ST. VRAIN VALLEY SCHOOLS
academic excellence by design

Student Achievement ® Well-Being ® Partnerships

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2016






395 South Pratt Parkway • Longmont CO • 80501-6499

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

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

Comprehensive Annual Financial Report
For Fiscal Year Ended June 30, 2016

Don Haddad, Ed.D.
Superintendent of Schools

Prepared by: Financial Services Department

Gregory A. Fieth
Chief Financial Officer

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St. Vrain Valley School District RE-1J

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St. Vrain Valley School District RE-1J

OUR VISION

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

OUR MISSION

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

St. Vrain Valley School District RE-1J

BOARD OF EDUCATION
2015-2016

   

  

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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October 26, 2016

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, 2016. 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, 2016.

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, 2016, 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, 2016, 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.

<u>PROFILE OF THE GOVERNMENT</u> – 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 31,000 of Colorado's students. St. Vrain Valley is the seventh largest school district in the state according to the Colorado Department of Education's 2015-16 District Ranking by Pupil Membership. St. Vrain Valley operates 52 schools that are spread over 411 square miles. The makeup of the schools include: 1 standalone early childhood learning center, 23 elementary, 1 PK-8, 1 K-8, 8 middle, 1 middle/senior, 7 high, 2 alternative, 1 online, 1 homeschool program, and 6 charter schools. Located approximately 30 miles north of Denver, the District is geographically diverse. Its physical boundaries extend from the Continental Divide into the plains of Colorado. Adding to its scenic setting are historic downtown Longmont and the backdrop of Rocky Mountain National Park and Longs Peak. The District includes approximately 167,000 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.

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, 2016 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, 2016, 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, 2016. 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 2016.

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

ECONOMIC CONDITION AND OUTLOOK

National Economy

This summary of the national economic conditions is derived from information posted on the Congressional Budget Office (CBO) website at www.cbo.gov. Specific documents cited are the October 7, 2016, *Monthly Budget Review for September 2016*; the August 23, 2016, *An Update to the Budget and Economic Outlook: 2016-2026*; and the July 12, 2016, *The 2016 Long-Term Budget Outlook*.

Over the past several years, federal budget deficits have steadily declined as the nation recovers from the financial crisis and 2007–2009 recession. However, the CBO projected that the budget deficit would rise this year. And if current laws generally remain unchanged, budget deficits as a share of the nation's output—its gross domestic product (GDP)—will grow over the next decade. As a result, federal debt held by the public would rise from its already high level, CBO projects. Beyond the next 10 years, the long-term budget outlook is projected to worsen further.

The government's spending for Social Security and Medicare is a crucial factor in that outlook. Those programs benefit mostly the elderly, a group that has grown significantly and will continue to do so. Rising health care costs per person also will boost Medicare outlays. Therefore, spending for those programs is projected to rise substantially in the coming decades. By 2046, projected spending for those programs (as well as Medicaid spending) for people 65 or older accounts for about half of all federal noninterest spending. The government's interest costs also are projected to increase significantly, as interest rates rise from their unusually low levels and federal debt grows. Revenues are projected to increase, but much more slowly than spending, leading to larger budget deficits and rising debt.

CBO estimates the federal government ran a budget deficit of $588 billion in fiscal year 2016—$149 billion greater than the shortfall recorded in fiscal year 2015. The 2016 deficit equaled an estimated 3.2 percent of gross domestic product (GDP), up from 2.5 percent of GDP in 2015. The increase in the deficit, measured as a share of the nation's output, was the first since 2009.

Receipts, up by less than 1% in fiscal year 2016, totaled $3,268 billion, CBO estimates—$19 billion more than they did in fiscal year 2015 due to increased payroll taxes, individual income taxes, and other receipts despite lower corporate income taxes. Total outlays of $3,856 billion, up by 5% or $168 billion in fiscal year 2016 than 2015, were due to spending increases for Medicare and Medicaid, Social Security benefits, net interest on public debt, and other payments.

According to CBO's projections, the economic expansion over the next two years will reduce the quantity of underused resources, or "slack," in the economy. In addition, interest rates on federal borrowing are expected to rise over the next few years. Beyond the next two years, the economy is expected to grow more slowly. According to CBO's estimates, the growth in output will heighten demand for labor over the next year and a half, leading to solid employment gains and eliminating labor market slack in 2017, thereby putting upward pressure on wages. CBO also expects that the diminishing slack in the economy, along with higher prices for crude oil, will put upward pressure on prices for goods and services. That upward pressure will be somewhat alleviated by the effects of a strong dollar in relation to other currencies.

State Economy

The September 20, 2016, Office of State Planning and Budgeting (OSPB) report, *The Colorado Economic Outlook – Economic and Fiscal Review,* presents the OSPB forecast for Colorado economic and demographic indicators, including employment and unemployment, inflation, wages and income, population and migration. A summary of this information is presented here. The full report can be found at www.colorado.gov .

Colorado's economy remains in solid expansion. Growth is broad-based across most industries and the labor market remains strong. The urban areas along the Front Range continue to have among lowest unemployment in the country, with the Denver metro area having the lowest unemployment rate among large U.S. metro areas (areas with more than one million people) in July. However, the state's tight labor market is constraining business expansion and thus overall economic growth. Further, the tepid national and global economies and persistent weakness in the oil and gas industry is tempering economic growth for the state. Nonurban areas with agricultural- and energy-dependent economies continue to struggle with low commodity prices, though there has been some modest improvement in these regional economies of late.

Economic expansion is expected to continue for Colorado at a moderate pace. Colorado's favorable attributes have made the state's economy resilient to the many headwinds that it has faced the past several years. The state continues to have population growth, a high skilled workforce, and a diverse base of growing technology-intensive and business services industries. This mixture helps produce more successful enterprises which lead to further economic growth. Moreover, data shows renewed growth in new business formation in Colorado, a key ingredient for economic and job growth. Sustained growth in housing construction and home sales, albeit still at comparatively low levels, will also add to employment and spending in the economy.

The oil and gas industry's deep contraction that contributed to slowing in the overall economy appears to have reached a bottom, though industry activity is expected to remain at subdued levels. Even so, the absence of the large decline in spending in the economy going forward will help improve overall economic conditions. However, the state's economic growth will remain at a more moderate pace than its robust level earlier in the expansion.

General Fund revenue increased 1.7 percent in FY 2015-16, a sharp drop from the robust 9.2 percent growth rate one year earlier. The oil and gas industry's contraction, along with weaker investment gains and lower corporate profits, all combined to reduce General Fund revenue growth in FY 2015-16. However, lower revenue growth rates are expected compared with previous years of the current expansion; economic growth is forecast to remain moderate for the state and growth in corporate income tax revenue and investment gains are expected to be constrained.

Individual income tax collections in FY 2015-16 grew just 2.8 percent, but are expected to rebound moderately in FY 2016-17 and FY 2017-18. Corporate income tax collections are expected to decrease slightly in FY 2016-17, the third consecutive year of declines. Corporate income taxes are projected to rebound modestly in FY 2017-18. Sales tax revenue continued to come in below expectations in FY 2015-16. However, sales tax revenue has recently begun to show signs of renewed growth and is projected to increase in FY 2016-17 as the state's economic expansion generates job and wage gains.

Tax revenue to the State Education Fund increased 0.5 percent in FY 2015-16 and will increase 4.6 percent and 6.6 percent in FY 2016-17 and FY 2017-18, respectively. Because this revenue is derived from taxable income, it follows the trends in individual income and corporate income tax revenue collections discussed above. The state 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.

Transfers of money from the General Fund to the State Education Fund in prior years have enabled the State Education Fund to support a larger share of education funding than it has historically. However, this larger share is drawing down the Fund's balance. Under current law, total General Fund and State Education Fund obligations combined are budgeted to increase 1.1 percent in FY 2016-17. These obligations are projected to be able to grow just 0.3 percent in FY 2017-18, assuming that the negative factor in the School Finance Act is maintained at its current level.

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.

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 August 2016, the initial certification of assessed valuations shows a small increase of approximately 3%, to $3.00 billion. This increase is mainly from the Weld County assessed valuation. The District's projected assessment for the 2017 year is an increase of 1% to $3.03 billion. The largest community within the District is Longmont (the City). According to the City's CAFR for the year ended December 31, 2015, the estimated population is nearly 93,000.

The Economic Indicators for Longmont Through July 2016, prepared by the City's financial staff provides a positive snapshot. The City's most important revenue indicator, sales and use tax, was up 3.0% in 2015 compared to 2014 levels. Building permits through the month of July were 233 for single family dwellings and 23 for multi-family dwellings. This compares to 179 single family and 9 multi-family permits issued through July 2015. There were 14 new commercial construction permits through August 2016 compared to 20 through August 2016. The total valuation on permits through July 2016 increased 39.0% from valuation through July 2015. Actual number of permits through July 2016 increased by 8.3% over the same period in 2015. The Boulder/Longmont unemployment rate for July was 3.0%, which is lower than the rate for the Denver area (3.4%) and lower than the rate for the State of Colorado (3.6%). The current Boulder/Longmont rate is lower than the previous year's 3.3%. The Longmont Area Economic Council reported 228 primary employers in the Longmont area and a net gain of 491 primary jobs through June 2016.

The Weld County portion of the District includes the growing town of Erie with a population of about 23,000, as of 2016, increasing by 1,500 over 2014 numbers. Firestone, Mead, Frederick and Dacono have stable or moderate population growth. Other District communities with minimal growth include Niwot and Lyons, both located in Boulder County.

Continued Enrollment Growth

The District continues to grow in enrollment. Initial counts for the fall of 2016 show an increase of approximately 450 full-time equivalent students. Since 2007, the enrollment growth has averaged just over 733 student per year with an annual average growth rate of 3.1%. This totals an increase of 7,333 students in the district since 2007. The Planning Department projects that enrollment will continue to increase by an average of approximately 735 students per year over the next three years, to nearly 33,620 by the fall of 2019.

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 2015-2016.

The District is scheduled to receive $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.

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.

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 ending in June 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. This device will enable 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 will receive 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.

Two years ago, 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 will not be 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 3-9. A separate grade 5, 8 and 11 science test 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 grade 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 has been 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 and District Performance Framework).

School Facilities

The continuing growth in student enrollment in the District requires ongoing construction to provide adequate District school facilities. The Planning Department projects that enrollment will continue to increase by an average of approximately 735 students per year over the next three years, to nearly 33,620 by the fall of 2019.

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

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

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 $260.34 million capital construction bond question on the November 2016 election ballot. If approved, 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.

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. Also, four District high schools ranked in the top 5% of high schools in the nation according to *Newsweek* and *U.S. News & World Report*. 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, 2016, the District had a fund balance of $95.7 million in the General Fund (including its sub-funds). The increase of $16.9 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 $28.1 million.

Accounting Policies: Detailed descriptions of the District's accounting policies are contained in the Notes to Financial Statements on pages 33-65, 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, 2015. This was the twelfth consecutive year that the District has achieved these prestigious awards. In order to be awarded a Certificate of Achievement and a Certificate of Excellence, the District published an easily readable and efficiently organized comprehensive annual financial report. This report also satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

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

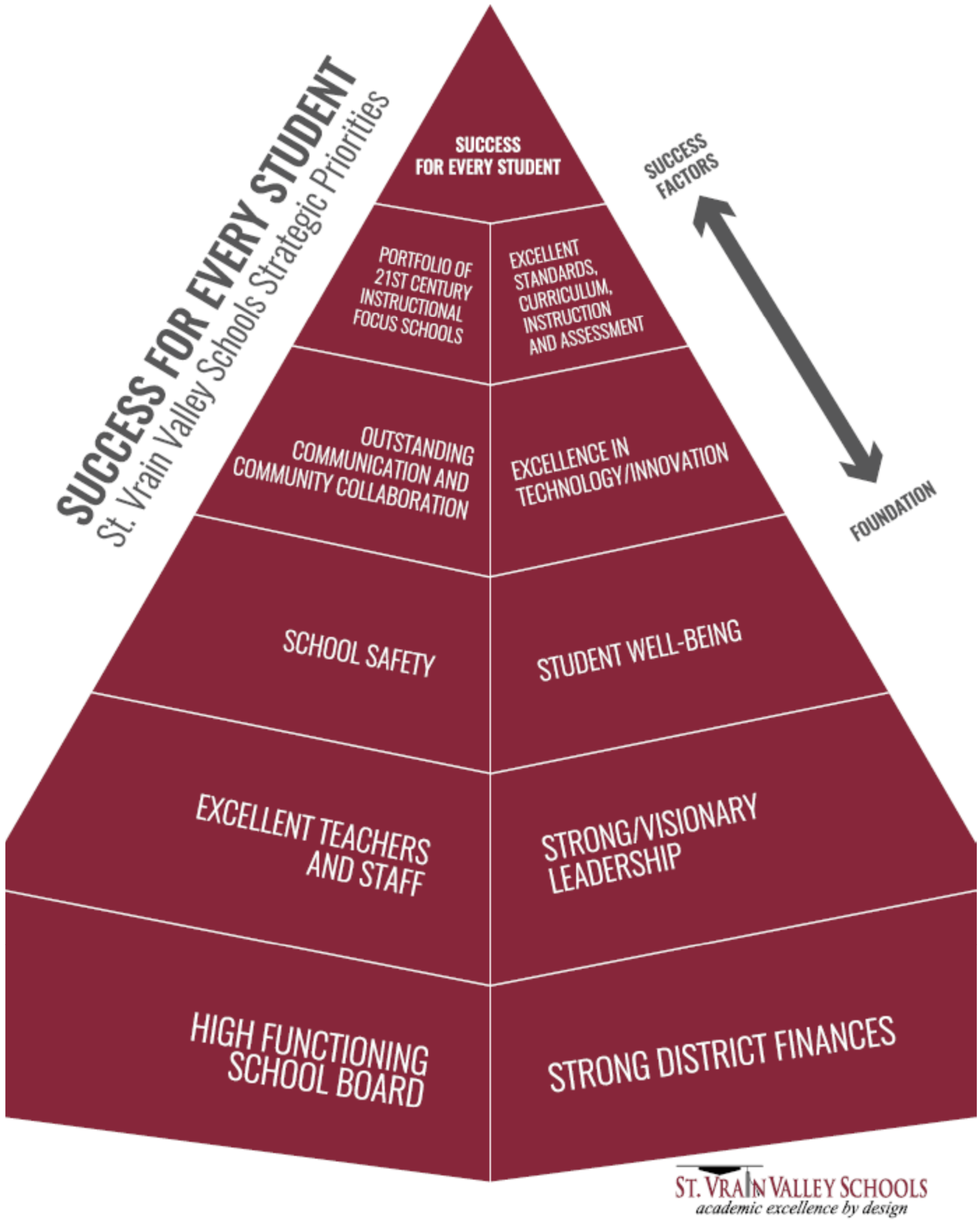
Respectfully submitted,

Don Haddad, Ed.D.
Superintendent of Schools

Gregory A. Fieth
Chief Financial Officer

ST. VRAIN VALLEY SCHOOLS
academic excellence by design

STRATEGIC PRIORITIES HIERARCHY



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting Award
is presented to

St. Vrain Valley School District RE-1J

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015.

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

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso, CAE, RSBA
Executive Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. Vrain Valley School District RE-1J

Colorado

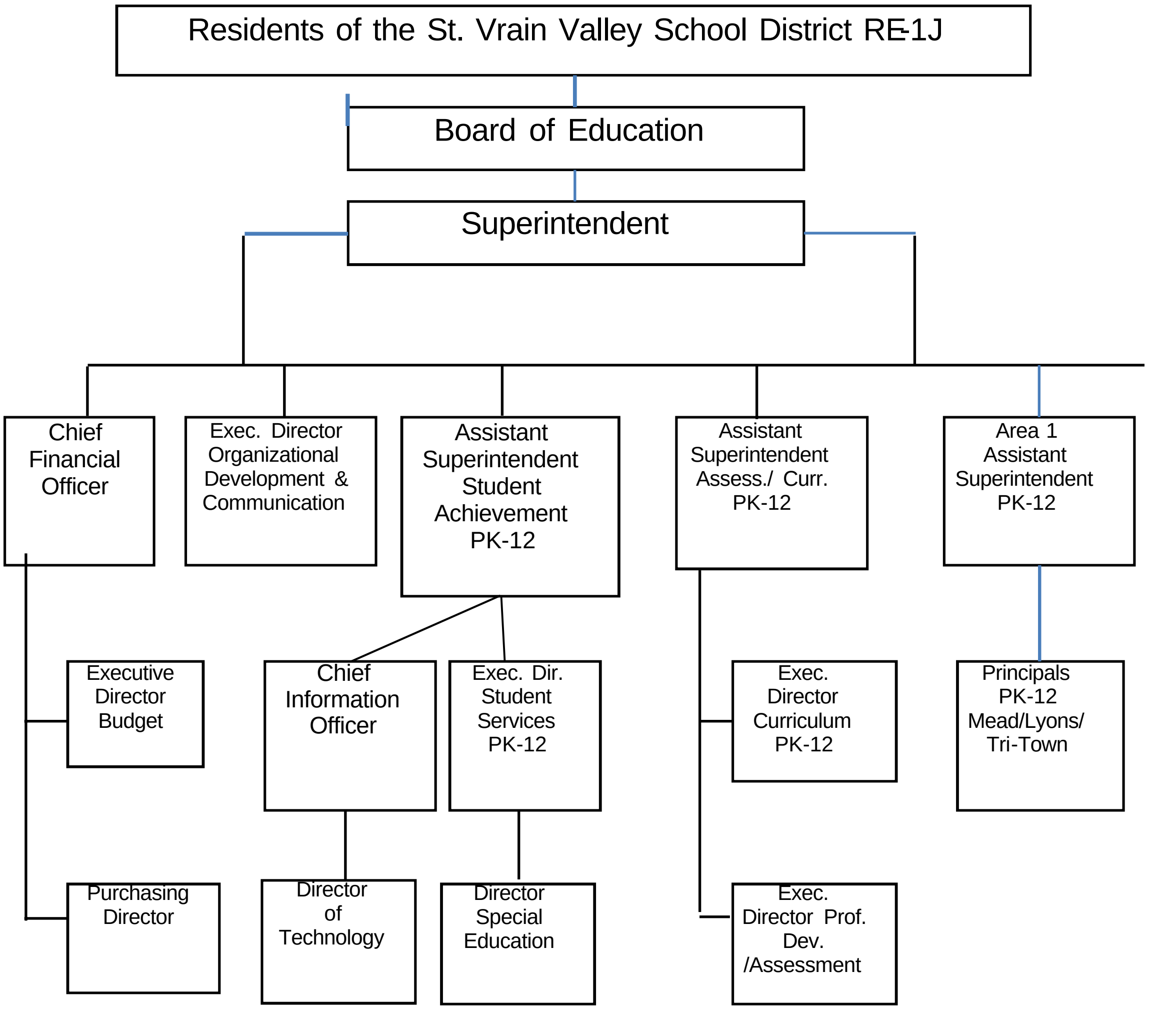
For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2015

