to the authentication, registration, transfer, exchange and replacement of Prior Bonds and the duties and responsibilities pertaining to the calling of the Prior Bonds for prior redemption, all as provided in the Prior Resolutions.
- 2. Not less than (a) one business day prior to each payment date, if funds are delivered by wire transfer, or (b) three business days prior to each payment date if funds are delivered by another method of payment, funds for the payment of the Prior Bonds and interest thereon are to be deposited with the Bank in an account designated "Principal and Interest Payment Account." The funds so deposited shall be held and applied by the Bank through its Corporate Trust Department solely for the payment of principal of, premium, if any, and interest

on the Prior Bonds. From such funds, the Bank agrees to pay at the times and in the manner provided in the Prior Resolutions, the principal of and interest on the Prior Bonds.

- 3. The District shall pay to the Bank fees in accordance with the Bank's then existing fee schedule. Attached to this Agreement as Exhibit A is the Bank's current fee schedule. No new fee schedule shall become effective until 30 days after the Bank has given the District notice thereof.
- 4. Unless waived by the Bank, the District agrees to provide the Bank with not less than 60 days notice of any prior redemption of the Prior Bonds.
- 5. The Bank agrees to annually notify the District, in writing, of the District's obligation to file its Annual Report relating to the issuance of the Prior Bonds, at least 30 but not more than 60 days prior to time which the Annual Report is required to be filed (i.e., March 30 of each year) pursuant to the terms of the Continuing Disclosure Certificate. The Bank shall have no further obligation or duty related to the District's Annual Report filing obligations other than giving notice to the District as provided herein.
- 6. The District agrees to provide the Bank with a supply of blank Prior Bonds for use in the transfer and exchange of Prior Bonds.
- 7. Any moneys held by the Bank for the owners of the Prior Bonds remaining unclaimed for one year after principal and/or interest of the respective Prior Bonds with respect to which such moneys has been set aside has become due and payable shall without further request by the District be paid to the District.
 - 8. The Agreement may be terminated as provided in the Prior Resolutions.
- 9. In the event of any conflict between the provisions of this Agreement and the provisions of the Prior Resolutions, the provisions of the Prior Resolutions shall be controlling.
- 10. The rights of the District under this Agreement shall be deemed to be a contract made under and shall be construed in accordance with and governed by the laws of the State of Colorado. Jurisdiction and venue for any disputes related to this Agreement shall be in United States District Court for the District of Colorado.
- 11. The parties hereto agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be

deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

IN WITNESS WHEREOF, the Bank and the District have caused this Agreement to be duly executed and delivered as of the day and year first above written.

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J, COUNTIES OF BOULDER, LARIMER AND WELD, AND CITY AND COUNTY OF BROOMFIELD, COLORADO

	Ву
(SEAL)	President, Board of Education
Attest:	
Secretary, Board of Education	
	UMB BANK, N.A., as Registrar and Paying
	Agent
	By
	Title: Senior Vice President

EXHIBIT A

(Attach Registrar's Fee Schedule)

CUSTODIAL AGREEMENT

This CUSTODIAL AGREEMENT (this "Agreement") is dated as of January 1, 2018, by and between ST. VRAIN VALLEY SCHOOL DISTRICT NO. RE-1J, IN THE COUNTIES OF BOULDER, LARIMER AND WELD AND THE CITY AND COUNTY OF BROOMFIELD, STATE OF COLORADO (the "District") and UMB BANK, N.A., as the custodian (the "Custodian").

RECITALS

WHEREAS, the District has issued and outstanding various series of general obligation bonds and may issue additional general obligation bonds at some time in the future; and

WHEREAS, the General Assembly enacted Senate Bill 03-237 during the 2003 legislative session, which requires that any school district with outstanding bonded indebtedness shall select at least one commercial bank or depository trust company to act as third party custodian to administer the school district's bond redemption fund, which custodian shall be responsible for making payments of principal and interest on a school district's outstanding bonded indebtedness as provided by law; and

WHEREAS, UMB Bank, n.a., as Custodian, is willing to act as custodian to hold and invest the District's bond redemption fund as provided herein and make payments of principal and interest on the District's outstanding bonded indebtedness as provided by law.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

SECTION 1. Deposits to the Bond Fund.