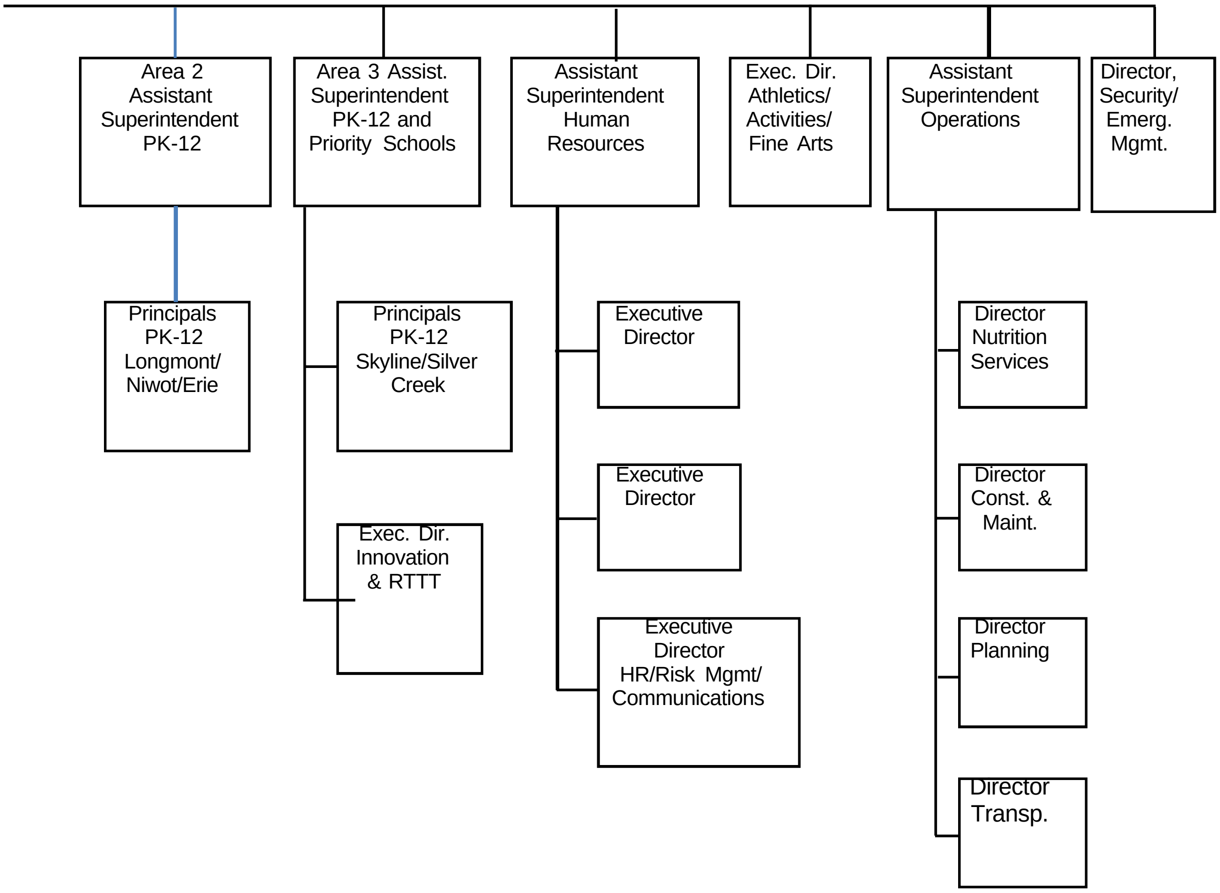
Executive Director/CEO

St. Vrain Valley School District RE-1J

ORGANIZATIONAL CHART
June 30, 2016



Approved: January 27, 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, 2016

Elected Officials

Board Member	**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

Connie Syferd .... Asst Superintendent of Student Achievement

Joe McBreen.. Chief Information Officer

Jackie Whittington............. Executive Director of Student Services

Tori Teague ...... Asst Superintendent of Assessment & Curriculum

Kahle Charles ....Executive Director of Curriculum

Diana Lauer ....Executive Director of Professional Development & Assessment

Jackie Kapushion ....Area 1 Asst Superintendent PK-12

Mark Mills.................................Area 2 Asst Superintendent PK-12

Regina Renaldi ....Area 3 Asst Superintendent PK-12 & Priority Schools

Patty Quinones ....Executive Director of Innovation & Race to the Top

Ella Padilla....................Asst Superintendent of Human Resources

Dina Perfetti-Deany..........Executive Director of Human Resources

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

FINANCIAL SECTION

ST. VRAIN VALLEY SCHOOLS

academic excellence by design

RubinBrown LLP
Certified Public Accountants
& Business Consultants

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Denver, CO 80202

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Independent Auditors' Report

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

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the St. Vrain Valley School District RE-1J (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Aspen Ridge Preparatory School, the Carbon Valley Academy, the Flagstaff Academy, the Imagine Charter School at Firestone, the St. Vrain Community Montessori School and the Twin Peaks Charter Academy, which are reported as and comprise in their entirety the aggregate discretely presented component units, as described in Note 1. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Aspen Ridge Preparatory School, the Carbon Valley Academy, the Flagstaff Academy, the Imagine Charter School at Firestone, the St. Vrain Community Montessori School and the Twin Peaks Charter Academy 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, 2016, 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 68 through 71, page 72 and page 73, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

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

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2016 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.

RubinBrown LLP

October 21, 2016

St. Vrain Valley School District RE-1J
Management's Discussion and Analysis
As of and for the Fiscal Year Ended June 30, 2016

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, 2016. 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 $297.3 million primarily due to the second 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, of $534.4 million at June 30, 2016.

- Total net position of the District increased $3.6 million during the year ended June 30, 2016. Despite recognizing $25.0 million of its proportionate share of the pension expense under GASB Statement No. 68, increased property tax revenues and charges for services, decreased capital spending of projects nearing completion, and the refunding of bonds contributed to the overall improved net position.

- Fund balance of the District's governmental funds increased from an ending fund balance of $148.4 million for fiscal year ended June 30, 2015 to $169.4 million for fiscal year ended June 30, 2016. The increase is primarily due to improved *General Fund* operations and the advanced refunding of bonds in the *Bond Redemption Fund* in excess of the *Building Fund's* planned reduced spending for capital projects.

- During the current year, the fund balance in the District's *General Fund* increased by $16.9 million leaving an ending fund balance of $95.7 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 March 2016, the District refinanced over $115 million general obligation bonds reducing its total debt service payments over the next 17 years and saving taxpayers more than $20 million.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements presented on pages 19-65 are comprised of three components: 1.) Government-wide financial statements, 2.) Fund financial statements, and 3.) Notes to financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

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

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

The government-wide financial statements distinguish functions of the District that are supported from taxes and intergovernmental revenues (governmental activities), and other functions that are intended to recover all or most of their costs from user fees and charges (business-type activities). Governmental activities consolidate governmental funds including the *General Fund, Bond Redemption Fund, Building Fund, Governmental Designated-Purpose Grants Fund*, nonmajor capital projects and special revenue funds, and 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, 2016 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 33-65 of this report.

Other Information

The District adopts an annual appropriated budget for each of the governmental funds. A budgetary comparison schedule for the *General Fund* and the major special revenue *Governmental Designated-Purpose Fund* is included as required supplementary information (RSI) in the financial statements to demonstrate compliance with the adopted budget. Also included in the RSI are the required schedules resulting in the implementation of GASB Statement No. 68. The remaining governmental funds budgetary comparisons are reported as other supplemental information. Combining and individual fund statements and schedules can be found on pages 67-101 of this report.

Government-wide Financial Analysis

The assets of the District are composed of current assets, other noncurrent assets, and capital assets. Cash and investments, receivables, prepaid expenses, deposits, and inventories are current assets. These assets are available to provide resources for the near-term operations of the District. Ninety-two 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 2017.

Long-term liabilities such as long-term debt obligations and compensated absences will be liquidated from resources that will become available after fiscal year 2017. 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, 2016, the liabilities plus deferred inflows exceed assets plus deferred outflows of the primary government's governmental activities by $297.3 million with an unrestricted deficit net position of $365.8 million. For seven of the ten 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.

In fiscal year 2016, the amount “net investment in capital assets” for the primary government’s governmental activities increased by $1.7 million, to $6.1 million. Net positive changes in debt, the deferred outflow of resources and other related liabilities were enough to offset the $5.9 million reduction of *Building Fund* cash and capital assets realized net decrease of $9.4 million, resulting in the increase in “net investment in capital assets”. Positive changes include long-term debt decrease of $6.1 million (see Note 8) and deferred loss increase of $10.6 million primarily due to the current fiscal year refinancing of general obligation bonds. Although there were additions of $6.8 million in capital assets, the depreciation was $16.1 million, causing a net decrease in capital assets.

Colorado Revised Statute Article X, Section 20 (Taxpayer Bill of Rights (TABOR) requires the District to establish reserves. The net position restricted for TABOR, as required by statute, increased $500 thousand as of June 30, 2016. Net position restricted for debt service increased $10.7 million resulting in a total of $44.7 million.

The $68.0 million increase in liabilities plus deferred inflows is attributable to the District recognizing its proportionate share of a net pension liability of $534.4 million (see Note 10).

Table 1 provides a summary of the District’s net position as of June 30, 2016 compared to June 30, 2015.

Table 1
Comparative Summary of Net Position
As of June 30, 2016 and 2015
(in Thousands)

	Governmental Activities 2016	Governmental Activities 2015	Total Dollar Change 2015 - 2016	Total Percentage Change 2015 - 2016
Assets				
Current assets	$ 161,269	$ 146,902	$ 14,367	9.78%
Noncurrent assets excluding capital assets	46,618	37,227	9,391	25.23%
Capital assets	391,487	400,930	(9,443)	-2.36%
Total assets	599,374	585,059	14,315	2.45%
Deferred outflows of resources	93,144	35,800	57,344	160.18%
Liabilities				
Current liabilities	30,352	27,820	2,532	9.10%
Long-term liabilities	417,458	423,521	(6,063)	-1.43%
Pension liability	534,414	468,596	65,818	14.05%
Total liabilities	982,224	919,937	62,287	6.77%
Deferred inflows of resources	7,574	1,814	5,760	317.53%
Net Position				
Net investment in capital assets	6,071	4,340	1,731	39.88%
Restricted for				
TABOR	8,523	8,024	499	6.22%
Debt service	44,719	34,036	10,683	31.39%
Colo Preschool	579	558	21	3.76%
Other	8,622	8,119	503	6.20%
Unrestricted	(365,794)	(355,969)	(9,825)	2.76%
Total net position	$ (297,280)	$ (300,892)	$ 3,612	-1.20%

Government-wide Activities

Governmental activities increased the net position of the District $3.6 million during the year ended June 30, 2016. Despite recognizing $25.0 million of its proportionate share of the pension expense under GASB Statement No. 68, increased property tax revenues and charges for services, decreased capital spending of projects nearing completion, and the refunding of bonds contributed to the overall improved net position. Table 2 provides a summary of the District's change in net position for 2016 compared to 2015.

Table 2
Comparative Schedule of Changes in Net Position
For the Years Ended June 30, 2016 and 2015
(in Thousands)

	Governmental Activities 2016	Governmental Activities 2015	Total Dollar Change 2015 - 2016	Total Percentage Change 2015 - 2016
Revenues				
Program revenues				
Charges for services	$ 21,593	$ 20,818	$ 775	3.72%
Grants & contributions:				
Operating	33,672	34,241	(569)	-1.66%
Capital	1,302	1,079	223	20.67%
General revenues				
Property, specific ownership, and mill levy override taxes	164,554	137,539	27,015	19.64%
State revenue	132,980	133,584	(604)	-0.45%
Other	4,907	5,260	(353)	-6.71%
Total revenues	359,008	332,521	26,487	7.97%
Expenses				
Instruction	218,637	201,742	16,895	8.37%
Supporting services	122,198	122,354	(156)	-0.13%
Interest expense	14,562	13,866	696	5.02%
Total expenses	355,397	337,962	17,435	5.16%
Increase (decrease) in net position	3,611	(5,441)	9,052	166.37%
Net position - 7/1**	(300,892)	(295,451)	(5,441)	1.84%
Net position - 6/30	$ (297,281)	$ (300,892)	$ 3,611	-1.20%

** Net position at July 1, 2014 (FY15) is the restated beginning net position due to the change in accounting principle of the *Nutrition Services Fund* from a business-type activity to a governmental activity, as well as the implementation of GASB Statement No. 68.

The governmental activities' total assets increased by $14.3 million and deferred outflows of resources increased $57.3 million attributed to the following elements:

Table 3
Comparative Schedule of Assets & Deferred Outflows of Resources of Governmental Activities
As of June 30, 2016 and 2015

	2016	2015	Increase (Decrease)
Cash and investments	$ 195,184,273	$ 170,398,989	$ 24,785,284
Accounts receivable	611,392	647,202	(35,810)
Due from component units	225,954	315,317	(89,363)
Grants receivable	4,349,163	5,007,388	(658,225)
Interest receivable	315	263	52
Taxes receivable	6,314,728	6,309,329	5,399
Prepaid expenses	256,916	393,660	(136,744)
Deposits	630	556	74
Inventories	943,893	1,056,548	(112,655)
Capital assets			
Non-depreciable	22,484,110	33,217,049	(10,732,939)
Depreciable, net	369,002,880	367,712,945	1,289,935
Total assets	$ 599,374,254	$ 585,059,246	$ 14,315,008
Deferred outflows of resources			
Related to debt	$ 21,872,006	$ 11,250,446	$ 10,621,560
Related to pensions	71,271,654	24,549,483	46,722,171
Total deferred outflows	$ 93,143,660	$ 35,799,929	$ 57,343,731

The net increase in cash and investments (which includes unrestricted and restricted cash and investments) is primarily due to increased property tax revenues, improved operations, and not expending as planned in the *General Fund* budget given the anticipated economic difficulty at the state level in subsequent years. These attributes, combined with the advanced refunding of bonds in the *Bond Redemption Fund*, were enough to offset the *Building Fund's* planned reduced spending as capital projects near completion.

The $783 thousand 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 Investing in Innovation (i3) grant and the improved collections from charter schools for services provided by the District. Taxes receivable were nearly flat as property tax collections remained consistent. The decrease in prepaid expenses is the result of recognizing the current year's portion of expenses incurred. The $112 thousand decrease in inventories is primarily due to *Nutrition Services Fund* utilizing as many goods as possible in preparation of warehouse repair and renovation. The decrease in non-depreciable capital assets reflects completion of construction projects in progress at year end. Depreciable capital assets increased because transfers in from projects in progress as well as additions exceeded the related depreciation.

Deferred outflows of resources are due to two factors: debt defeasance and the pension liability. The March 2016 advance refunding of bonds resulted in the deferred outflow increase from $11.2 million to $21.9 million. The difference between expected and actual experience, 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 $46.7 million to $71.3 million.

The governmental activities' total liabilities increased by $62.3 million and deferred inflows of resources increased $5.8 million as follows:

Table 4
Comparative Schedule of Liabilities & Deferred Inflows of Resources
of Governmental Activities
As of June 30, 2016 and 2015

	2016	2015	Increase (Decrease)
Accounts payable	$ 4,242,093	$ 3,917,896	$ 324,197
Due to component units	28,985	-	28,985
Retainage payable	64,784	161,550	(96,766)
Accrued salaries, benefits, withholdings	20,036,598	18,536,664	1,499,934
Accrued interest payable	737,279	788,423	(51,144)
Claims payable	3,521,636	2,852,544	669,092
Unearned revenues	1,720,286	1,562,755	157,531
Noncurrent liabilities			
Due within one year	19,818,994	16,545,975	3,273,019
Due in more than one year	397,639,235	406,975,248	(9,336,013)
Pension liability	534,414,453	468,595,684	65,818,769
Total liabilities	$ 982,224,343	$ 919,936,739	$ 62,287,604
Deferred inflows of resources	$ 7,574,252	$ 1,814,418	$ 5,759,834

Accounts payable increased by $324 thousand while retainage payable decreased by $97 thousand, as major renovation capital construction projects were completed and timeliness of vendor payments improved. Accrued salaries, benefits and payroll withholdings increased by $1.5 million due to salary increases given, benefit increases, and growth in the number of employees. The decrease in accrued interest reflects the decreased bond interest due by the District because of the principal payments made against bonded debt as well as the advance refunding of bonds. The $669 thousand increase in claims payable is primarily due to increased estimates and lag time of claims of $986 thousand within the internal service fund created for the District's specific self-insured health and dental plans at June 30, 2016 compared to the $317 thousand estimated decrease in the *Risk Management Fund*. The increase in unearned revenues is due to increased tuition- and fee-based program activity. The increase in noncurrent liabilities due within one year is primarily due to the increase in bond principal of $18 million due in December 2016 compared to $15 million in December 2015. Noncurrent liabilities due in more than one year decreased as a result of the paying down of bond debt (see Note 8). The increase in pension liability is due to recognizing the District's increased proportionate share of the net pension liability (see Note 10).

Deferred inflows of resources related to pension increased $5.8 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 $7,143 per funded pupil. For the fiscal year ended June 30, 2016, the funded pupil count was 29,373.5, a growth rate of 2.2% 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 2016, SFA per pupil funding increased by $282 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, 2016 and 2015
(in Thousands)

	Total Cost of Services		Net Cost of Services	
	2016	2015	2016	2015
Instruction	$ 218,637	$ 201,742	$ 182,080	$ 166,674
Supporting services	122,198	122,354	102,188	101,284
Interest expense	14,562	13,866	14,562	13,866
	$ 355,397	$ 337,962	$ 298,830	$ 281,824

Key elements of the governmental activities are as follows:

- The cost of all governmental activities this year was $355.4 million compared to $338.0 million last year. Interest expense increased by $696 thousand primarily due to the advance refunding of bonds and the resulting decrease in premium amortization.
- About $21.6 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 $775 thousand from 2015. The increase combines the increase in tuition and fee based program activities with the slight decrease in food service charges.
- The federal and state governments subsidized certain programs with grants and contributions in the amount of $35.0 million, a decrease of $346 thousand from fiscal year 2015 primarily due to the conclusion of the Investing in Innovation (i3) grant during the current fiscal year.
- The majority of the District's net cost of services, $298.8 million, was financed by State and District taxpayers.
- General revenues accounted for $302.4 million in revenue which was 84.2% of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions, accounted for $56.6 million or 15.8% of total revenues of $359.0 million. These percentages reflect a shift of 1.1% of total revenue from program specific to general revenues.
- The *Nutrition Services Fund*'s revenues of $9.3 million and expenditures of $9.2 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 $169.4 million, an increase from the balance of $148.4 million. As noted earlier, the fund balance increase occurred because the fund balance increases in the *General Fund* and the *Bond Redemption Fund* offset the expenditures for capital outlay in the *Building Fund*.

Among major funds, the *General Fund* is the chief operating fund of the District. The *General Fund* had $272.7 million in revenues, and $255.8 million in expenditures. The *General Fund*'s fund balance increased from $78.9 million to $95.7 million. The increase of $16.9 million is primarily the result of increased revenues and not expending all accounts as planned in the budget. The *General Fund* received more revenue than anticipated when the budget was originally adopted due to increased assessed property values 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. New and renovated preschool playgrounds were delayed and not completed within the fiscal year. In addition, due to facility capacity forecasts, the District decided to increase *General Fund* fund balance to assist with potential student growth concerns and facility needs. A conservative budget approach to personnel, combined with review of personnel needs, also helped to increase *General Fund* balance.

Significant differences between the *General Fund*'s adopted and amended budgets are due to a $3.0 million increase in total program funding resulting from increased per pupil revenue and student growth; $6.7 million increase in mill levy override dollars due to increased property values; $2.4 million increase in federal revenues due to a reclassification of the Medicaid program from the *Governmental Designated-Purpose Grants Fund* to the *General Fund*; $3.2 million increase in supplies and materials due to the increase rollout of the Learning Technology Plan; and, a $1.4 million decrease in allocations to charter schools due to overall decrease in enrollment at those schools.

For seven of the past eight fiscal years, the *Governmental Designated-Purpose Grants Fund* met the minimum criteria to be reported as a major special revenue fund. Revenues of $13.7 million were offset by equal expenditures.

The fund balance of the *Bond Redemption Fund* had an increase of $9.3 million, resulting in a balance of $43.4 million as of June 30, 2016. The *Bond Redemption Fund* has adequate resources accumulated to make the December 2016 principal and interest payments. The mill levy to accumulate resources for the June 2017 interest payment will be certified in December 2016. In March 2016, the District had an opportunity to refinance over $115 million of its Series 2006B and Series 2009 to save taxpayers over $20 million (future value savings).

The *Building Fund* is used to record the proceeds, interest revenue and corresponding construction expenditures for bonds. The fund balance decreased by $5.7 million due to planned capital outlay construction activity during the fiscal year. The fund had total revenues of just under $40 thousand and total expenditures of $5.7 million for the construction of schools and other capital improvements during the year.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2016 is $391.5 million (net of accumulated depreciation). Capital assets include land and improvements, buildings and improvements, water rights, projects in progress, and equipment. The District's investment in capital assets, net of accumulated depreciation, decreased for the current fiscal year by $9.4 million. Major capital events during the year included the renovation of three District elementary schools (Columbine Elementary, Rocky Mountain Elementary, and Indian Peaks Elementary).

Table 6 shows fiscal year 2016 capital assets compared to 2015.

Table 6
Comparative Schedule of Capital Assets
As of June 30, 2016 and 2015
(Net of Depreciation, in Thousands)

	Governmental Activities 2016	Governmental Activities 2015	Total Dollar Change 2015 - 2016	Total Percentage Change 2015 - 2016
Land	$ 20,846	$ 20,053	$ 793	3.95%
Water rights	1,084	1,084	-	0.00%
Projects in progress	554	12,080	(11,526)	-95.41%
Land improvements	8,605	9,647	(1,042)	-10.80%
Buildings	220,631	225,149	(4,518)	-2.01%
Building improvements	129,463	123,335	6,128	4.97%
Equipment	10,304	9,582	722	7.53%
Totals	$ 391,487	$ 400,930	$ (9,443)	-2.36%

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 March 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, 2016 as compared to June 30, 2015 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 $727 million and the legal debt margin was $351 million.

Table 7
Comparative Schedule of Outstanding Debt
As of June 30, 2016 and 2015
(in Thousands)

	2016	2015	Increase (Decrease)
General obligation bonds	$ 375,995	$ 391,800	$ (15,805)
Deferred bond premium	37,989	28,338	9,651
Registered coupons	300	300	-
Reg'd coupons discount	(20)	(20)	-
Capital leases	464	548	(84)
Benefits payable	2,730	2,555	175
Total debt	$ 417,458	$ 423,521	$ (6,063)

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

Factors Bearing on the District's Future

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 that improved and expanded the educational services in our community.

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

The two mill levy overrides are projected to generate more than $39 million dollars in fiscal year 2016-2017. This amounts to more than $1,200 per student. These mill levy overrides are fixed mills so the revenues grow as assessed valuation increases.

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 2015 headcount was 1,271 more students than the previous year, a 4.28% increase. Current projections reflect an estimated annual growth rate of 2.20% or above over the next five years.

Due to improved budgeting and financial oversight, and two successful Mill Levy Override Elections, the District has generated a positive cash flow. As a result, the District has not borrowed from the State's interest-free loan program since fiscal year 2007 and is not expected to borrow from the State in fiscal year 2017.

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. 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 2016-2017 school year, the starting base salary was increased from $36,000 to $37,000, an increase that historically would have taken at least three 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. Also, four District high schools ranked in the top 5% of high schools in the nation according to *Newsweek* and *U.S. News and World Report*.

To enhance learning opportunities for our students, the District started an in-District online school and opened a homeschool program. The initial pupil count for 2014 in these two programs exceeded 700 students. For 2017, that number is estimated to be 915 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, including extending the school year at four elementary schools, targeting at-risk math students at two middle schools and fully implementing the STEM (science, technology, engineering, mathematics) academy at Skyline High School. In order to receive the award, the District submitted evidence of matching funds from the private sector, including in-kind donations from RidgeviewTel and IBM. The 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 is scheduled to end in June 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.

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. If approved, 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.

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

The District is now in its eighth 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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St. Vrain Valley School District RE-1J

Statement of Net Position
June 30, 2016

	Primary Government	Component Units
	Governmental Activities	Charter Schools
Assets		
Cash and investments	$ 148,565,618	$ 12,956,560
Accounts receivable	611,392	170,181
Due from component units	225,954	-
Grants receivable	4,349,163	-
Interest receivable	315	-
Taxes receivable	6,314,728	-
Prepaid expenses	256,916	170,239
Deposits	630	14,441
Inventories	943,893	-
Restricted cash and investments for		
Bond Redemption Fund	43,014,179	-
Building Corporations	-	5,954,162
Self Insurance Fund	3,604,476	-
Capital assets,		
Non-depreciable	22,484,110	8,402,633
Depreciable, net	369,002,880	37,589,290
Total assets	599,374,254	65,257,506
Deferred outflows of resources		
Related to debt	21,872,006	4,561,547
Related to pensions	71,271,654	8,414,967
Total deferred outflow of resources	93,143,660	12,976,514
Liabilities		
Accounts payable	4,242,093	514,831
Due to component units	28,985	-
Due to primary government	-	305,771
Retainage payable	64,784	86,188
Accrued salaries and benefits	11,858,026	1,040,995
Payroll withholdings	8,178,572	-
Accrued interest payable	737,279	505,400
Claims payable	3,521,636	-
Unearned revenues	1,720,286	225,882
Noncurrent liabilities		
Due within one year	19,818,994	615,000
Due in more than one year	397,639,235	55,782,929
Pension liability	534,414,453	42,440,476
Total liabilities	982,224,343	101,517,472
Deferred inflows of resources		
Related to pensions	7,574,252	601,524
Net Position		
Net investment in capital assets	6,071,204	(5,616,270)
Restricted for		
TABOR	8,523,395	872,000
Debt service	44,719,375	792,716
Colorado Preschool Fund	578,708	-
Extracurricular, community programs	8,621,951	-
Unrestricted	(365,795,314)	(19,933,422)
Total net position	$ (297,280,681)	$ (23,884,976)

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

St. Vrain Valley School District RE-1J

Statement of Activities
For the Year Ended June 30, 2016

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities				
Instruction	$ 218,636,924	$ 18,314,059	$ 18,242,584	$ -
Supporting services	122,197,878	3,279,083	15,429,077	1,302,197
Interest expense	14,561,966	-	-	-
Total governmental activities	$ 355,396,768	$ 21,593,142	$ 33,671,661	$ 1,302,197
COMPONENT UNITS				
Instruction	$ 17,638,697	$ 1,657,560	$ 374,995	$ -
Supporting services	11,979,214	617,149	538,875	789,605
Interest expense	3,282,459	-	-	-
Total component units	$ 32,900,370	$ 2,274,709	$ 913,870	$ 789,605

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

Total general revenues

Change in net position

Net position, beginning

Net position, ending

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

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Component Units
Governmental Activities	Charter Schools
$ (182,080,281)	$ -
(102,187,521)	-
(14,561,966)	-
(298,829,768)	-
-	(15,606,142)
-	(10,033,585)
-	(3,282,459)
-	(28,922,186)
117,616,184	-
7,938,746	-
132,980,049	-
-	22,124,136
38,998,710	3,681,602
537,862	42,286
4,369,518	448,700
302,441,069	26,296,724
3,611,301	(2,625,462)
(300,891,982)	(21,259,514)
$ (297,280,681)	$ (23,884,976)

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

St. Vrain Valley School District RE-1J

Balance Sheet
Governmental Funds
June 30, 2016

	General	Governmental Designated-Purpose Grants	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash & investments - unrestricted	$ 112,910,940	$ -	$ -	$ 8,718,783	$ 23,628,697	$ 145,258,420
Cash & investments - restricted	-	-	43,014,179	-	-	43,014,179
Accounts receivable	436,961	-	-	4,599	87,408	528,968
Due from other funds	3,143,759	-	-	-	-	3,143,759
Due from component units	72,551	153,403	-	-	-	225,954
Grants receivable	-	4,273,255	-	-	75,908	4,349,163
Interest receivable on investments	-	-	315	-	-	315
Taxes receivable	4,609,847	-	1,704,881	-	-	6,314,728
Prepaids	-	-	-	-	157,831	157,831
Deposits	350	-	-	-	280	630
Inventories	601,733	-	-	-	342,160	943,893
Total assets	$ 121,776,141	$ 4,426,658	$ 44,719,375	$ 8,723,382	$ 24,292,284	$ 203,937,840
Liabilities						
Accounts payable	$ 1,655,635	$ 222,939	$ -	$ 1,232,581	$ 856,481	$ 3,967,636
Due to other funds	-	3,143,759	-	-	-	3,143,759
Due to component units	28,985	-	-	-	-	28,985
Retainage payable	9,373	-	-	46,118	9,293	64,784
Accrued salaries and benefits	10,441,257	834,869	-	-	579,276	11,855,402
Payroll withholdings	8,178,572	-	-	-	-	8,178,572
Claims payable	604,279	-	-	-	-	604,279
Unearned revenues	1,458,757	225,091	-	-	36,438	1,720,286
Total liabilities	22,376,858	4,426,658	-	1,278,699	1,481,488	29,563,703
Deferred inflows of revenue						
Unavailable property tax revenue	3,668,399	-	1,343,446		-	5,011,845
Fund Balances						
Nonspendable:						
deposits, inventories, prepaids	602,083	-	-	-	500,271	1,102,354
Restricted: TABOR	8,523,395	-	-	-	-	8,523,395
Restricted: Colorado Preschool	578,708	-	-	-	-	578,708
Restricted: debt service	-	-	43,375,929	-	-	43,375,929
Restricted: special revenue funds	-	-	-	-	8,621,951	8,621,951
Committed: capital projects	-	-	-	7,444,683	6,757,301	14,201,984
Committed: contingencies	5,682,263	-	-	-	-	5,682,263
Committed: Board allocations	9,479,104	-	-	-	-	9,479,104
Committed: risk management	4,296,018	-	-	-	-	4,296,018
Committed: special revenue fund	-	-	-	-	6,931,273	6,931,273
Assigned: Mill Levy Override	31,549,111	-	-	-	-	31,549,111
Assigned: subsequent year expenditures reported in General Fund	6,892,878	-	-	-	-	6,892,878
Unassigned reported in General Fund	28,127,324	-	-	-	-	28,127,324
Total fund balances	95,730,884	-	43,375,929	7,444,683	22,810,796	169,362,292
Total liabilities, deferred inflows, and fund balances	$ 121,776,141	$ 4,426,658	$ 44,719,375	$ 8,723,382	$ 24,292,284	$ 203,937,840

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

St. Vrain Valley School District RE-1J

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2016

Amounts reported for governmental activities in the statement of net position are different because:	
Governmental funds total fund balances	$ 169,362,292
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	391,486,990
Deferred outflows from refunding debt are not considered current financial resources and, therefore, not reported in the governmental fund	21,872,006
Premium ($37,988,881) on issuance of bonds, discount $19,563 on registered coupons, are recognized as other financing source in the governmental funds but are deferred in the statement of net position.	(37,969,318)
Long-term liabilities, including capital leases ($463,558), compensated absences ($2,730,353), bonds payable ($375,995,000), registered coupons payable ($300,000), as well as related accrued interest ($737,279) and claims payable ($258,975) are not due and payable in the current period and, therefore, are not reported in the funds.	(380,485,165)
Pension liability ($534,414,453) and related deferred inflows ($7,574,252) and deferred outflows $71,271,654 are not considered current and, therefore, not reported in the funds.	(470,717,051)
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.	5,011,845
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.	4,157,720
Net position of governmental activities	$ (297,280,681)

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

St. Vrain Valley School District RE-1J

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2016

	General	Governmental Designated-Purpose Grants	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 74,490,732	$ -	$ 42,982,496	$ -	$ -	$ 117,473,228
Specific ownership taxes	7,938,746	-	-	-	-	7,938,746
Mill levy override	38,998,710	-	-	-	-	38,998,710
Investment income	365,727	-	2,115	35,374	115,383	518,599
Charges for services	5,135,494	-	-	-	10,057,669	15,193,163
Pupil activities	-	-	-	-	6,399,979	6,399,979
Miscellaneous	4,256,369	-	-	4,599	1,410,747	5,671,715
State intergovernmental	138,628,976	401,090	-	-	5,642,314	144,672,380
Federal intergovernmental	2,855,529	13,325,982	-	-	5,797,819	21,979,330
Total revenues	272,670,283	13,727,072	42,984,611	39,973	29,423,911	358,845,850
Expenditures						
Current						
Instruction	163,637,037	6,055,040	-	-	11,722,656	181,414,733
Supporting services	91,627,089	7,645,418	-	5,280,753	1,057,333	105,610,593
Food service operations	-	-	-	-	9,184,944	9,184,944
Capital outlay	533,152	26,614	-	419,248	7,188,663	8,167,677
Debt service						
Principal	-	-	15,225,000	-	-	15,225,000
Interest	-	-	17,181,733	-	-	17,181,733
Bond issuance costs, fiscal charges	-	-	765,200	-	-	765,200
Total expenditures	255,797,278	13,727,072	33,171,933	5,700,001	29,153,596	337,549,880
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	16,873,005	-	9,812,678	(5,660,028)	270,315	21,295,970
Other Financing Sources (Uses)						
Issuance of refunding bonds, coupons	-	-	115,155,000	-	-	115,155,000
Refunding bond premium	-	-	12,871,395	-	-	12,871,395
Payment to refunding bond escrow agent	-	-	(128,498,887)	-	-	(128,498,887)
Proceeds from capital lease	-	-	-	-	110,322	110,322
Transfers in	-	-	-	-	7,620	7,620
Transfers out	-	-	-	-	(7,620)	(7,620)
Total other financing sources (uses)	-	-	(472,492)	-	110,322	(362,170)
Net change in fund balances	16,873,005	-	9,340,186	(5,660,028)	380,637	20,933,800
Fund balances, beginning	78,857,879	-	34,035,743	13,104,711	22,430,159	148,428,492
Fund balances, ending	$ 95,730,884	$ -	$ 43,375,929	$ 7,444,683	$ 22,810,796	$ 169,362,292

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

St. Vrain Valley School District RE-1J

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2016

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

Net change in fund balances of governmental funds		$ 20,933,800
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	(15,723,321)	
Capital outlay - capitalized, net of deleted assets	6,280,317	(9,443,004)
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	3,220,433	
Current year amortization of deferred outflows	(651,810)	
Long term portion of claims payable	95,184	
Change in deferred property tax accrual	142,956	2,806,763
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	(309,595)	
Accrued vacation earned during the year	(107,932)	
Amount paid during the year	241,836	(175,691)
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	(115,155,000)	
Premium, discount received on issuance of bonds, coupons	(12,871,395)	
Defeasance of bond issuance costs and premiums	11,273,370	
Bond principal payments	130,960,000	
Accrued interest expense on bonds	51,144	
Long-term lease additions	(121,540)	
Long-term lease payments	206,187	14,342,766
Pension expense related to the cost-sharing multiple-employer defined benefit pension fund is recognized on a government-wide basis and not included in the fund statements.		(25,041,925)
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.		188,592
Change in net position of governmental activities		$ 3,611,301

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

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St. Vrain Valley School District RE-1J

Statement of Fund Net Position
Proprietary Fund
June 30, 2016

	Governmental Activities
	Internal Service Fund
Assets	
Current assets	
Cash and cash equivalents	$ 3,307,198
Accounts receivable	82,424
Prepaid expenses	99,085
Total current assets	3,488,707
Noncurrent assets	
Restricted cash and cash equivalents	3,604,476
Total assets	7,093,183
Liabilities	
Current liabilities	
Accounts payable	274,457
Accrued salaries and benefits	2,624
Claims payable	2,658,382
Total liabilities	2,935,463
Net Position	
Unrestricted	4,157,720
Total net position	$ 4,157,720

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

St. Vrain Valley School District RE-1J

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2016

	Governmental Activities
	Internal Service Fund
Operating Revenues	
Charges for services	$ 16,264,235
Total operating revenues	16,264,235
Operating Expenses	
Salaries and benefits	214,338
Purchased services	1,492,342
Supplies and materials	79
Small equipment	147,761
Claims paid	14,240,386
Total operating expenses	16,094,906
Operating income	169,329
Nonoperating Revenues	
Investment income	19,263
Change in net position	188,592
Net position, beginning	3,969,128
Net position, ending	$ 4,157,720

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

St. Vrain Valley School District RE-1J

Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2016

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities	
Cash received from customers	$ 16,183,812
Cash paid to providers	(13,353,105)
Cash paid to other vendors	(1,374,226)
Cash paid to employees	(211,714)
Net cash provided by operating activities	1,244,767
Cash Flows from Noncapital Financing Activities	
Change in restricted cash and cash equivalents	(13,319)
Cash Flows from Investing Activities	
Investment income	19,263
Increase in cash and cash equivalents	1,250,711
Cash and cash equivalents, beginning of the year	2,056,487
Cash and cash equivalents, end of the year	$ 3,307,198
Reconciliation of Operating (Loss) / Income to Net Cash (Used in) / Provided by Operating Activities	
Operating income	$ 169,329
Adjustments to reconcile operating income to	
Net cash provided by operating activities	
Changes in assets and liabilities	
Increase in accounts receivable	(80,423)
Increase in deposits/prepaids	(99,085)
Increase in accounts payable	265,956
Increase in accrued salaries and benefits	2,624
Increase in claims payable	986,366
Net cash provided by operating activities	$ 1,244,767

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

St. Vrain Valley School District RE-1J

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	Private Purpose Trust - Student Scholarship	Agency - Student Activity
Assets		
Cash and investments	$ 215,994	$ 177,628
Accounts receivable	3,769	85
Total assets	219,763	$ 177,713
Liabilities		
Accounts payable	-	$ 138
Undistributed monies	-	177,575
Total liabilities	-	$ 177,713
Net Position		
Held in trust	$ 219,763	

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

St. Vrain Valley School District RE-1J

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2016

	Private Purpose Trust - Student Scholarship
Additions	
Investment income	$ 505
Contributions	39,453
Total additions	39,958
Deductions	
Scholarships	44,584
Total deductions	44,584
Change in net position	(4,626)
Net position, beginning	224,389
Net position, ending	$ 219,763

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements
June 30, 2016

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, 2 alternative, 1 online, 1 homeschool program, and 6 charter schools, serving over 31,000 students.