- A. There is hereby established and there shall be maintained with the Custodian a separate fund to be known as the St. Vrain Valley School District No. RE-1J Bond Redemption Fund" (the "Bond Fund"). The Custodian shall establish and maintain the Bond Fund and the Bond Fund shall constitute a trust fund for the benefit of the holders of the District's general obligation bonds, whether currently outstanding or issued after the execution of this Agreement (the "Bonds"). The money in such fund shall be invested and disbursed only for the purposes and uses hereinafter authorized.
- B. The District shall direct the county treasurers of the Counties of Boulder, Larimer and Weld and the City and County of Broomfield which receives District property tax revenues to transfer to the Custodian all revenues from the property tax levied by the District for the payment of principal of or interest on the Bonds. If the District receives any of such revenues notwithstanding such direction, the District agrees to transfer such revenues to the Custodian no later than two business days after receipt of such revenues. The county treasurer shall continue to remit revenues from specific ownership taxes directly to the District.

- C. The Bond Fund shall be used by the Custodian solely to pay the principal of, redemption premium, if any, and interest on the Bonds and upon written direction of the District to pay the fees of paying agents for the Bonds, the Custodian and arbitrage rebate compliance. The Custodian shall make such arrangements and transfers to the paying agents for the Bonds as will assure, to the extent of money in the Bond Fund properly allocable to and available therefor, the timely payment of the principal of and interest on the Bonds at the respective due dates.
- D. The Custodian shall provide monthly reports regarding the balance of the Bond Fund to the District on the first business day of each month.
- E. Any funds received by the Custodian for deposit into the Bond Fund that are not properly attributable to that account shall promptly be refunded to the District for deposit into its general fund.

SECTION 2. <u>Investments</u>. The Custodian shall invest amounts in the Bond Fund only at the written direction of the District. Interest earned from the investment or reinvestment of moneys credited to the Bond Fund shall be credited to the Bond Fund or such other fund as directed by the District at the end of each calendar year, except that after the final payment of debt service on the Bonds in each calendar year the investment income shall be transferred to such fund of the District as the Board of Education of the District (the "Board") may determine. The District agrees that amount in the Bond Fund shall be invested only in investments which are legal investments for the District under Colorado law which shall mature or be subject to redemption at the option of the holder on or prior to the date when the proceeds thereof must be available for the prompt payment of the principal of, redemption premium, if any, and interest on the Bonds, as the same become due. The Custodian shall not be responsible for any losses resulting from the investment of amounts in the Bond Fund, or for obtaining any specific yield or percentage of earnings on such investment.

SECTION 3. <u>Termination; Amendments</u>. This Agreement shall remain in full force and effect so long as required by state law. This Agreement may be amended by written agreement between the District (approved by the Board) and the Custodian.

SECTION 4. Resignation or Replacement. The Custodian may resign at any time on 30 days' prior written notice to the District. The District may remove the Custodian upon 30 days' prior written notice to the Custodian. No resignation or removal of the Custodian shall take effect until a successor has been appointed; provided, that if no successor is appointed by the end of 90 days, the Custodian may petition a court of competent jurisdiction to appoint a successor. If the Custodian initially appointed shall resign, or if the District shall remove the Custodian, the District shall appoint a successor Custodian. Every such successor Custodian shall be a bank or trust company located in and in good standing in the United States and having a shareowners' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$10,000,000.

SECTION 5. <u>Time of Essence</u>. Time is of the essence in the performance of the obligations from time to time imposed upon the Custodian by this Agreement.

SECTION 6. Successors.

- A. Whenever in this Agreement the District or the Custodian is named or is referred to, such provision is deemed to include any successor of the District or the Custodian, respectively, immediate or intermediate, whether so expressed or not. The rights and obligations under this Agreement may be transferred by the Custodian to a successor. Any corporation or association into which the Custodian may be merged or converted or with which the Custodian may be consolidated or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which the Custodian may be a party or any corporation or association to which the Custodian may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Custodian without the execution or filing of any document or any further act, anything herein to the contrary notwithstanding.
- B. All of the stipulations, obligations, and agreements by or on behalf of and other provisions for the benefit of the District or the Custodian contained in this Agreement:
 - (1) Shall bind and inure to the benefit of any such successor, and
- (2) Shall bind and inure to the benefit of any officer, board, agent, or instrumentality to whom or to which there shall be transferred by or in accordance with law and relevant right, power, or duty of the District or the Custodian, respectively, or of its successor.

SECTION 7. <u>Prior Obligations</u>. Nothing in this agreement affects the rights, duties or obligations of either the District or the Custodian pursuant to any other agreement to which the District and the Custodian are parties.