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

Discretely Presented Component Units – Charter Schools

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

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

The District's Board of Education has approved six charter school applications, Aspen Ridge Preparatory School, K-8; Carbon Valley Academy, grades 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discretely Presented Component Units – Charter Schools (Continued)

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

Fund Accounting

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

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

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

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

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

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

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

Capital Projects Funds – The District has two capital projects funds, the *Building Fund,* a major fund, and the *Capital Reserve Capital Projects Fund*, a nonmajor fund. The *Building Fund* accounts for the proceeds of bond sales and expenditures for capital outlay for land, buildings, improvements of grounds, construction of buildings, additions or remodeling of buildings or initial, additional and replacement equipment. Although this fund no longer meets the minimum criteria to be reported as a major fund, the District has elected to report it as such.

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

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

Enterprise Funds may be used to account for any activity for which a fee is charged to external users for goods or services. 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.

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

Government-wide and Fund Financial Statements

The District's financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the District and its component units. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

extent on fees and charges for support. Likewise, the *primary government* is reported separately from the legally separate *component units* for which the District is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the District's government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

Assets, Liabilities and Net Position

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

Investments 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*.

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.

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 estimated fair market value at the date of donation.

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

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

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

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 $21,872,006 at June 30, 2016.

Compensated Absences – Classified employees earn vacation leave and the District requires that all vacation leave earned be used within an approximate 18-month period, or approximately six months following the benefit year – up to January 15. District policy does not allow employees to accumulate unused vacation leave. All outstanding vacation leave for classified employees is payable upon resignation, termination, retirement or death. 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.

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 $35 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 the straight-line method.

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

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

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

Deferred outflows 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.

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 2016 is as follows:

Tax Year	
Beginning of fiscal year for taxes	January 1
Assessed valuation initially certified by County Assessors	August 25
Property tax levy by Board of Education for ensuing calendar year	December 10
Tax levy certified to County Commissioners	December 15
County Commissioners certify levy to County Treasurers	January 10
Collection Year	
Mailing of tax bills (lien date)	January 1
First installment due	February 28
Taxes due in full (unless installments elected by taxpayer)	April 30
Second installment due	June 15

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, 2016 in the amount of $5,011,845. 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 year-end are not reported as expenditures in the financial statements for US GAAP purposes, but are reported as assignment of fund balance for subsequent years' expenditures based on the encumbered appropriation authority carried over.

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 2016, the District budgeted $5,412,918 for instructional supplies and material purposes. The District expended $9,481,949 for instructional purposes during fiscal year ended June 30, 2016.

Direct allocation of funding to the Capital Reserve and Risk Management Funds was also discontinued by the Legislature. However, the District continues to fund these needs according to prior statute. For fiscal years 2012 and 2013, the Board of Education waived its own policy regarding the full funding at the prescribed amount. With the recovering economy and improved revenue forecasts, however, the Board of Education reinstated its policy beginning with the fiscal year 2014 budget. During fiscal year 2016, a total of $8,592,350 was allocated: $5,482,577 to the Capital Reserve Capital Projects Fund and $3,109,773 to the Risk Management Fund.

NOTE 3: DEPOSITS AND INVESTMENTS

At June 30, 2016, the District's deposits and investments were reported in the financial statements as follows:

	District	Component Units
Governmental activities	$ 195,184,273	$ 18,910,722
Agency	177,628	136,721
Private purpose trust scholarship	215,994	-
	$ 195,577,895	$ 19,047,443

At June 30, 2016, the District and component units had cash and investments with the following carrying balances:

	District	Component Units
Cash	$ 30,267,072	$ 18,560,137
Investments measured at net asset value	-	6,918,812
Investments measured at fair value	165,310,823	487,306
	$ 195,577,895	$ 19,047,443

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. The State regulatory commissioners regulate the eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the deposits. The District does not have a deposit policy. As of June 30, 2016, the District had bank deposits of $31,034,757 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 $11,973,510 of which $1,500,000 was covered by FDIC and $10,473,510 was covered by collateral held by authorized escrow agents in the financial institutions' name (PDPA).

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments

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

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

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

The District and its component units have investments either measured at net asset value (NAV), which approximates fair value, including 2a7-like external investment pools, money market funds, and certificates of deposit, or others – in accordance with GASB Statement No. 72, *Fair Value Measurement and Application,* including non-2a7 like investment pools and money market mutual funds – measured at fair value.

The component units' 2a-7-like external investment pools of $1.484.468 at June 30, 2016 are valued using the NAV per share (or its equivalent) of the investments. The 2a-7 like investments do not have any unfunded commitments, redemption restrictions or redemption notice periods. The 2a-7 like investments conform to C.R.S Section 24-75-601 and therefore invest primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the PDPA. The investments will conform to its Permitted Investments and will meet Standard & Poor's investment guidelines to achieve an AAAm rating, the highest attainable rating for a Local Government Investment Pool.

The District categorizes its 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, 2016, the District had the following fair value investments , excluding agency:

	Valuation Inputs			
Investment Type	Level 1	Level 2	Level 3	Total
Money market mutual funds	$ 45,798,299	$ -	$ -	$ 45,798,299
COLOTRUST investment pool	-	119,512,524	-	119,512,524
Total investments measured at fair value	$ 45,798,299	$ 119,512,524	$ -	$ 165,310,823

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The component units had the following fair value investments as of June 30, 2016:

	Valuation Inputs			
Investment Type	Level 1	Level 2	Level 3	Total
COLOTRUST investment pool	$ -	$ 86,031	$ -	$ 86,031
Money market mutual funds-CSIP	401,275	-	-	401,275
Total investments measured at fair value	$ 401,275	$ 86,031	$ -	$ 487,306

Local Government Investment Pools – At June 30, 2016, the District and its component units invested in the Colorado Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust (CSAFE), which are money market investment pools established for local government entities in Colorado to pool surplus funds. The pools are regulated by the Colorado Securities Commissioner. These pools operate similar to a money market fund and each share is equal in value to $1.00. Investments of the pools consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to the pools in connection with the direct investment and withdrawal functions of the pools. Substantially all securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the specific pool. To obtain more information, go to www.colotrust.com and www.csafe.org.

Custodial Credit Risk – This is the risk that, in the event of 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, 2016 were held at eligible public depositories.

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.

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Given the small amount available for investment in securities, and the relative low risk of U.S. agency securities, the District has not established a policy limiting the amount of investment in this type of security and deems it unnecessary at this time.

Restricted Cash and Investments

The Bond Redemption Fund's deposits and investments totaling $43,014,179 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 $3,604,476 are restricted for the purposes of the medical and dental self-insurance trust funds. The component units' deposits and investments totaling $5,954,162 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, 2016 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Governmental Designated-Purpose Grants Fund	$ 3,143,824

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 2016 were as follows:

Transfer In	Transfer Out	Amount
Community Education Fund	Student Activities Fund	$ 7,620

NOTE 5: CAPITAL ASSETS

The following is a summary of changes in the District's capital assets for the year ended June 30, 2016:

	Balance 7/1/2015	Additions	Deletions, Adjustments & Reclassifications	Transfers	Balance 6/30/2016
Governmental activities					
Non-depreciable assets					
Land	$ 20,053,379	$ 801,387	$ (8,271)	$ -	$ 20,846,495
Projects in progress	12,080,092	2,848,789	-	(14,374,844)	554,037
Water rights	1,083,578	-	-	-	1,083,578
Total non-depreciable assets	33,217,049	3,650,176	(8,271)	(14,374,844)	22,484,110
Depreciable assets					
Land improvements	24,106,959	-	-	-	24,106,959
Buildings	302,473,799	417,960	857,394	-	303,749,153
Building improvements	185,061,854	-	(1,135,951)	14,374,844	198,300,747
Equipment	32,364,256	2,695,976	(196,967)	-	34,863,265
Total depreciable assets	544,006,868	3,113,936	(475,524)	14,374,844	561,020,124
Less accumulated depreciation for					
Land improvements	14,460,119	1,041,510	-	-	15,501,629
Buildings	77,325,154	5,525,126	268,174	-	83,118,454
Building improvements	61,727,094	7,534,383	(423,104)	-	68,838,373
Equipment	22,781,556	1,970,231	(192,999)	-	24,558,788
Total accumulated depreciation	176,293,923	16,071,250	(347,929)	-	192,017,244
Total depreciable assets, net	367,712,945	(12,957,314)	(127,595)	14,374,844	369,002,880
Governmental activities			-		
Total capital assets, net	**$ 400,929,994**	**$ (9,307,138)**	**$ (135,866)**	**$ -**	**$ 391,486,990**

Capital assets included above that were acquired through capital lease arrangements are modular buildings, with a cost of $904,678 and accumulated depreciation of $429,482, and equipment, with a cost of $1,139,383 and accumulated depreciation of $571,576. The net value of these capital assets is $1,043,004.

NOTE 5: CAPITAL ASSETS (Continued)

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

Governmental activities	
Instruction	$ 14,077,223
Supporting services	1,994,027
Total	$ 16,071,250

Component Units' Capital Assets

The following is a summary of changes in the component units' capital assets for the year ended June 30, 2016:

	Balance 7/1/2015	Additions	Reclassifications & Deletions	Balance 6/30/2016
Component units				
Non-depreciable assets				
Land	$ 4,355,006	$ -	$ -	$ 4,355,006
Construction in progress	7,489,645	4,047,627	(7,489,645)	4,047,627
Total non-depreciable assets	11,844,651	4,047,627	(7,489,645)	8,402,633
Depreciable assets				
Land improvements	280,487	-	-	280,487
Building	33,311,843	4,598,977	-	37,910,820
Leasehold improvements	1,685,124	3,284,497	-	4,969,621
Furniture & equipment	873,551	322,260	-	1,195,811
Software costs	20,021	-	-	20,021
Total depreciable assets	36,171,026	8,205,734	-	44,376,760
Less accumulated depreciation	5,502,444	1,285,026	-	6,787,470
Total depreciable assets, net	30,668,582	6,920,708	-	37,589,290
Total capital assets, net	$ 42,513,233	$ 10,968,335	$ (7,489,645)	$ 45,991,923

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

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

NOTE 6: ACCRUED SALARIES AND BENEFITS

Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from August to July, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid at June 30, 2016 are determined to be as follows:

General Fund	$	10,441,257
Grants Fund		834,869
Other funds		579,276
Total governmental funds		11,855,402
Proprietary funds		2,624
Total primary government	$	11,858,026
Component units	$	1,040,995

NOTE 7: SALE OF FUTURE INVESTMENT INCOME

Investment Agreement

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

The amount received under the agreement is being amortized over the term of the agreement for US GAAP purposes, rather than being recognized in full when received. For fiscal year ended June 30, 2016, the remaining $185,494 of deferred inflows of resources was recognized. Income recognized was $126,992 by the General Fund, $18,494 by the Building Fund, $2,150 by the Capital Reserve Capital Projects Fund, and $37,858 by the Fair Contributions Fund. There are no deferred inflows of resources as of June 30, 2016.

NOTE 8: LONG-TERM DEBT

The District's long-term debt changed as follows during the year ended June 30, 2016.

Governmental activities	Balance 7/1/2015	Additions	Payments/ Amortization	Balance 6/30/2016	Due within one year
General obligation bonds	$ 391,800,000	$ 115,155,000	$ (130,960,000)	$ 375,995,000	$ 18,145,000
Deferred bond premium	28,337,919	12,871,395	(3,220,433)	37,988,881	-
Registered coupons	300,000	-	-	300,000	300,000
Registered coupons discount	(19,563)	-	-	(19,563)	(19,563)
Capital leases	548,205	121,540	(206,187)	463,558	212,264
Vacation payable	948,019	107,932	(65,658)	990,293	990,293
Annual leave payable	1,606,643	309,595	(176,178)	1,740,060	191,000
Total	$ 423,521,223	$ 128,565,462	$ (134,628,456)	$ 417,458,229	$ 19,818,994

General Obligation Bonds

Description, Interest Rates, and Maturity Dates	Balance due at June 30, 2016
Refunding Bonds (Series 2006), original amount of $43,455,000, due in varying installments through December 15, 2022, 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.	$ 38,825,000
Building Bonds (Series 2006B), original amount of $56,800,000, due in varying installments through December 15, 2016, interest at 4.0%. Premium of $3,622,791 received upon issuance is being amortized based on maturity of bonds. Amounts defeased were $47,850,000 during fiscal year 2015. Premium amortization was adjusted accordingly.	125,000
Building Bonds (Series 2009), original amount of $104,000,000, due in varying installments through December 15, 2021, interest from 2.750% 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.	600,000
Building Bonds (Series 2010A), original amount of $8,590,000, due in varying installments through December 15, 2025, interest at 5.25%. Premium of $1,191,756 received upon issuance is being amortized based on maturity of bonds.	8,590,000
Building Bonds (Series 2010B), taxable (Direct Pay Build America Bonds), original amount of $76,410,000, due in varying installments through December 15, 2033, interest from 5.34% to 5.79%.	76,410,000

NOTE 8: LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

Refunding Bonds (Series 2011), original amount of $34,355,000, due in varying installments through December 15, 2019, interest from 4.0% to 5.0%. Proceeds used to retire $34,605,000 of outstanding building bonds (Series 2003). Premium of $4,011,133 received upon issuance is being amortized based on maturity of bonds.	$ 27,825,000
Refunding Bonds (Series 2011B), original amount of $31,150,000, due in varying installments through December 15, 2022, interest from 2.0% to 5.0%. Proceeds used to retire $31,770,000 of outstanding building bonds (Series 2003). Premium of $4,359,203 received upon issuance is being amortized based on maturity of bonds.	25,280,000
Refunding Bonds (Series 2012), original amount of $34,695,000, due in varying installments through December 15, 2024, interest from 1.0% to 4.0%. Proceeds used to retire $34,705,000 of outstanding building bonds (Series 2004). Premium of $4,245,413 received upon issuance is being amortized based on maturity of bonds.	34,695,000
Refunding Bonds (Series 2014), original amount of $50,355,000, due in varying installments through December 15, 2026, interest from 3.0% to 5.0%. Proceeds used to retire $2,120,000, $5,945,000 and $47,850,000 of outstanding building bonds (Series 2004, 2005A and 2006B, respectively). Premium of $10,821,491 received upon issuance is being amortized based on maturity of bonds.	48,490,000
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.	115,155,000
Total general obligation bonds payable	$ 375,995,000

Advance Refunding

On March 9, 2016, the District issued $115,155,000 in general obligation bonds with an average coupon of 3.96% to call and pay $13,035,000 of outstanding 2005B series bonds, and to advance refund $102,700,000 of outstanding 2009 series bonds, with average interest rates of 5.00%, and 4.99%, respectively. The net proceeds of $127.4 million combined with existing funds of $1.3 million were used to call and pay the series 2005B bonds, with the remaining used to purchase open market securities (U.S. Government). Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on $102,700,000 of the 2009 Series bonds until those bonds are called in December of 2018. As a result, the portion of the aforementioned series bonds are considered to be defeased and the liability for those portions of the bonds have been removed from the general long-term debt. By refunding these portions of these bonds, the

NOTE 8: LONG-TERM DEBT (Continued)

Advance Refunding (Continued)

District reduced its total debt service payments over the next 17 years by more than $21.4 million, resulting in a savings of more than $20.1 million net of district contributions. The District obtained an economic gain (difference between the present value of the debt service payments on the old and new debt, less district contributions) of more than $14.7 million.

Bond and coupon payments to maturity are as follows:

Year ending June 30	GO Bonds Principal	GO Bonds Interest	Registered Coupons Supplemental Interest	Total
2017	$ 18,145,000	$ 17,088,476	$ 300,000	$ 35,533,476
2018	17,905,000	16,399,089	-	34,304,089
2019	19,150,000	15,581,639	-	34,731,639
2020	20,025,000	14,669,614	-	34,694,614
2021	21,120,000	13,706,264	-	34,826,264
2022-2026	95,935,000	54,866,876	-	150,801,876
2027-2031	102,100,000	31,742,933	-	133,842,933
2032-2034	81,615,000	5,555,421	-	87,170,421
Total	$ 375,995,000	$ 169,610,312	$ 300,000	$ 545,905,312

The amount of defeased debt outstanding as of June 30, 2016 is $150,550,000. The defeased amount relates to the 2006B series (defeased in FY15, callable in December of 2016) and 2009 series (defeased in FY16, callable in December of 2018).

At June 30, 2016, the future minimum capital lease obligations are $463,558 through 2021. The amount representing interest is $50,918 and the net present value of these minimum lease payments is $434,967.

Compensated Absences

Compensated absences include both vacation pay and annual leave. The District allows employees to carryover unused vacation from one fiscal year to the next. However, all vacation time from the prior year must be used by January 15 of the current year. Any unused vacation as of January 15 is forfeited; however, the amount forfeited is minimal. Thus, the liability recognized as of June 30, 2016 is considered payable within one year.

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, 2016 includes qualified annual leave for all eligible employees as of June 30, 2016.

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.

NOTE 8: LONG-TERM DEBT (Continued)

Component Units' Long-Term Debt

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

In December 2006, the Colorado Educational and Facilities Authority (CECFA) issued $5,305,000 Charter School Revenue Bonds, Series 2006. Proceeds from the bonds were used to construct the Carbon Valley Academy's building. The Academy is required to make lease payments to the Building Corporation for use of the building. The Building Corporation is required to make lease payments to the Trustee for payment of the bonds. Interest accrues at a rate of 5.65% per year. The lease matures in December 2036.

In 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 December 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 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.

Following is a summary of the component units' long-term debt transactions for the year ended June 30, 2016.

	Balance 7/1/2015	Additions	Payments	Balance 6/30/2016	Due within one year
Component units					
Revenue bonds	$ 55,370,000	$13,335,000	$13,460,000	$55,245,000	$615,000
Premium	349,442	800,382	(3,105)	1,152,929	-
	$ 55,719,442	$14,135,382	$13,456,895	$56,397,929	$615,000

NOTE 8: LONG-TERM DEBT (Continued)

Component Units' Long-Term Debt (Continued)

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

Year ending June 30,	Principal	Interest	Total
2017	$ 615,000	$ 2,367,963	$ 2,982,963
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
2022-2026	6,460,000	11,185,098	17,645,098
2027-2031	8,145,000	9,437,403	17,582,403
2032-2036	10,680,000	7,067,315	17,747,315
2037-2041	11,255,000	4,377,177	15,632,177
2042-2046	12,380,000	1,558,186	13,938,186
2047	1,445,000	31,879	1,476,879
Total	$ 55,245,000	$ 45,901,048	$ 101,146,048

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, 2016, the outstanding defeased bonds were $12,675,000.

In August 2014, Twin Peaks Charter Academy defeased the Series 2008 Bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. This resulted in a net present value savings of $996,501. Accordingly the trust account assets and the liability for the defeased bonds are not included in the Academy's financial statements. At June 30, 2016, $13,245,000 of bonds outstanding are considered defeased.

NOTE 9: RISK FINANCING

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

Risk Management Fund

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

NOTE 9: RISK FINANCING (Continued)

Risk Management Fund (Continued)

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, 2016, the District had insurance deductibles of $50,000 (property), $25,000 (general liability), and $1,000 (vehicle liability) per claim. At June 30, 2016, the District's property and liability claims payable was $268,847.

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, 2016. At June 30, 2016, the District's workers' compensation claims payable was $594,407.