SECTION 8. <u>Severability</u>. If any section, paragraph, clause, or provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Agreement.

SECTION 9. <u>Notices</u>. Any notice to be given hereunder shall be delivered personally or mailed postage prepaid, return receipt requested, to the following addresses:

If to the District: St. Vrain Valley School District No. RE-1J

395 South Pratt Parkway Longmont, CO 80501-6499

If to the Custodian: UMB Bank, n.a.

1670 Broadway

Denver, Colorado 80202

Attention: Corporate Trust and Escrow Services

or such other address as either party may, by written notice to the other party, hereafter specify. Any notice shall be deemed to be given upon mailing.

SECTION 10. <u>Custodial Fee</u>. As consideration for all services to be performed by the Custodian under this Agreement, the District agrees to pay to the Custodian an annual administrative fee of \$[___] billed annually in advance.

SECTION 11. <u>Counterparts</u>. This document may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof.

SECTION 12. <u>Electronic Storage</u>. The parties hereto agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

SECTION 13. <u>Governing Law.</u> This Agreement shall be governed by the laws of the State of Colorado.

SECTION 14. <u>Effective Date</u>. This Agreement shall apply to all property taxes to be distributed on and after January 1, 2018.

the parties hereto have caused this Agreement to be ective officers thereunto duly authorized as of the date
ST. VRAIN VALLEY SCHOOL DISTRICT NO. RE-1J COUNTIES OF BOULDER, LARIMER AND WELD AND THE CITY AND COUNTY OF BROOMFIELD, STATE OF COLORADO
By: President, Board of Education
UMB BANK, N.A. as Custodian

By:_______Senior Vice President

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Contract Award – Elementary Schools' Security Camera

Systems Bid #2018-18

RECOMMENDATION

That the Board of Education approve the contract award for the Elementary Schools' Security Camera Systems Bid #2018-18 to HSS, Inc., for \$1,750,349 including contingency, and further, authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents and initiate scope changes in accordance with Board of Education policy.

BACKGROUND

The project includes the purchase and installation of cameras, software, storage, and security systems in all elementary schools for increased safety and security of students and staff.

Bids were received and opened on October 24, 2017. HSS, Inc., submitted the low responsive bid.

Funding for the project is available in the 2016 Bond program.



DATE: October 27, 2017

TO: Brian Lamer

FROM: Purchasing Department

SUBJECT: Elementary Schools Security Camera Systems Bid

The district purchasing department issued bid number 2018-018 for the purchase and installation of security cameras for 24 elementary schools.

During the process a mandatory pre-bid conference was held with three vendors attending. However, only one vendor submitted a proposal to the solicitation.

The purchasing department contacted 3 other companies and inquired as to why they chose to not submit a response to this solicitation. Of the three companies contacted two attended the mandatory pre-bid and one responded to a previous solicitation that was similar.

Responses received from the companies were as follows:

Product Cost

- The company that submitted the bid has obtained preferred pricing from the camera manufacturer. (Avigilon)
- One company was ready to submit a bid, did one last review, and decided that other companies had a better relationship with Avigilon, and their ability to be price competitive was limited.

Labor:

- There are a number of other projects on the horizon and they did not want to commit labor to this one.
- Concerned regarding the bandwidth to perform the work in such a tight timeline.

Project design:

• Did not have a clear picture if it was designed and if so how it was designed.

Additional comments:

- Made a mistake and missed the mandatory pre-bid was disqualified.
- Did not want to get into a situation where the company would not be able to provide the best quality and service to the district and jeopardize the relationship.
- Gave it serious consideration and felt they could not be competitive due to one of the bidder's strong relationship with the camera manufacturer. (**Avigilon**)
- Avigilon products are already in place.
- Always respond to an RFP rather than a hard bid.



BID TABULATION SHEET ITB 2018-018 AVIGILON SECURITY AND CCTV SYSTEMS OCTOBER 24, 2017 2:00P.M.