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

Claims Liability – The claims liability on a government-wide basis includes losses from currently available funds as well as estimates for claims that have been incurred but not reported. Of the total claims payable, $604,279 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, 2016 and 2015 were as follows:

	2016	2015
Beginning fiscal year liability	$ 1,180,528	$ 1,350,655
Current year claims and adjustments	215,087	684,975
Claims paid	(532,361)	(855,102)
Ending fiscal year liability	$ 863,254	$ 1,180,528

NOTE 9: RISK FINANCING (Continued)

Self Insurance Fund

In January 2013, the District established a Self Insurance Fund to account for dental and certain medical liability claims. Liabilities and related claims expense as reported in the Fund were estimated based on a financial services consultant's analyses of the dental and medical providers' claims data at June 30, 2016. The following is a summary of the changes in claims liability for the Self Insurance Fund for fiscal year ended June 30, 2016.

	2016	2015
Beginning fiscal year liability	$ 1,672,016	$ 1,469,522
Current year claims and adjustments**	14,339,471	14,248,070
Claims paid**	(13,353,105)	(14,045,576)
Ending fiscal year liability	$ 2,658,382	$ 1,672,016

** 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 2016 and 2015; however, there was no impact on the ending liability.

NOTE 10: DEFINED BENEFIT PENSION PLAN

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

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

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

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

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Benefits Provided (Continued)

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.

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.

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Contributions (Continued)

The employer contribution requirements are summarized in the table below.

	For Year Ended 12/31/2015	For Year Ended 12/31/2016
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]	4.20%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 [1]	4.00%	4.50%
Total Employer Contribution Rate to the SCHDTF[1]	17.33%	18.13%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from District were $27,643,539 for the fiscal year ended June 30, 2016.

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

At June 30, 2016, the District reported a liability of $534,414,453 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. Standard update procedures were used to roll forward the total pension liability to December 31, 2015. The District's proportion of the net pension liability was based on District's contributions to the SCHDTF for the calendar year 2015 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2015, the District's proportion was 3.49 percent, which was an increase of 0.03 percent from its proportion measured as of December 31, 2014.

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended June 30, 2016, the District recognized pension expense of $25,041,925. At June 30, 2016, 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	$7,057,004	$22,028
Changes of assumptions or other inputs	n/a	$7,552,224
Net difference between projected and actual earnings on pension plan investments	$45,354,201	n/a
Changes in proportion and differences between contributions recognized and proportionate share of contributions	$4,620,446	n/a
Contributions subsequent to the measurement date	$14,240,003	n/a
Total	$71,271,654	$7,574,252

$14,240,003 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, 2017. 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,	
2017	$13,771,888
2018	$13,598,673
2019	$12,768,824
2020	$9,318,017

Actuarial assumptions – The total pension liability in the December 31, 2014 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
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

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

Actuarial assumptions (continued)

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

The actuarial assumptions used in the December 31, 2014 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.

Changes to assumptions or other inputs since the December 31, 2013 actuarial valuation are as follows:

The following programming changes were made:

- Valuation of the full survivor benefit without any reduction for possible remarriage.
- Reflection of the employer match on separation benefits for all eligible years.
- Reflection of one year of service eligibility for survivor annuity benefit.
- Refinement of the 18 month annual increase timing.
- Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

The following methodology changes were made:

- Recognition of merit salary increases in the first projection year.
- Elimination of the assumption that 35% of future disabled members elect to receive a refund.
- Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
- Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

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

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

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

Actuarial assumptions (Continued)

As of the November 15, 2013 adoption of the 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	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
Total	100.00%	

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

Discount rate – The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.90%.
- 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, 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.

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

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

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 actuarial cost method and assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	$692,757,322	$534,414,453	$402,702,727

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.

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Component Units' Defined Pension Benefit Plan

Contributions – Employer contributions recognized by the SCHDTF from the component units were $2,390,559 for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2016, the component units reported a combined liability of $42,440,476 for their proportionate share of the net pension liability. At December 31, 2015, the component units' proportion was a combined 0.27749 percent, which was a net increase of 0.01013 percent from their proportion measured as of December 31, 2014. For the year ended June 30, 2016, the component units recognized a combined pension expense of $5,513,503.

At June 30, 2016, the component units 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	$560,432	$1,767
Changes of assumptions or other inputs	$206,098	$542,680
Net difference between projected and actual earnings on pension plan investments	$3,265,207	$57,077
Changes in proportion and differences between contributions recognized and proportionate share of contributions	$3,157,120	n/a
Contributions subsequent to the measurement date	$1,226,110	n/a
Total	$8,414,967	$601,524

$1,226,110 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2017	$2,329,483
2018	$2,329,817
2019	$1,188,037
2020	$739,996

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Component Units' Defined Pension Benefit Plan (Continued)

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	$55,015,259	$42,440,476	$31,980,600

NOTE 11: POSTEMPLOYMENT HEALTH CARE BENEFITS

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

Funding Policy – The District is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2016, 2015, and 2014, the District's employer contributions to the HCTF were $1,590,046, $1,516,577, and $1,439,638, respectively, equal to its required contributions for each year.

Component units' employer contributions to HCTF were $128,960, $118,854, and $103,618, respectively for the years ending June 30, 2016, 2015, and 2014, equal to their required contributions for each year.

NOTE 12: DEFINED CONTRIBUTION PLAN

Plan Description – Employees of the District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S, as amended, assigns the authority to establish the Plan provisions to the PERA

NOTE 12: DEFINED CONTRIBUTION PLAN (Continued)

Plan Description (Continued)

Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Plan. That report can be obtained at www.copera.org/investments/pera -financial-reports.

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions of up to a maximum limit set by the Internal Revenue Service as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. There is no employer match. For the year ended June 30, 2016, 2015 and 2014, the Voluntary Investment Program member contributions were $1,594,025, $1,641,725, and $1,445,496, respectively.

NOTE 13: JOINTLY GOVERNED ORGANIZATION

Centennial Board of Cooperative Educational Services

The District, in conjunction with other surrounding districts, created the Centennial Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational and computer services at a shared lower cost per district. The BOCES Board is comprised of one member from each participating district. The District paid the BOCES $493,317 which includes $193,755 for contractual services, $268,162 for tuition and an additional $11,400 for other services during the year ended June 30, 2016. The BOCES financial statements can be obtained at their administrative office located at 2020 Clubhouse Drive, Greeley, Colorado 80634.

NOTE 14: COMMITMENTS AND CONTINGENCIES

Claims and Judgments
The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2016, significant amounts of grant expenditures have not been audited by granting agencies, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

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

Construction Contracts
The District has entered into a number of separate construction projects as of June 30, 2016. Contract commitments at June 30, 2016, as a result of these projects, totaled $4,277,442.

NOTE 14: COMMITMENTS AND CONTINGENCIES (Continued)

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, 2016, 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, 2016.

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

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

NOTE 15: SUBSEQUENT EVENTS

On October 6, 2016, the District issued $14,390,000 in general obligation bonds with an average coupon of 4.29% to advance refund $16,675,000 of the $38,825,000 outstanding 2006 Series bonds at June 30, 2016, with interest rates of 4.25% to 4.50%. This resulted in a savings of more than $2.6 million.

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REQUIRED SUPPLEMENTARY INFORMATION

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

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

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

Pension. During fiscal year 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, 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, 2016

	General Fund				Colorado Preschool Program (A sub-fund of the General Fund)			
	Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)	Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)
Revenues								
Local								
Property taxes	$ 65,528,675	$ 73,767,769	$ 74,490,732	$ 722,963	$ -	$ -	$ -	$ -
Specific ownership taxes	7,616,475	8,200,000	7,938,746	(261,254)	-	-	-	-
Mill levy override	32,790,641	39,524,340	38,998,710	(525,630)	-	-	-	-
Investment income	226,000	226,000	361,525	135,525	250	250	783	533
Charges for services	5,690,000	5,590,977	5,133,994	(456,983)	-	-	-	-
Miscellaneous	2,531,766	2,582,358	4,176,599	1,594,241	-	-	-	-
Total local revenues	114,383,557	129,891,444	131,100,306	1,208,862	250	250	783	533
State								
Equalization, net	128,338,424	122,688,884	122,916,538	227,654	1,481,001	1,471,161	1,471,161	-
Special Education	5,677,003	5,920,708	6,013,392	92,684	-	-	-	-
Vocational Education	593,710	689,350	765,941	76,591	-	-	-	-
Transportation	1,558,502	1,627,698	1,826,103	198,405	-	-	-	-
Gifted and Talented	278,505	285,409	255,304	(30,105)	-	-	-	-
English Language Proficiency Act	1,514,463	1,552,331	1,522,651	(29,680)	-	-	-	-
BEST grant	320,000	-	-	-	-	-	-	-
Other state sources	966,390	600,051	748,113	148,062	-	-	-	-
Total state revenues	139,246,997	133,364,431	134,048,042	683,611	1,481,001	1,471,161	1,471,161	-
Federal								
Build America Bond rebates	1,411,273	1,418,885	1,418,885	-	-	-	-	-
Migrant passed through BOCES	36,594	46,741	40,845	(5,896)	-	-	-	-
Other federal sources	-	2,422,760	1,395,799	(1,026,961)	-	-	-	-
Total federal revenues	1,447,867	3,888,386	2,855,529	(1,032,857)	-	-	-	-
Total revenues	255,078,421	267,144,261	268,003,877	859,616	1,481,251	1,471,411	1,471,944	533
Expenditures, encumbered basis								
Current								
Salaries	149,122,455	150,837,436	145,856,733	4,980,703	166,621	174,497	170,839	3,658
Benefits	47,302,362	46,563,732	45,556,274	1,007,458	57,428	55,138	55,295	(157)
Purchased services	11,372,644	11,217,058	10,945,998	271,060	1,113,750	1,113,750	1,131,118	(17,368)
Supplies and materials	23,425,676	26,654,138	22,717,459	3,936,679	99,450	99,450	68,933	30,517
Claims paid	-	-	-	-	-	-	-	-
Other	920,295	975,095	729,637	245,458	28,225	28,576	24,760	3,816
Charter schools	27,119,296	25,740,485	25,805,745	(65,260)	-	-	-	-
Capital outlay	43,000	50,000	533,152	(483,152)	-	250,000	-	250,000
Total expenditures, US GAAP basis	259,305,728	262,037,944	252,144,998	9,892,946	1,465,474	1,721,411	1,450,945	270,466
Excess (deficiency) of revenues over (under) expenditures and other financing sources uses	$ (4,227,307)	$ 5,106,317	15,858,879	$ 10,752,562	$ 15,777	$ (250,000)	20,999	$ 270,999
Fund balance, beginning			74,997,279				557,709	
Fund balance, ending			$ 90,856,158				$ 578,708	

See the accompanying Independent Auditors' Report.

Risk Management Fund (A sub-fund of the General Fund) Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)	Total Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)
$ -	$ -	$ -	$ -	$ 65,528,675	$ 73,767,769	$ 74,490,732	$ 722,963
-	-	-	-	7,616,475	8,200,000	7,938,746	(261,254)
-	-	-	-	32,790,641	39,524,340	38,998,710	(525,630)
5,000	5,000	3,419	(1,581)	231,250	231,250	365,727	134,477
-	-	1,500	1,500	5,690,000	5,590,977	5,135,494	(455,483)
10,000	77,000	79,770	2,770	2,541,766	2,659,358	4,256,369	1,597,011
15,000	82,000	84,689	2,689	114,398,807	129,973,694	131,185,778	1,212,084
3,224,919	3,109,773	3,109,773	-	133,044,344	127,269,818	127,497,472	227,654
-	-	-	-	5,677,003	5,920,708	6,013,392	92,684
-	-	-	-	593,710	689,350	765,941	76,591
-	-	-	-	1,558,502	1,627,698	1,826,103	198,405
-	-	-	-	278,505	285,409	255,304	(30,105)
-	-	-	-	1,514,463	1,552,331	1,522,651	(29,680)
-	-	-	-	320,000	-	-	-
-	-	-	-	966,390	600,051	748,113	148,062
3,224,919	3,109,773	3,109,773	-	143,952,917	137,945,365	138,628,976	683,611
-	-	-	-	1,411,273	1,418,885	1,418,885	-
-	-	-	-	36,594	46,741	40,845	(5,896)
-	-	-	-	-	2,422,760	1,395,799	(1,026,961)
-	-	-	-	1,447,867	3,888,386	2,855,529	(1,032,857)
3,239,919	3,191,773	3,194,462	2,689	259,799,591	271,807,445	272,670,283	862,838
228,126	232,275	227,632	4,643	149,517,202	151,244,208	146,255,204	4,989,004
64,353	62,058	61,086	972	47,424,143	46,680,928	45,672,655	1,008,273
1,472,570	1,472,570	1,342,180	130,390	13,958,964	13,803,378	13,419,296	384,082
72,650	72,650	30,087	42,563	23,597,776	26,826,238	22,816,479	4,009,759
1,600,000	1,600,000	532,361	1,067,639	1,600,000	1,600,000	532,361	1,067,639
52,220	52,220	7,989	44,231	1,000,740	1,055,891	762,386	293,505
-	-	-	-	27,119,296	25,740,485	25,805,745	(65,260)
-	-	-	-	43,000	300,000	533,152	(233,152)
3,489,919	3,491,773	2,201,335	1,290,438	264,261,121	267,251,128	255,797,278	11,453,850
$ (250,000)	$ (300,000)	993,127	$ 1,293,127	$ (4,461,530)	$ 4,556,317	16,873,005	$ 12,316,688
		3,302,891				78,857,879	
		$ 4,296,018				$ 95,730,884	

See the accompanying Independent Auditors' Report.

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St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Governmental Designated-Purpose Grants
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
State grants	$ 550,000	$ 421,951	$ 401,090	$ (20,861)
Federal grants	9,580,000	10,620,668	9,104,742	(1,515,926)
ARRA - Federal education stimulus grants	5,700,000	4,516,413	4,221,240	(295,173)
Total revenues	15,830,000	15,559,032	13,727,072	(1,831,960)
Expenditures				
Salaries	9,480,000	9,606,915	8,742,469	864,446
Benefits	2,660,000	2,609,285	2,548,569	60,716
Purchased services	560,000	803,799	387,353	416,446
Supplies and materials	2,140,000	1,622,145	945,623	676,522
Other	110,000	19,635	1,076,444	(1,056,809)
Capital outlay	880,000	897,253	26,614	870,639
Total expenditures	15,830,000	15,559,032	13,727,072	1,831,960
Excess (deficiency) of revenues over (under) expenditures	$ -	-	-	$ -
Fund balance, beginning		-	-	
Fund balance, ending		$ -	$ -	

See the accompanying Independent Auditors' Report.

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

	2014	2015
District's proportion of the net pension liability (asset)	3.4574%	3.4942%
District's proportionate share of the net pension liability (asset)	$ 468,595,684	$ 534,414,453
District's covered-employee payroll	$ 144,605,343	$ 152,401,888
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	324.05%	350.66%
Plan fiduciary net position as a percentage of the total pension liability	62.84%	59.20%

** 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.

See the accompanying Independent Auditors' Report.

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 Two **

	2015	2016
Contractually required contribution	$ 25,104,314	$ 27,643,539
Contributions in relation to the contractually required contribution	(25,104,314)	(27,643,539)
Contribution deficiency (excess)	$ -	$ -
District's covered-employee payroll	$ 148,684,016	155,886,834
Contributions as a percentage of convered-employee payroll	16.88%	17.73%

** 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.

See the accompanying Independent Auditors' Report.

Notes to Required Supplementary Information
June 30, 2016

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. A budget basis is similar to a cash basis, in that revenues are recognized when cash is received, and expenditures are recorded when payments are made. However, budgeting on a US GAAP basis includes, for example, accruals for compensation earned but not paid as of fiscal year end, and recognition of deferred revenues. The District's other funds are also budgeted on a US GAAP basis.

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

- $3.0 million increase in total program funding resulting from increased per pupil revenue and student growth;
- $6.7 million increase in mill levy override dollars due to increased property values;
- $2.4 million increase in federal revenues due to a reclassification of the Medicaid program from the *Governmental Designated-Purpose Grants Fund* to the *General Fund;*
- $3.2 million increase in supplies and materials due to the increase rollout of the Learning Technology Plan; and,
- $1.4 million decrease in allocations to charter schools due to overall decrease in enrollment at those schools.

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 two 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

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

Building Fund – The *Building Fund* is a capital projects fund that accounts for the proceeds of bond sales and expenditures for capital outlay for land, buildings, improvements of grounds, construction of buildings, additions or remodeling of buildings or initial, additional and replacement equipment. Although this fund no longer meets the minimum criteria to be reported as a major fund, the District has elected to report it as such.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Bond Redemption Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	$ 35,710,190	$ 43,043,431	$ 42,982,496	$ (60,935)
Investment income	2,000	2,000	2,115	115
Total revenues	35,712,190	43,045,431	42,984,611	(60,820)
Expenditures				
Debt principal	15,225,000	15,225,000	15,225,000	-
Debt interest	18,932,570	18,932,570	17,181,733	1,750,837
Fiscal charges	10,000	800,000	765,200	34,800
Total expenditures	34,167,570	34,957,570	33,171,933	1,785,637
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	1,544,620	8,087,861	9,812,678	1,724,817
Other Financing Sources (Uses)				
Issuance of refunding bonds, coupons	-	115,055,000	115,155,000	100,000
Premium on bonds issued	-	13,405,000	12,871,395	(533,605)
Payment to refunded bond escrow agent	-	(131,460,000)	(128,498,887)	2,961,113
Total other financing sources (uses)	-	(3,000,000)	(472,492)	2,527,508
Net change in fund balances	$ 1,544,620	5,087,861	9,340,186	$ 4,252,325
Fund balance, beginning		34,035,743	34,035,743	
Fund balance, ending		$ 39,123,604	$ 43,375,929	

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Building Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 45,000	$ 43,000	$ 35,374	$ (7,626)
Miscellaneous	-	40,000	4,599	(35,401)
Total revenues	45,000	83,000	39,973	(43,027)
Expenditures				
Salaries	225,000	272,800	304,618	(31,818)
Benefits	58,188	78,100	84,988	(6,888)
Purchased services	4,000,000	4,000,000	4,888,898	(888,898)
Supplies and materials	100,000	100,000	-	100,000
Capital outlay	7,437,332	8,686,811	419,248	8,267,563
Other	50,000	50,000	2,249	47,751
Total expenditures	11,870,520	13,187,711	5,700,001	7,487,710
Net change in fund balances	$ (11,825,520)	(13,104,711)	(5,660,028)	$ 7,444,683
Fund balance, beginning		13,104,711	13,104,711	
Fund balance, ending		$ -	$ 7,444,683	

See the accompanying Independent Auditors' Report.

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SUPPLEMENTARY SCHEDULES – GOVERNMENTAL FUNDS

Nonmajor Capital Projects Fund

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

Nonmajor Special Revenue Funds

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

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

St. Vrain Valley School District RE-1J

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Capital Reserve Capital Projects Fund
Assets	
Cash and investments	$ 7,491,467
Accounts receivable	-
Grants receivable	-
Prepaids	109,650
Deposits	280
Inventories	-
Total assets	$ 7,601,397
Liabilities	
Accounts payable	$ 726,053
Accrued salaries and benefits	-
Construction retainage payable	8,113
Unearned revenues	-
Total liabilities	734,166
Deferred inflows of revenue	
From forward investment agreement	-
Fund Balances	
Nonspendable: deposits, inventories, prepaids	109,930
Restricted: special revenue funds	-
Committed: capital projects	6,757,301
Committed: special revenue fund	-
Assigned	-
Total fund balances	6,867,231
Total liabilities, deferred inflows, and fund balances	$ 7,601,397

See the accompanying Independent Auditors' Report.

Special Revenue Funds: Community Education	Fair Contributions	Nutrition Services	Student Activity	Total Nonmajor Governmental Funds
$ 2,708,415	$ 6,934,173	$ 2,154,011	$ 4,340,631	$ 23,628,697
59,838	-	20,039	7,531	87,408
-	-	75,908	-	75,908
24,000	-	24,181	-	157,831
-	-	-	-	280
-	-	342,160	-	342,160
$ 2,792,253	$ 6,934,173	$ 2,616,299	$ 4,348,162	$ 24,292,284
$ 32,669	$ 2,900	$ 59,898	$ 34,961	$ 856,481
421,582	-	148,561	9,133	579,276
1,180	-	-	-	9,293
36,438	-	-	-	36,438
491,869	2,900	208,459	44,094	1,481,488
-	-	-	-	-
24,000	-	366,341	-	500,271
2,276,384	-	2,041,499	4,304,068	8,621,951
-	-	-	-	6,757,301
-	6,931,273	-	-	6,931,273
-	-	-	-	-
2,300,384	6,931,273	2,407,840	4,304,068	22,810,796
$ 2,792,253	$ 6,934,173	$ 2,616,299	$ 4,348,162	$ 24,292,284

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Capital Reserve Capital Projects Fund
Revenues	
Intergovernmental	$ 5,482,577
Investment income	29,018
Charges for services	-
Pupil activities	-
Miscellaneous	69,133
State intergovernmental	-
Federal intergovernmental	-
Total revenues	5,580,728
Expenditures	
Instruction	-
Supporting services	-
Food service operations	-
Capital expenditures/outlay	6,103,121
Total expenditures	6,103,121
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(522,393)
Other Financing Sources (Uses)	
Proceeds from capital lease	-
Transfers in	-
Transfers out	-
Total other financing sources (uses)	-
Net changes in fund balances	(522,393)
Fund balances, beginning	7,389,624
Fund balances, ending	$ 6,867,231

See the accompanying Independent Auditors' Report.

Special Revenue Funds				
Community Education	Fair Contributions	Nutrition Services	Student Activity	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ 5,482,577
9,524	59,757	3,732	13,352	115,383
6,778,586	-	3,279,083	-	10,057,669
-	-	-	6,399,979	6,399,979
-	1,302,197	39,417	-	1,410,747
-	-	159,737	-	159,737
-	-	5,797,819	-	5,797,819
6,788,110	1,361,954	9,279,788	6,413,331	29,423,911
6,165,153	-	-	5,557,503	11,722,656
608,531	36,324	-	412,478	1,057,333
-	-	9,184,944	-	9,184,944
198,190	801,387	45,679	40,286	7,188,663
6,971,874	837,711	9,230,623	6,010,267	29,153,596
(183,764)	524,243	49,165	403,064	270,315
110,322	-	-	-	110,322
7,620	-	-	-	7,620
-	-	-	(7,620)	(7,620)
117,942	-	-	(7,620)	110,322
(65,822)	524,243	49,165	395,444	380,637
2,366,206	6,407,030	2,358,675	3,908,624	22,430,159
$ 2,300,384	$ 6,931,273	$ 2,407,840	$ 4,304,068	$ 22,810,796

See the accompanying Independent Auditors' Report.

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St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Reserve Capital Projects Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Allocation from General Fund	$ 4,805,803	$ 5,482,577	$ 5,482,577	$ -
Investment income	7,500	10,000	29,018	19,018
Miscellaneous	75,000	175,000	69,133	(105,867)
Total revenues	4,888,303	5,667,577	5,580,728	(86,849)
Expenditures				
Capital expenditures	6,750,000	7,750,000	6,103,121	1,646,879
Total expenditures	6,750,000	7,750,000	6,103,121	1,646,879
Net change in fund balances	$ (1,861,697)	(2,082,423)	(522,393)	$ 1,560,030
Fund balance, beginning		7,389,624	7,389,624	
Fund balance, ending		$ 5,307,201	$ 6,867,231	

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Community Education Fund
For the Year Ended June 30, 2016

	Original Budget	2nd Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 5,000	$ 5,000	$ 9,524	$ 4,524
Charges for services	5,750,000	6,500,000	6,778,586	278,586
Total revenues	5,755,000	6,505,000	6,788,110	283,110
Expenditures				
Instruction	6,550,000	6,650,000	6,165,153	484,847
Support services	475,000	620,000	608,531	11,469
Capital outlay	-	75,000	198,190	(123,190)
Total expenditures	7,025,000	7,345,000	6,971,874	373,126
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(1,270,000)	(840,000)	(183,764)	656,236
Other Financing (Uses)				
Proceeds from capital lease	-	-	110,322	110,322
Transfers in	-	-	7,620	7,620
Total other financing sources (uses)	-	-	117,942	117,942
Net change in fund balances	$ (1,270,000)	(840,000)	(65,822)	$ 774,178
Fund balance, beginning		2,366,206	2,366,206	
Fund balance, ending		$ 1,526,206	$ 2,300,384	

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fair Contributions Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 56,000	$ 57,000	$ 59,757	$ 2,757
Cash in lieu	1,100,000	1,100,000	1,302,197	202,197
Total revenues	1,156,000	1,157,000	1,361,954	204,954
Expenditures				
Purchased services	150,000	150,000	36,324	113,676
Capital outlay	7,317,912	7,414,030	801,387	6,612,643
Total expenditures	7,467,912	7,564,030	837,711	6,726,319
Excess (deficiency) of revenues over (under) expenditures	$ (6,311,912)	(6,407,030)	524,243	$ 6,931,273
Fund balance, beginning		6,407,030	6,407,030	
Fund balance, ending		$ -	$ 6,931,273	

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nutrition Services Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 1,176	$ 1,176	$ 3,732	$ 2,556
Charges for services	3,440,000	3,400,000	3,279,083	(120,917)
Other food service charges	20,000	20,000	39,417	19,417
State match	144,000	144,000	159,737	15,737
Commodities entitlement	591,875	655,875	576,131	(79,744)
National School Lunch/Breakfast Program	5,100,000	5,100,000	5,221,688	121,688
Total revenues	9,297,051	9,321,051	9,279,788	(41,263)
Expenditures				
Salaries	3,174,841	3,174,841	3,125,532	49,309
Benefits	1,152,971	1,152,971	1,175,038	(22,067)
Purchased services	160,000	160,000	95,411	64,589
Supplies and materials	4,651,245	4,651,245	4,579,149	72,096
Small equipment	75,000	125,000	45,679	79,321
Other	100,000	100,000	209,814	(109,814)
Total expenditures	9,314,057	9,364,057	9,230,623	133,434
Excess (deficiency) of revenues over (under) expenditures	$ (17,006)	(43,006)	49,165	$ 92,171
Fund balance, beginning		2,358,675	2,358,675	
Fund balance, ending		$ 2,315,669	$ 2,407,840	

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Student Activity Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 4,000	$ 5,000	$ 13,352	$ 8,352
Athletic activities	2,200,000	2,200,000	2,273,102	73,102
Pupil activities	3,600,000	3,700,000	3,471,807	(228,193)
PTO/Gift activities	1,000,000	1,060,000	654,373	(405,627)
Resources from agency fund	-	-	697	697
Total revenues	6,804,000	6,965,000	6,413,331	(551,669)
Expenditures				
Athletic activities	3,148,355	3,105,790	2,145,687	960,103
Pupil activities	6,149,710	6,027,612	3,125,948	2,901,664
PTO/Gift activities	1,764,372	1,740,222	738,632	1,001,590
Total expenditures	11,062,437	10,873,624	6,010,267	4,863,357
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(4,258,437)	(3,908,624)	403,064	4,311,688
Other Financing Sources				
Transfers out	-	-	(7,620)	(7,620)
Net change in fund balances	$ (4,258,437)	(3,908,624)	395,444	$ 4,304,068
Fund balance, beginning		3,908,624	3,908,624	
Fund balance, ending		$ -	$ 4,304,068	

See the accompanying Independent Auditors' Report.

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SUPPLEMENTARY SCHEDULES – PROPRIETARY FUND

Internal Service Fund

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

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenses and Changes in Fund Net Position - Budget and Actual
Self Insurance Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 5,000	$ 6,500	$ 19,263	$ 12,763
Charges for services	15,787,000	15,896,000	16,264,235	368,235
Total revenues	15,792,000	15,902,500	16,283,498	380,998
Expenditures				
Salaries	154,000	162,800	164,925	(2,125)
Benefits	49,000	55,000	49,413	5,587
Purchased services	524,000	1,350,000	1,492,342	(142,342)
Supplies and materials	5,000	1,000	79	921
Other	-	12,500	147,761	(135,261)
Claims paid	15,060,000	15,100,000	14,240,386	859,614
Total expenditures	15,792,000	16,681,300	16,094,906	586,394
Change in net position	$ -	(778,800)	188,592	$ 967,392
Net position, beginning		3,969,128	3,969,128	
Net position, ending		$ 3,190,328	$ 4,157,720	

See the accompanying Independent Auditors' Report.

SUPPLEMENTARY SCHEDULES – FIDUCIARY FUNDS

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

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

St. Vrain Valley School District RE-1J

Schedule of Additions, Deductions and Changes in Fiduciary Net Position - Budget and Actual
Student Scholarship Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Additions				
Investment income	$ 180	$ 300	$ 505	$ 205
Contributions	50,000	50,000	39,453	(10,547)
Total additions	50,180	50,300	39,958	(10,342)
Deductions				
Scholarships	50,180	50,300	44,584	5,716
Total deductions	50,180	50,300	44,584	5,716
Change in net position	$ -	-	(4,626)	$ (4,626)
Net position, beginning		224,389	224,389	
Net position, ending		$ 224,389	$ 219,763	

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Assets				
Cash and investments	$ 129,315	$ 189,527	$ 141,214	$ 177,628
Total assets	$ 129,315	$ 189,612	$ 141,214	$ 177,713
Liabilities				
Accounts payable	$ 259	$ 138	$ 259	$ 138
Undistributed monies	129,056	189,474	140,955	177,575
Total liabilities	$ 129,315	$ 189,612	$ 141,214	$ 177,713

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Schedule of Additions, Deductions and Changes in Undistributed Monies - Budget and Actual
Student Activity (Agency) Fund
For the Year Ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Additions				
Elementary Schools	$ 45,000	$ 45,000	$ 115,421	$ 70,421
Middle Schools	20,000	27,000	23,783	(3,217)
High Schools	40,000	38,000	46,972	8,972
Other additions	-	-	3,298	3,298
Total additions	105,000	110,000	189,474	79,474
Deductions				
Elementary Schools	81,872	75,716	73,014	2,702
Middle Schools	61,964	58,638	18,473	40,165
High Schools	108,897	104,702	48,771	55,931
Other deductions	2,887	-	-	-
Resources to special revenue funds	-	-	697	(697)
Total deductions	255,620	239,056	140,955	98,101
Change in undistributed monies	$ (150,620)	(129,056)	48,519	$ 177,575
Undistributed monies, beginning		129,056	129,056	
Undistributed monies, ending		$ -	$ 177,575	

See the accompanying Independent Auditors' Report.

SUPPLEMENTARY SCHEDULES – COMPONENT UNITS

Charter Schools

Aspen Ridge Preparatory School began operations in the fall of fiscal year 2012 to serve students in grades K through 5. In October 2014, the charter was renewed to serve grades K through 8. The school is located in Erie (Weld County).

Carbon Valley Academy, located in Frederick (Weld County), began operations in the fall of fiscal year 2006 to serve students in grades 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.

St. Vrain Valley School District RE-1J

Combining Statement of Net Position
Component Units
June 30, 2016

	Aspen Ridge Preparatory School	Carbon Valley Academy	Flagstaff Academy
Assets			
Cash and investments	$ 1,967,100	$ 996,037	$ 3,774,009
Accounts receivable	154,318	-	1,394
Prepaids	-	13,988	69,408
Deposits	600	-	-
Restricted cash and investments	1,879,034	554,988	929,480
Capital assets,			
Non-depreciable	4,723,602	1,158,251	-
Depreciable, net	4,430,317	2,988,192	9,642,662
Total assets	13,154,971	5,711,456	14,416,953
Deferred outflows of resources			
Related to debt	-	-	1,496,289
Related to pensions	1,417,340	712,968	1,689,240
Total deferred outflows of resources	1,417,340	712,968	3,185,529
Liabilities			
Accounts payable	302,492	120,408	65,238
Due to primary government	165,224	22,805	9,943
Retainage payable	86,188	-	-
Accrued salaries and benefits	91,474	87,607	315,987
Accrued interest payable	279,300	21,965	-
Unearned revenue	19,575	-	35,068
Noncurrent liabilities			
Due within one year	-	115,000	35,000
Due in more than one year	11,235,000	4,405,000	14,100,382
Pension liability	3,714,263	4,038,955	12,108,223
Total liabilities	15,893,516	8,811,740	26,669,841
Deferred inflows of resources			
Related to pensions	52,644	57,245	171,614
Net Position			
Net investment in capital assets	(202,047)	(976,820)	(3,563,240)
Restricted for			
Emergencies	92,000	75,000	235,000
Debt service	-	-	-
Unrestricted	(1,263,802)	(1,542,741)	(5,910,733)
Total net position	$ (1,373,849)	$ (2,444,561)	$ (9,238,973)

See the accompanying Independent Auditors' Report.

Imagine Charter School at Firestone	St Vrain Community Montessori School	Twin Peaks Charter Academy	Component Units Total Charter Schools
$ 2,177,886	$ 804,402	$ 3,237,126	$ 12,956,560
757	6,188	7,524	170,181
2,819	36,510	47,514	170,239
-	13,841	-	14,441
-	-	2,590,660	5,954,162
-	6,175	2,514,605	8,402,633
-	73,307	20,454,812	37,589,290
2,181,462	940,423	28,852,241	65,257,506
-	-	3,065,258	4,561,547
1,778,648	820,476	1,996,295	8,414,967
1,778,648	820,476	5,061,553	12,976,514
1,502	22,139	3,052	514,831
878	-	106,921	305,771
-	-	-	86,188
181,367	7,488	357,072	1,040,995
-	-	204,135	505,400
51,716	104,065	15,458	225,882
-	-	465,000	615,000
-	-	26,042,547	55,782,929
7,401,431	3,215,713	11,961,891	42,440,476
7,636,894	3,349,405	39,156,076	101,517,472
104,903	45,578	169,540	601,524
-	73,307	(947,470)	(5,616,270)
162,000	61,000	247,000	872,000
-	-	792,716	792,716
(3,943,687)	(1,768,391)	(5,504,068)	(19,933,422)
$ (3,781,687)	$ (1,634,084)	$ (5,411,822)	$ (23,884,976)

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

Combining Statement of Activities
Component Units
For the Year Ended June 30, 2016

	Aspen Ridge Preparatory School	Carbon Valley Academy	Flagstaff Academy
Expenses			
Instruction	$ 1,741,339	$ 1,631,277	$ 4,772,871
Supporting services	1,245,101	974,531	2,796,347
Interest expense	603,598	257,344	1,203,242
Total expenses	3,590,038	2,863,152	8,772,460
Program Revenues			
Charges for Services	293,831	139,560	844,713
Operating Grants and Contributions	292,578	114,850	159,322
Capital Grants and Contributions	92,669	43,593	210,102
Total program revenues	679,078	298,003	1,214,137
General Revenues			
Per pupil revenue	2,560,148	1,657,239	5,806,050
Mill levy override	127,640	536,955	940,906
Interest income	15,118	1,845	24,197
Other	-	116,842	79,779
Total general revenues	2,702,906	2,312,881	6,850,932
Change in net position	(208,054)	(252,268)	(707,391)
Net position, beginning	(1,165,795)	(2,192,293)	(8,531,582)
Net position, ending	$ (1,373,849)	$ (2,444,561)	$ (9,238,973)

See the accompanying Independent Auditors' Report.

Imagine Charter School at Firestone	St Vrain Community Montessori School	Twin Peaks Charter Academy	Component Units Total Charter Schools
$ 3,417,222	$ 1,375,164	$ 4,700,824	$ 17,638,697
3,103,016	896,498	2,963,721	11,979,214
-	-	1,218,275	3,282,459
6,520,238	2,271,662	8,882,820	32,900,370
472,746	323,318	200,541	2,274,709
52,482	212,523	82,115	913,870
142,920	49,010	251,311	789,605
668,148	584,851	533,967	3,978,184
3,936,656	1,354,364	6,809,679	22,124,136
770,681	155,043	1,150,377	3,681,602
-	420	706	42,286
209,366	4,208	38,505	448,700
4,916,703	1,514,035	7,999,267	26,296,724
(935,387)	(172,776)	(349,586)	(2,625,462)
(2,846,300)	(1,461,308)	(5,062,236)	(21,259,514)
$ (3,781,687)	$ (1,634,084)	$ (5,411,822)	$ (23,884,976)

See the accompanying Independent Auditors' Report.

ST. VRAIN
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STATISTICAL SECTION
(UNAUDITED)

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

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

Contents | **Pages**

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

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

	2007	2008	2009	2010
Governmental activities				
Net investment in capital assets (1)	$ 20,092,457	$ 17,752,278	$ 16,389,200	$ 5,837,277
Restricted	42,011,881	36,348,780	43,552,511	48,873,296
Unrestricted	(1,985,048)	14,481,434	35,783,693	41,983,603
Total governmental net position	60,119,290	68,582,492	95,725,404	96,694,176
Business-type activities (2)				
Net investment in capital assets	1,059,518	926,902	1,075,631	1,042,353
Restricted	-	-	-	-
Unrestricted	927,056	695,203	476,099	967,637
Total business-type net position	1,986,574	1,622,105	1,551,730	2,009,990
Primary government				
Net investment in capital assets	21,151,975	18,679,180	17,464,831	6,879,630
Restricted	42,011,881	36,348,780	43,552,511	48,873,296
Unrestricted	(1,057,992)	15,176,637	36,259,792	42,951,240
Total primary government net position	$ 62,105,864	$ 70,204,597	$ 97,277,134	$ 98,704,166

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.