	HSS Inc.
Bid Bond	Y
Signed Bid	Υ
Addendum #1	Υ
Insurance	Υ
Immigrant Worker Regulation	Υ
Attachment A	Υ
Attachment B	Υ
Attachment C	Υ
Attachment D	Y
Attachment E	Υ

Attachment A										
LOCATION	# of Camera Drops	Price Per Drop	Total Cost of Drops	Number of Cameras	Total Cost of Cameras	Labor for Camer Installtion	Camera Subtota	Security Platform Upgrad ACC5 > ACC6	Spare Cameras	Site Total
Alpine	21	-	\$ 6,300.00	17	\$ 22,811.50		\$ 29,111.50	\$ 23,447.00	\$ 3,522.90	
Black Rock	20		\$ 6,000.00	16	. ,	\$ 6,000.00	\$ 28,779.50	\$ 23,447.00	\$ 3,522.90	
Blue Mountain	26			22			\$ 40,132.50		\$ 3,522.90	
Burlington	26	\$ 300.00	\$ 7,800.00	22			\$ 38,900.00	\$ 23,447.00	\$ 3,522.90	
Centennial	23	\$ 300.00	\$ 6,900.00	19	\$ 28,256.50	\$ 6,900.00	\$ 35,156.50	\$ 23,447.00	\$ 3,522.90	\$ 69,026.40
Central	26	\$ 300.00	\$ 7,800.00	22	\$ 33,437.00	\$ 7,800.00	\$ 41,237.00	\$ 23,447.00	\$ 3,522.90	
columbine	25	\$ 300.00	\$ 7,500.00	21	\$ 31,734.00	\$ 7,500.00	\$ 39,234.00	\$ 23,447.00	\$ 3,522.90	\$ 73,703.90
Eagle Crest	25	\$ 300.00	\$ 7,500.00	21	\$ 32,332.50	\$ 7,500.00	\$ 39,832.50	\$ 23,447.00	\$ 3,522.90	\$ 74,302.40
Erie	24	\$ 300.00	\$ 7,200.00	20	\$ 29,902.00	\$ 7,200.00	\$ 37,102.00	\$ 23,447.00	\$ 3,522.90	\$ 71,271.90
Fall River	23	\$ 300.00	\$ 6,900.00	19	\$ 26,784.50	\$ 6,900.00	\$ 33,684.50	\$ 23,447.00	\$ 3,522.90	\$ 67,554.40
Hygiene	22	\$ 300.00	\$ 6,600.00	21	\$ 25,482.90	\$ 6,600.00	\$ 32,082.90	\$ 23,447.00	\$ 3,522.90	\$ 65,652.80
indian Peaks	21	\$ 300.00	\$ 6,300.00	17	\$ 24,288.00	\$ 6,300.00	\$ 30,588.00	\$ 23,447.00	\$ 3,522.90	\$ 63,857.90
Legacy	24	\$ 300.00	\$ 7,200.00	21	\$ 27,056.50	\$ 7,200.00	\$ 34,256.50	\$ 23,447.00	\$ 3,522.90	\$ 68,426.40
Longmont Estates	22	\$ 300.00	\$ 6,600.00	18	\$ 25,486.00	\$ 6,600.00	\$ 32,086.00	\$ 23,447.00	\$ 3,522.90	\$ 65,655.90
Lyons	20	\$ 300.00	\$ 6,000.00	19	\$ 26,778.00	\$ 6,000.00	\$ 34,816.80	\$ 23,447.00	\$ 3,522.90	\$ 67,786.70
Mountain View	23	\$ 300.00	\$ 6,900.00	19	\$ 27,369.00	\$ 6,900.00	\$ 34,269.00	\$ 23,447.00	\$ 3,522.90	\$ 68,138.90
Niwot	24	\$ 300.00	\$ 7,200.00	20	\$ 28,293.00	\$ 7,200.00	\$ 35,493.00	\$ 23,447.00	\$ 3,522.90	\$ 69,662.90
Mead	23	\$ 300.00	\$ 6,900.00	19	\$ 27,678.00	\$ 6,900.00	\$ 34,578.00	\$ 23,447.00	\$ 3,522.90	\$ 68,447.90
Northridge	24	\$ 300.00	\$ 7,200.00	20	\$ 29,628.00	\$ 7,200.00	\$ 36,828.00	\$ 23,447.00	\$ 3,522.90	\$ 70,997.90
Prairie Ridge	21	\$ 300.00	\$ 6,300.00	17	\$ 23,840.50	\$ 6,300.00	\$ 30,140.50	\$ 23,447.00	\$ 3,522.90	\$ 63,410.40
Rocky Mountain	21	\$ 300.00	\$ 6,300.00	17	\$ 24,288.00	\$ 6,300.00	\$ 30,588.00	\$ 23,447.00	\$ 3,522.90	\$ 63,857.90
Sanborn	19	\$ 300.00	\$ 5,700.00	15	\$ 20,859.70	\$ 5,700.00	\$ 26,559.70	\$ 23,447.00	\$ 3,522.90	\$ 59,229.60
Spark! Discovery Preschool	21	\$ 300.00	\$ 6,300.00	17	\$ 24,108.00	\$ 6,300.00	\$ 30,408.00	\$ 23,447.00	\$ 3,522.90	\$ 63,677.90
Red Hawk	22	\$ 300.00	\$ 6,600.00	19	\$ 32,298.00	\$ 6,600.00	\$ 38,898.00	\$ 23,447.00	\$ 3,522.90	\$ 72,467.90
TOTALS:			\$ 163,800.00		\$ 658,923.60	\$ 163,800.00	\$ 824,762.40	\$ 562,728.00	\$ 84,549.60	\$ 1,635,840.00