2011	2012	2013	2014	2015 (3)	2016
$ 1,650,384	$ (4,553,120)	$ 5,975,997	$ 4,819,681	$ 4,340,004	$ 6,071,204
41,903,392	42,346,312	43,513,161	47,616,074	50,736,515	62,443,429
49,879,868	52,817,264	74,351,302	75,262,484	(355,968,501)	(365,795,314)
93,433,644	90,610,456	123,840,460	127,698,239	(300,891,982)	(297,280,681)
908,812	1,201,873	1,137,800	1,046,337	-	-
-	-	-	-	-	-
1,534,339	1,957,064	2,065,046	2,226,743	-	-
2,443,151	3,158,937	3,202,846	3,273,080	-	-
2,559,196	(3,351,247)	7,113,797	5,866,018	4,340,004	6,071,204
41,903,392	42,346,312	43,513,161	47,616,074	50,736,515	62,443,429
51,414,207	54,774,328	76,416,348	77,489,227	(355,968,501)	(365,795,314)
$ 95,876,795	$ 93,769,393	$ 127,043,306	$ 130,971,319	$ (300,891,982)	$ (297,280,681)

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

	2007	2008	2009	2010
Expenses				
Governmental activities:				
Instruction	$ 115,031,293	$ 122,240,743	$ 127,681,937	$ 136,783,787
Supporting services	58,113,258	60,629,900	69,745,866	106,835,640
Interest	16,010,493	15,500,560	15,845,498	19,182,556
Total governmental activities expenses	189,155,044	198,371,203	213,273,301	262,801,983
Business-type activities:				
Food services	6,368,635	7,069,557	7,825,813	7,795,085
Total primary government expenses	$ 195,523,679	$ 205,440,760	$ 221,099,114	$ 270,597,068
Program Revenues				
Governmental activities:				
Charges for services				
Tuition and fees	$ 6,299,455	$ 7,167,010	$ 8,182,298	$ 11,324,592
Internal charges	634,386	731,765	1,892,602	2,033,494
Operating grants and contributions	12,329,701	13,200,675	14,558,258	19,607,144
Capital grants and contributions	591,496	507,755	199,537	452,712
Total governmental activities program revenues	19,855,038	21,607,205	24,832,695	33,417,942
Business-type activities: (1)				
Charges for services	3,363,892	3,574,268	3,776,079	3,911,304
Operating grants and contributions	2,754,834	3,106,894	3,661,169	4,206,325
Capital grants and contributions	-	-	312,655	135,146
Total business-type activities program revenues	6,118,726	6,681,162	7,749,903	8,252,775
Total primary government program revenues	$ 25,973,764	$ 28,288,367	$ 32,582,598	$ 41,670,717
Net (expense) / revenue				
Governmental activities	$ (169,300,006)	$ (176,763,998)	$ (188,440,606)	$ (229,384,041)
Business-type activities	(249,909)	(388,395)	(75,910)	457,690
Total primary government net expense	$ (169,549,915)	$ (177,152,393)	$ (188,516,516)	$ (228,926,351)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	$ 77,555,794	$ 83,233,225	$ 88,457,619	$ 91,637,477
Specific ownership taxes	5,997,044	6,047,704	6,054,107	6,023,739
Mill levy override	-	-	15,923,875	17,385,887
State equalization	85,049,954	90,264,910	100,658,351	110,042,029
Investment income	4,805,951	4,350,866	1,690,910	1,361,173
Other	3,471,495	1,330,495	2,798,656	3,902,508
Transfers	1,095,313	-	-	-
Total governmental activities	177,975,551	185,227,200	215,583,518	230,352,813
Business-type activities:				
Investment income	25,617	23,926	5,535	570
Transfers	-	-	-	-
Total business-type activities	25,617	23,926	5,535	570
Total primary government	$ 178,001,168	$ 185,251,126	$ 215,589,053	$ 230,353,383
Change in Net Position				
Governmental activities	$ 8,675,545	$ 8,463,202	$ 27,142,912	$ 968,772
Business-type activities	(224,292)	(364,469)	(70,375)	458,260
Total primary government	$ 8,451,253	$ 8,098,733	$ 27,072,537	$ 1,427,032

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.

2011	2012	2013	2014	2015	2016
$ 154,559,432	$ 156,466,950	$ 162,259,184	$ 178,639,344	$ 201,741,825	$ 218,636,924
92,466,787	87,621,269	82,910,079	102,775,349	122,353,964	122,197,878
20,837,721	20,839,718	20,383,627	19,739,295	13,866,228	14,561,966
267,863,940	264,927,937	265,552,890	301,153,988	337,962,017	355,396,768
8,155,509	8,338,941	8,550,602	8,878,049	-	-
$ 276,019,449	$ 273,266,878	$ 274,103,492	$ 310,032,037	$ 337,962,017	$ 355,396,768
$ 10,924,440	$ 12,478,933	$ 14,190,837	$ 15,704,630	$ 19,348,384	$ 20,154,234
1,594,055	1,731,141	1,557,178	1,517,636	1,469,687	1,438,908
26,905,761	19,577,033	19,285,254	25,359,439	34,241,186	33,671,661
334,803	514,826	742,088	1,022,765	1,078,391	1,302,197
39,759,059	34,301,933	35,775,357	43,604,470	56,137,648	56,567,000
3,709,186	3,804,775	3,448,430	3,879,122	-	-
4,878,818	4,884,351	5,035,106	5,052,608	-	-
-	364,451	109,033	15,396	-	-
8,588,004	9,053,577	8,592,569	8,947,126	-	-
$ 48,347,063	$ 43,355,510	$ 44,367,926	$ 52,551,596	$ 56,137,648	$ 56,567,000
$ (228,104,881)	$ (230,626,004)	$ (229,777,533)	$ (257,549,518)	$ (281,824,369)	$ (298,829,768)
432,495	714,636	41,967	69,077	-	-
$ (227,672,386)	$ (229,911,368)	$ (229,735,566)	$ (257,480,441)	$ (281,824,369)	$ (298,829,768)
$ 91,600,278	$ 94,238,488	$ 99,933,752	$ 96,794,464	$ 97,352,334	$ 117,616,184
5,805,254	5,920,333	7,090,842	8,241,096	8,253,685	7,938,746
17,180,635	17,108,522	31,646,447	32,675,735	31,932,829	38,998,710
101,290,756	103,622,720	108,346,576	119,131,699	133,584,264	132,980,049
2,014,620	952,516	770,928	447,054	370,277	537,862
6,952,806	5,960,237	15,218,992	6,677,328	4,889,519	4,369,518
-	-	-	-	-	-
224,844,349	227,802,816	263,007,537	263,967,376	276,382,908	302,441,069
666	1,150	1,942	1,157	-	-
-	-	-	-	-	-
666	1,150	1,942	1,157	-	-
$ 224,845,015	$ 227,803,966	$ 263,009,479	$ 263,968,533	$ 276,382,908	$ 302,441,069
$ (3,260,532)	$ (2,823,188)	$ 33,230,004	$ 6,417,858	$ (5,441,461)	$ 3,611,301
433,161	715,786	43,909	70,234	-	-
$ (2,827,371)	$ (2,107,402)	$ 33,273,913	$ 6,488,092	$ (5,441,461)	$ 3,611,301

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)

	2007	2008	2009	2010
Governmental activities:				
Property taxes	$ 77,555,794	$ 83,233,225	$ 88,457,619	$ 91,637,477
Specific ownership taxes	5,997,044	6,047,704	6,054,107	6,023,739
State equalization	85,049,954	90,264,910	100,658,351	110,042,029
Total finance act revenues	$ 168,602,792	$ 179,545,839	$ 195,170,077	$ 207,703,245
Total governmental activities revenues (1)	$ 197,830,589	$ 206,834,405	$ 240,416,213	$ 263,770,755
Public School Finance Act revenues as percentage of total governmental activities revenues	85.2%	86.8%	81.2%	78.7%

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

2011	2012	2013	2014	2015	2016
$ 91,600,278	$ 94,238,488	$ 99,933,752	$ 96,794,464	$ 97,352,334	$ 117,616,184
5,805,254	5,920,333	7,090,842	8,241,096	8,253,685	7,938,746
101,290,756	103,622,720	108,346,576	119,131,699	133,584,264	132,980,049
$ 198,696,288	$ 203,781,541	$ 215,371,170	$ 224,167,259	$ 239,190,283	$ 258,534,979
$ 264,603,408	$ 262,104,749	$ 298,782,894	$ 307,571,846	$ 332,520,556	$ 359,008,069
75.1%	77.7%	72.1%	72.9%	71.9%	72.0%

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)

	2007	2008	2009		2010
General Fund					
Nonspendable	$ 358,352	$ 470,427	$ 279,157		$ 368,341
Restricted	3,586,569	3,335,550	5,887,253		7,012,090
Committed	182,924	1,430,725	4,637,168		6,448,562
Assigned	4,495,619	3,468,174	21,235,851	(2)	22,768,212
Unassigned	3,466,093	6,758,492	3,675,281		5,750,977
Total General Fund	$ 12,089,557	$ 15,463,368	$ 35,714,710		$ 42,348,182
All Other Governmental Funds					
Nonspendable	$ 42,257	$ 42,257	$ 42,257		$ 42,257
Restricted	38,425,312	33,013,230	37,665,258		41,861,206
Committed	73,272,726	23,459,105	114,283,595		162,632,220
Assigned	-	-	-		-
Unassigned	-	-	-		-
Total all other governmental funds	$ 111,740,295	$ 56,514,592	$ 151,991,110		$ 204,535,683

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.

2011 (3)	2012	2013	2014	2015	2016
$ 412,819	$ 436,926	$ 1,093,153	$ 550,152	$ 564,695	$ 602,083
7,152,152	7,058,536	7,253,916	8,255,777	8,581,421	9,102,103
6,797,608	12,435,243	14,714,696	16,712,437	17,356,755	19,457,385
23,713,563	24,551,891	37,334,057	29,144,534	30,313,348	38,441,989
8,526,501	5,409,629	4,126,286	11,494,113	22,041,660	28,127,324
$ 46,602,643	$ 49,892,225	$ 64,522,108	$ 66,157,013	$ 78,857,879	$ 95,730,884
$ 42,257	$ 14,537	$ 14,537	$ 606,233	$ 886,069	$ 500,271
34,751,240	35,287,776	36,259,245	39,360,297	42,155,094	51,997,880
104,057,163	78,979,099	46,545,871	38,120,748	26,529,450	21,133,257
1,712,983	-	-	-	-	-
-	-	-	-	-	-
$ 140,563,643	$ 114,281,412	$ 82,819,653	$ 78,087,278	$ 69,570,613	$ 73,631,408

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)

	2007	2008	2009	2010
Revenues				
Property taxes	$ 75,761,142	$ 82,001,081	$ 87,124,649	$ 92,597,766
Specific ownership taxes	5,997,044	6,047,704	6,054,107	6,023,739
Mill levy override	-	-	15,923,875	17,385,887
Investment income	4,758,927	4,324,865	1,690,910	1,361,173
Charges for service	4,505,478	4,949,331	7,072,297	7,492,878
Student activities (1)	2,428,363	2,949,444	3,002,603	5,865,208
Miscellaneous	1,760,662	1,804,691	2,643,533	4,210,074
Local intergovernmental	32,296	33,559	24,271	10,000
State intergovernmental	90,760,436	96,769,997	106,647,109	116,754,564
Federal intergovernmental	7,577,197	7,720,045	8,569,500	12,894,609
Total revenues	$ 193,581,545	$ 206,600,717	$ 238,752,854	$ 264,595,898
Expenditures				
Instruction	$ 102,077,107	$ 107,631,101	$ 118,531,065	$ 136,127,577
Supporting services	56,356,357	59,126,506	65,842,654	106,358,121
Student activities (1)	2,124,971	2,839,834	3,317,010	5,588,472
Food service operations (2)	-	-	-	-
Capital outlay	12,796,447	54,797,679	11,845,608	11,933,633
Debt service				
Principal	11,700,000	18,835,000	11,045,000	11,695,000
Interest, bond issuance costs, fiscal charges	14,638,580	15,222,489	16,214,243	19,906,806
Toal expenditures	$ 199,693,462	$ 258,452,609	$ 226,795,580	$ 291,609,609
Excess of revenues over (under) expenditures	(6,111,917)	(51,851,892)	11,957,274	(27,013,711)
Other financing sources (uses)				
Issuance of bonds, coupons	$ 56,800,000	$ -	$ 104,000,000	$ 85,000,000
Premium received on issuance of bonds	3,622,791	-	504,199	1,191,756
Paid to bond agent	(479,707)	-	(751,347)	-
Proceeds from sale of land	2,309,767	-	-	-
Capital lease proceeds	-	-	-	-
Lease obligations	(473,254)	-	-	-
Transfers in (3)	5,585,026	705,425	377,825	675,521
Transfers out (3)	(423,614)	(705,425)	(360,091)	(675,521)
Total other financing sources (uses)	$ 66,941,009	$ -	$ 103,770,586	$ 86,191,756
Net change in fund balances	$ 60,829,092	$ (51,851,892)	$ 115,727,860	$ 59,178,045
Debt service as percentage of noncapital expenditures	13.9%	16.6%	12.9%	11.7%

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.

2011	2012	2013	2014	2015	2016
$ 92,576,990	$ 94,084,083	$ 97,617,286	$ 97,868,432	$ 95,556,636	$ 117,473,228
5,805,254	5,920,333	7,090,842	8,241,096	8,253,685	7,938,746
17,180,635	17,108,522	31,646,447	32,675,735	31,932,829	38,998,710
2,014,620	952,516	768,369	441,771	364,441	518,599
7,572,312	8,823,864	9,657,975	11,233,462	13,976,867	15,193,163
5,273,683	5,386,210	6,090,040	5,988,804	6,841,204	6,399,979
6,398,209	5,962,833	5,870,507	7,684,697	5,815,650	5,671,715
889,400	147,779	149,260	-	152,260	-
108,561,877	111,631,898	115,745,102	129,412,975	145,784,457	144,672,380
19,634,640	11,567,855	11,886,728	15,078,163	22,040,993	21,979,330
$ 265,907,620	$ 261,585,893	$ 286,522,556	$ 308,625,135	$ 330,719,022	$ 358,845,850
$ 137,948,105	$ 135,709,381	$ 139,805,061	$ 155,545,205	$ 160,954,003	$ 175,857,230
82,318,652	80,315,183	80,357,118	100,099,062	103,793,219	105,198,115
5,351,321	4,544,634	5,047,925	5,737,781	6,416,414	5,969,981
-	-	-	-	8,960,303	9,184,944
63,702,969	28,764,568	39,198,675	16,466,640	14,786,624	8,167,677
12,560,000	13,060,000	13,870,000	13,360,000	14,205,000	15,225,000
23,023,214	22,209,181	21,597,766	20,513,917	19,139,633	17,946,933
$ 324,904,261	$ 284,602,947	$ 299,876,545	$ 311,722,605	$ 328,255,196	$ 337,549,880
(58,996,641)	(23,017,054)	(13,353,989)	(3,097,470)	2,463,826	21,295,970
$ 65,505,000	$ 35,395,000	$ -	$ -	$ 50,355,000	$ 115,155,000
8,370,336	4,224,186	-	-	10,821,491	12,871,395
(74,596,274)	(39,594,781)	-	-	(61,682,860)	(128,498,887)
-	-	-	-	-	-
-	-	-	-	-	110,322
-	-	-	-	-	-
5,034,643	217,592	3,972	50,123	6,669	7,620
(5,034,643)	(217,592)	(3,481,859)	(50,123)	(6,669)	(7,620)
$ (720,938)	$ 24,405	$ (3,477,887)	$ -	$ (506,369)	$ (362,170)
$ (59,717,579)	$ (22,992,649)	$ (16,831,876)	$ (3,097,470)	$ 1,957,457	$ 20,933,800
13.5%	13.1%	13.2%	11.2%	10.3%	9.8%

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)

	2007	2008	2009	2010
Governmental activities:				
Property taxes	$ 75,761,142	$ 82,001,081	$ 87,124,649	$ 92,597,766
Specific ownership taxes	5,997,044	6,047,704	6,054,107	6,023,739
State equalization	85,049,954	90,264,910	100,658,351	110,042,029
Total finance act revenues	$ 166,808,140	$ 178,313,695	$ 193,837,107	$ 208,663,534
Total revenues (1)	$ 193,581,545	$ 206,600,717	$ 238,752,854	$ 264,595,898
Public School Finance Act revenues as percentage of total governmental funds revenues	86.2%	86.3%	81.2%	78.9%

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

2011	2012	2013	2014	2015	2016
$ 92,576,990	$ 94,084,083	$ 97,617,286	$ 97,868,432	$ 95,556,636	$ 117,473,228
5,805,254	5,920,333	7,090,842	8,241,096	8,253,685	7,938,746
101,290,756	103,622,720	108,346,576	119,131,699	133,584,264	132,980,049
$ 199,673,000	$ 203,627,136	$ 213,054,704	$ 225,241,227	$ 237,394,585	$ 258,392,023
$ 265,907,620	$ 261,585,893	$ 286,522,556	$ 308,625,135	$ 330,719,022	$ 358,845,850
75.1%	77.8%	74.4%	73.0%	71.8%	72.0%

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

Levy Year	Collection Year	Residential Property	Commercial Property	Industrial Property	Vacant Property	Oil & Gas	Public Utilities
2006	2007	$ 1,081,625	$ 394,898	$ 241,150	$ 111,786	$ 145,259	$ 31,491
2007	2008	1,182,053	431,564	263,541	122,165	158,746	34,415
2008	2009	1,204,677	455,285	280,041	112,331	150,442	37,266
2009	2010	1,177,329	498,179	291,190	102,235	266,758	42,434
2010	2011	1,187,067	570,059	220,668	98,862	217,263	44,690
2011	2012	1,143,172	550,254	205,539	76,411	312,960	48,052
2012	2013	1,007,602	573,511	178,137	53,144	484,467	141,099
2013	2014	1,158,066	557,650	209,886	69,100	359,581	54,164
2014	2015	957,810	537,785	174,325	48,086	547,850	122,912
2015	2016	1,411,528	619,463	209,403	100,063	481,547	81,294

Note 1: Includes the override mill levy approved by voters at the 2008 Election
Note 2: Includes the override mill levy approved by voters at the 2008 and 2012 Elections

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

Agriculture	Natural Resources	Total Taxable Assessed Value (1)	Total Direct Tax Rate		Estimated Actual Taxable Value (1)	Assessed Value as a Percentage of Actual Value
$ 13,499	$ 4,880	$ 2,024,588	$ 38.035		$ 16,152,649	12.53%
14,752	5,333	2,212,569	37.798		17,713,708	12.49%
23,999	6,530	2,270,571	46.285	(1)	18,182,936	12.49%
17,168	6,995	2,402,288	46.268	(1)	18,423,291	13.04%
16,517	5,174	2,360,300	46.837	(1)	18,488,567	12.77%
18,526	4,894	2,359,808	47.614	(1)	17,863,544	13.21%
20,548	2,204	2,460,712	53.500	(2)	18,121,027	13.58%
21,464	5,035	2,434,946	53.679	(2)	18,177,477	13.40%
18,342	8,272	2,415,382	53.673	(2)	18,333,472	13.17%
29,086	5,112	2,937,496	53.887	(2)	21,989,300	13.36%

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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
2006	2007	25.285	12.750	38.035	22.467	16.804	22.410	28.968	90.649	13.420
2007	2008	25.048	12.750	37.798	22.467	16.804	22.414	28.968	90.653	13.420
2008	2009	32.415	13.870	46.285	23.067	16.804	22.395	28.968	91.234	13.420
2009	2010	32.398	13.870	46.268	23.667	16.804	22.435	28.968	91.874	13.420
2010	2011	32.537	14.300	46.837	24.645	16.804	22.524	28.968	92.941	13.420
2011	2012	32.474	15.140	47.614	24.645	16.804	22.472	28.968	92.889	13.420
2012	2013	38.700	14.800	53.500	24.645	16.804	22.520	28.968	92.937	13.420
2013	2014	38.879	14.800	53.679	25.120	16.804	22.424	28.968	93.316	13.420
2014	2015	38.873	14.800	53.673	24.794	15.800	22.459	28.968	92.021	13.420
2015	2016	39.087	14.800	53.887	22.624	15.800	21.882	28.968	89.274	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)