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of District Directors and Oath of Office for Board Members

RECOMMENDATION

That the Board of Education approve the newly elected board members following the cancellation of the 2017 election and elected by acclamation as follows:

Karen Ragland – Director District B John Ahrens – Director District D Paula Peairs – Director District F

BACKGROUND

As stated in CRS 22-31-125, each school board member is required to take an oath of office, swearing to faithfully perform the duties of the office as required by law.

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Board Officer Elections-President of the Board

RECOMMENDATION

That the Board of Education elect a President of the Board.

BACKGROUND

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Board Officer Elections-Vice President of the Board

RECOMMENDATION

That the Board of Education elect a Vice President of the Board.

BACKGROUND

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Board Officer Appointments-Secretary of the Board

RECOMMENDATION

That the Board of Education appoint a Secretary of the Board.

BACKGROUND

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Board Officer Appointments-Assistant Secretary of the Board

RECOMMENDATION

That the Board of Education appoint an Assistant Secretary of the Board.

BACKGROUND

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Board Officer Appointments-Treasurer of the Board

RECOMMENDATION

That the Board of Education appoint a Treasurer *of* the Board.

BACKGROUND

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Board Officer Appointments-Assistant Treasurer and

Secretary to the Board

RECOMMENDATION

That the Board of Education appoint an Assistant Treasurer and Secretary to the Board.

BACKGROUND

DATE: November 8, 2017

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Adoption of Resolution for Signature Authorization

RECOMMENDATION

That the Board of Education adopt the following resolution:

WHEREAS, the Board of Education of the St. Vrain Valley School District RE-1J on November 8, 2017 elected new officers; and

WHEREAS, the signatures of the officers of the Board of Education are the authorized signatures on checks issued by the School District; and

WHEREAS, it will be necessary to continue with the previous officers' signatures until new officers are elected and signatures are changed; and

WHEREAS, the Superintendent has designated signers of checks issued by the School District to include Greg Fieth, Tony Whiteley, Terry Schueler, and Brian Lamer.

BE IT THEREFORE RESOLVED that the Board of Education of the St. Vrain Valley School District RE-1J authorizes the continued use of the previous checks written by the School District.

BACKGROUND

The administration recommends that this Resolution be adopted to enable the Financial Services Department to continue using the previous Board officers' signatures until the signatures are changed to the new Board officers.

DATE: November 8, 2017

TO: Board of Education

FROM: Robert J. Smith, President, Board of Education

SUBJECT: Board Member Code of Ethics Policy and Executive Session

Affidavit Signing

<u>PURPOSE</u>

For the newly elected members of the Board of Education to sign the District's Code of Ethics policy and the Executive Session Affidavit.

BACKGROUND

Board Policy BC – School Board Member Conduct states that "Public office is a trust created by the confidence that the public places in the integrity of its public officers. To preserve this confidence, it is the desire of the Board to operate under the highest ethical standards." As part of the official swearing in ceremony, each Board member will be encouraged to sign a Code of Ethics as a demonstration of that commitment.

Executive Session Affidavit

State law requires all Board members to sign a "Confidentiality Affidavit". This Affidavit serves as Board members' public commitment to upholding the confidentiality of Board conversations held during Executive Sessions, including conversations related to personnel, students, security, and attorney-privileged communications, among others.

This Affidavit assures that Board members are aware of, and will comply with, the confidentiality requirements and restrictions applicable to Executive Sessions of the Board, as described in Section 24-6-402 C.R.S. It also assures that Board members will comply with these confidentiality requirements regardless of whether they participate in the Executive Session in person or electronically pursuant to Section 22-32-108(7) C.R.S.