	2007			2016		
Taxpayer	2006 Taxable Assessed Valuation	Rank	Percent of Total District Taxable Assessed Value (1)	2015 Taxable Assessed Valuation	Rank	Percent of Total District Taxable Assessed Value (2)
Encana Oil & Gas (USA) Inc.	$ 34,685,570	3	1.72%	$ 236,819,960	1	8.14%
Kerr-McGee Rocky Mtn. Corp.	49,894,600	1	2.48%	190,484,190	2	6.55%
Qwest Corporation	31,471,640	4	1.56%			
Circle Capital Longmont LLC	31,434,280	5	1.56%			
Synergy Resources Corporation (3)				28,411,920	3	0.98%
Noble Energy, Inc. (3)	23,998,700	6				
Seagate Technology LLC	22,066,420	7	1.10%	21,997,331	4	0.76%
Amgen Inc.	35,984,390	2	1.79%	21,315,968	5	0.73%
Public Service Co. nka Xcel Energy				20,287,480	6	0.70%
Longmont Diagonal Investments LP				19,488,611	7	0.67%
Xilinx Inc.	8,848,540	9	0.44%	13,545,477	8	0.47%
Ramco-Gershenson Properties LP				12,628,871	9	0.43%
Hub Properties Trust				12,585,843	10	0.43%
Micro Motion Inc.	9,347,630	8	0.46%			
Twin Peaks Mall Associated Ltd.	8,351,770	10	0.42%			
Total	$ 256,083,540		11.53%	$ 577,565,651		19.86%

Note 1: Based on a 2006 certified assessed valuation of $2,012,360,860
Note 2: Based on a 2015 certified assessed valuation of $2,908,339,962
Note 3: Synergy Resources Corporation acquired Noble Energy in 2016

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)
2006	2007	$ 76,540,145	$ 73,647,406	96.22%	$ 1,847,549	$ 75,494,955	98.63%	$ 2,892,740
2007	2008	83,603,063	80,083,112	95.79%	1,766,634	81,849,746	97.90%	3,519,950
2008	2009	104,326,045	99,523,612	95.40%	2,206,238	101,729,849	97.51%	4,802,434
2009	2010	110,323,836	106,309,890	96.36%	3,305,101	109,614,992	99.36%	4,013,945
2010	2011	109,541,888	106,266,524	97.01%	3,185,425	109,451,949	99.92%	3,275,364
2011	2012	111,346,454	107,891,736	96.90%	2,892,256	110,783,992	99.49%	3,454,718
2012	2013	130,357,471	124,794,137	95.73%	2,314,277	127,108,414	97.51%	5,563,334
2013	2014	129,922,153	125,627,203	96.69%	2,459,347	128,086,550	98.59%	4,294,950
2014	2015	128,222,707	123,353,818	96.20%	1,600,853	124,954,671	97.45%	4,868,889
2015	2016	156,721,715	151,709,870	96.80%	1,889,241	153,599,111	98.01%	5,011,845

Note 1: Outstanding delinquent taxes are considered relatively minor and are not obtainable from the country treasurers.
Note 2: These outstanding delinquent taxes are included in property taxes receivable.

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

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

	Governmental Activities					
Fiscal Year	General Obligation Bonds	Capital Leases	Registered Coupons	Total	Percentage of Average Personal Income (2)	Per Capita (2)
2007	$ 317,870,000	$ 1,628,544	$ -	$ 319,498,544	3.8%	$ 2,185
2008	299,035,000	1,013,917	-	300,048,917	3.4%	2,015
2009	391,990,000	623,268	-	392,613,268	4.5%	2,601
2010	465,295,000	755,927	-	466,050,927	5.2%	3,027
2011	451,865,000	-	-	451,865,000	4.8%	2,877
2012	438,795,000	-	700,000	439,495,000	4.4%	2,764
2013	424,925,000	924,117	300,000	426,149,117	4.0%	2,621
2014	411,565,000	736,161	300,000	412,601,161	3.4%	2,525
2015	391,800,000	548,205	300,000	392,648,205	(1)	2,391
2016	375,995,000	463,558	300,000	376,758,558	(1)	2,254

Note 1: Personal income data for 2015 and 2016 not available

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

Source: District's financial records

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

Levy Year	Collection Year	General Obligation Bonds	Less Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Taxable Value (1) of Property	Per Capita (2)
2006	2007	$ 317,870,000	$ 32,506,943	$ 285,363,057	1.77%	1,952
2007	2008	299,035,000	27,000,135	272,034,865	1.54%	1,827
2008	2009	391,990,000	30,801,518	361,188,482	1.99%	2,393
2009	2010	465,295,000	32,890,953	432,404,047	2.35%	2,808
2010	2011	451,865,000	30,081,745	421,783,255	2.28%	2,686
2011	2012	438,795,000	30,163,653	408,631,347	2.29%	2,570
2012	2013	424,925,000	30,558,380	394,366,620	2.18%	2,426
2013	2014	411,565,000	32,700,504	378,864,496	2.08%	2,319
2014	2015	391,800,000	34,035,743	357,764,257	1.95%	2,179
2015	2016	375,995,000	43,375,929	332,619,071	1.51%	1,990

Note 1: Refer to Assessed and Estimated Actual Values of Taxable Property schedule on page 118-119
Note 2: Population data is in the Demographic and Economic Information on page 128-129

Source: District's financial records

St. Vrain Valley School District RE-1J
Debt Capacity
Direct and Overlapping Governmental Activities Debt
As of June 30, 2016
(Unaudited)

Name of Overlapping Entity	2015 Assessed Valuation	Outstanding General Obligation Debt	Outstanding General Obligation Debt Attributable to the District	
			Percent	Amount
Berthoud Fire Protection District	$ 278,612,622	$ 450,000	25.35%	$ 114,075
City of Boulder	3,160,450,409	26,380,000	1.06%	279,628
Carbon Valley Park & Recreation District	655,895,660	4,530,000	67.36%	3,051,408
Central Colorado Water Conservancy	4,124,486,860	28,635,000	0.03%	8,591
Central Colorado Water Conservancy- Groundwater Mgnt Subdistrict	2,404,388,670	15,171,674	0.05%	7,586
Colliers Hill Metro District No. 1	1,622,290	607,642	100.00%	607,642
City of Dacono	96,852,240	1,905,000	41.12%	783,336
Town of Erie	289,707,406	18,635,000	79.32%	14,781,282
Erie Commons Metro District No. 1	10	7,540,000	100.00%	7,540,000
Erie Highlands Metro District No. 1	2,021,240	9,156,000	100.00%	9,156,000
Fort Lupton Fire Protection District	822,975,740	3,140,000	0.00%	-
Frederick-Firestone Fire Protection Dist.	415,017,210	1,975,000	94.04%	1,857,290
Godding Hollow Metropolitan District	492,610	403,361	100.00%	403,361
Harvest Junction Metropolitan District	24,496,094	8,100,000	100.00%	8,100,000
Left Hand Water & Sanitation District	6,128,135	77,932	100.00%	77,932
Liberty Ranch Metropolitan District	16,610,240	4,680,000	100.00%	4,680,000
Lyons Fire Protection District	61,185,175	595,000	98.74%	587,503
Mead Western Meadows Metro District	4,193,690	3,105,000	100.00%	3,105,000
North Metro Fire Rescue Authority	1,626,969,717	38,535,000	0.26%	100,191
Northern Colorado Water Cons. District	17,949,404,772	4,124,069	15.71%	647,891
Palisade Metropolitan District No. 2	255,160	6,746,611	100.00%	6,746,611
Stoneridge Metropolitan District	8,257,340	3,725,000	99.48%	3,705,630
Sweetgrass Metropolitan District No. 2	6,204,810	2,750,000	0.04%	1,100
Vista Ridge Metropolitan District	61,072,610	40,534,543	100.00%	40,534,543
Wildflower Metropolitan District No. 1	1,341,950	147,100	100.00%	147,100
Wyndham Hill Metropolitan District No. 2	11,360,740	3,310,000	100.00%	3,310,000
Total overlapping debt				110,333,700
Direct debt of the District				376,758,558
Total direct and overlapping debt				$ 487,092,258

This chart includes a summary of the estimated overlapping general obligation debt, as of December 31, 2015, 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)

	2007	2008	2009	2010
Debt Limit	$ 969,158,919	$ 442,367,652	$ 454,114,207	$ 480,457,607
Total net debt applicable to limit	317,870,000	299,035,000	391,990,000	465,295,000
Legal debt margin	$ 651,288,919	$ 143,332,652	$ 62,124,207	$ 15,162,607
Total net debt applicable to the limit as a percentage of debt limit	32.8%	67.6%	86.3%	96.8%

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	$ 2,908,339,962	(1)	$ 21,964,847,562
Debt Limit Percentage **	25.00%	(2)	6.00%
Legal debt limit	727,084,991		1,317,890,854
Amount of debt applicable to debt limit: Total bonded debt as of June 30, 2016	375,995,000		375,995,000
Legal debt margin	$ 351,089,991		$ 941,895,854

** 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 $29,155,610 of assessed valuation attributable to the tax increment financing district (Longmont Downtown Development Authority and the Broomfield Urban Renewal Authority) located within the District. An additional slight difference is due to adjustment to the various County Assessors' compilations of the above information.

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

2011	2012	2013	2014	2015	2016
$ 472,060,055	$ 471,961,545	$ 492,142,370	$ 484,070,694	$ 477,792,210	$ 727,084,991
451,865,000	438,795,000	424,925,000	411,565,000	391,800,000	375,995,000
$ 20,195,055	$ 33,166,545	$ 67,217,370	$ 72,505,694	$ 85,992,210	$ 351,089,991
95.7%	93.0%	86.3%	85.0%	82.0%	51.7%

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

Population District-wide

	2007	2008	2009	2010
	146,193	148,920	150,949	153,967

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

	2007	2008	2009	2010
Boulder	$ 14,841,031	$ 15,039,895	$ 14,584,246	$ 14,786,545
Broomfield	1,918,571	2,023,405	2,079,193	2,115,979
Larimer	10,541,856	11,378,132	11,291,870	11,585,090
Weld	6,384,960	7,067,989	6,925,906	7,326,422
Average	$ 8,421,605	$ 8,877,355	$ 8,720,304	$ 8,953,509

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

	2007	2008	2009	2010
Boulder	$ 51,388	$ 50,058	$ 48,056	$ 50,095
Broomfield	35,781	36,915	37,135	37,709
Larimer	36,766	38,848	37,844	38,546
Weld	26,314	28,402	27,186	28,817
Average	$ 37,562	$ 38,556	$ 37,555	$ 38,792

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.

2011	2012	2013	2014	2015	2016
157,047	159,000	162,579	163,400	164,205	167,182

2011	2012	2013	2014
$ 15,535,659	$ 16,417,561	$ 17,043,764	$ 18,369,741
2,345,227	2,701,856	2,906,192	4,786,503
12,149,896	12,826,581	13,545,018	14,126,667
7,755,562	8,347,637	9,008,919	10,735,917
$ 9,446,586	$ 10,073,409	$ 10,625,973	$ 12,004,707

2011	2012	2013	2014
$ 51,893	$ 53,772	$ 54,968	$ 58,627
40,892	46,346	48,867	77,030
39,767	41,311	42,866	43,584
29,986	31,657	33,393	38,664
$ 40,635	$ 43,272	$ 45,024	$ 54,476

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

Median Age by County

	2007	2008	2009	2010	2011
Boulder	35.8	36.1	36.3	37.0	37.3
Broomfield	34.7	34.9	35.5	35.8	36.1
Larimer	35.1	35.2	35.5	36.3	36.7
Weld	31.5	31.7	31.8	32.4	32.6

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

Annual Unemployment Rate by County (1)

		2007	2008	2009	2010	2011
Boulder	(2)	3.3%	4.8%	6.6%	7.1%	6.6%
Broomfield	(3)	3.8%	5.4%	7.5%	7.9%	7.7%
Larimer	(4)	3.4%	4.7%	6.6%	7.4%	6.9%
Weld	(5)	4.2%	5.6%	8.8%	10.2%	9.7%

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

2012	2013	2014	2015	2016
36.5	36.6	37.2	37.5	37.7
36.9	37.0	37.3	37.5	37.6
35.8	35.9	36.4	36.8	36.8
33.6	33.8	33.9	34.0	33.8

2012	2013	2014	2015	2016 (6)
6.1%	6.1%	4.1%	3.2%	3.4%
7.1%	7.1%	4.3%	3.3%	3.6%
6.4%	6.2%	4.3%	3.3%	3.4%
8.7%	8.3%	4.5%	3.8%	4.2%

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

		2007		2016	
Employer	Product of Service	Estimated Number of Employees (2)	Rank	Estimated Number of Employees (2)	Rank
Level 3 Communications Inc.	Communication/fiber optic network	2,100	4	2,360	1
Boulder Community Hospital	Healthcare			2,310	2
Oracle Corp.	Network computer systems/software	3,471	1	2,000	3
IBM Corp.	Computer systems and services	3,400	2	1,900	4
Seagate Technology	Computer hard disc drives	1,500	5	1,600	5
Exempla Good Samaritan Medical	Healthcare			1,420	6
Ball Aerospace & Technologies Corp.	Aerospace instruments and data systems	2,880	3	1,280	7
Longmont United Hospital	Healthcare			1,273	8
Hunter Douglas Window Fashions	Window louvers	1,000	10	910	9
Urban Lending Solutions	Mortgage industry professional services			740	10
Covidien (parent of Valleylab)	Surgical solution products	1,347	6		
Wal-Mart Stores Inc.	Discount retail chain	1,197	7		
Amgen, Inc.	Human Therapeutics	1,100	8		
Target Corp.	Discount retail chain	1,066	9		
		19,061		15,793	

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: 2016 date from Development Research Partners as posted by Metro Denver Economic Development Corp; and Longmont Area Economic Council
2007 data from The Daily Camera, "Top 50 Businesses," July 2, 2007

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	2007	2008	2009
Direct Instruction	Classroom teachers, special education and English as a Second Language teachers, teachers' aides, librarians (3), counselors (3)	1,571	1,753	1,514
Classroom Support	Librarians (3), counselors (3), school principals and assistant principals, support staff including speech services, attendance, and extra-curricular activities	395	441	381
Building Support	Student transportation, utilities, maintenance, custodial services, printing, purchasing, technology services, etc.	319	356	307
Central Support/ Administration	Human resources, finance, payroll, budgeting, legal, clerical support, supervision of instruction, public information, superintendent's office, etc.	31	34	30
Total FTE		2,316	2,584	2,232

Note 1: Numbers above are from the Employee Management System for the General Fund as of June 30 and do not take into account staffing fluctuations during the year or vacancies at year-end. However, beginning with fiscal year 2014, a mid-year approach was deemed more accurate and stable than a year end calculation.

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

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

Note 4: Although the above table represents FTE for the General Fund only, additional FTE were supported by federally funded grants as follows: 62, 49, 56, and 56 FTE for direct instruction; 36, 44, 34, and 41 FTE for classroom support; and 2 for building support for fiscal years 2010, 2011, 2012, and 2013, respectively. In addition to grants funds, all other funds supported additional FTE of 364, 399 and 427 for fiscal years 2014, 2015 and 2016, respectively.

Source: District's Human Resouces Department

2010 (2)		2011		2012		2013		2014		2015		2016	
1,612	(	1,589	(	1,535	(4)	1,549	(4)	1,813	(4)	1,844	(4)	1,892	(4)
366	(	388	(	406	(4)	382	(4)	401	(4)	430	(4)	444	(4)
336		338		354		374		386	(4)	398	(4)	416	(4)
32		34		36		37		36		38		38	
2,346		2,349		2,331		2,342		2,636		2,710		2,790	

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

Fiscal Year	Student Membership/ Enrollment (1)	Student Funded Pupil Count (FPC) As of October 1 (2)
2007	23,630.0	22,263.0
2008	24,216.0	22,836.5
2009	25,270.0	23,901.1
2010	26,303.0	24,905.9
2011	26,662.0	25,493.3
2012	27,340.0	26,120.2
2013	28,599.0	27,207.8
2014	29,389.0	28,011.8
2015	29,692.0	28,740.5
2016	30,963.0	29,373.5

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
2007	$ 189,155,044	23,630.0	$ 8,005	24.1:1		6,940	29.4%
2008	198,371,203	24,216.0	8,192	24.1:1		7,325	30.2%
2009	213,273,301	25,270.0	8,440	24.8:1		7,877	31.2%
2010	262,801,983	26,303.0	9,991	24.0:1	(5)	9,083	34.5%
2011	267,863,940	26,662.0	10,047	24.0:1	(5)	9,358	35.1%
2012	264,927,937	27,340.0	9,690	25.0:1	(5)	9,586	35.1%
2013	265,552,890	28,599.0	9,285	25.4:1	(5)	9,433	33.0%
2014	301,153,988	29,389.0	10,247	25.4:1	(5)	10,879	37.0%
2015	337,962,017	29,692.0	11,382	25.4:1	(5)	8,937	30.1%
2016	355,396,768	30,963.0	11,478	25.4:1	(5)	9,701	31.3%

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)

	2007	2008	2009	2010	2011
Elementary schools (2)	22	22	25	25	26
Total square feet	1,072,642	1,072,642	1,228,045	1,232,741	1,305,337
Total program capacity	10,411	10,411	11,505	11,641	12,291
Enrollment	9,778	9,971	10,890	11,236	11,453
Percent capacity	94%	96%	95%	97%	93%
(P)K-8 schools (3)					
Total square feet					
Total program capacity					
Enrollment					
Percent capacity					
Middle schools	9	9	9	9	9
Total square feet	905,153	905,153	905,153	908,105	908,105
Total program capacity	6,331	6,331	6,331	6,331	6,392
Enrollment	4,956	4,992	4,909	5,060	5,080
Percent capacity	78%	79%	78%	80%	79%
High schools	7	7	7	8	8
Total square feet	1,083,994	1,083,994	1,083,994	1,246,227	1,301,849
Total program capacity	6,995	6,995	6,995	7,721	8,413
Enrollment	6,728	7,019	7,026	7,147	7,255
Percent capacity	96%	100%	100%	93%	86%
Alternative schools (1)	2	2	2	2	2
Total square feet	97,032	97,032	97,032	152,516	152,516
Enrollment	572	556	558	552	578
Charter schools	4	3	4	5	5
Enrollment	1,420	1,397	1,887	2,308	2,589
Other District Facilities					
Total square feet	144,106	144,106	144,106	169,672	169,672

Note 1: Includes alternative programs in addition to alternative schools. In 2013, the District reassessed which programs to include. In 2014, one program closed. In 2015, the District included the online academy and homeschool.
Note 2 : Elementary school square feet include a standalone preschool which opened during fiscal year 2014.
Note 3 : A PreK-8 school and a K-8 school were operational as of July 1, 2013 and converted from existing elementary and middle schools.

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

2012	2013	2014	2015	2016
26	26	23	23	23
1,305,337	1,305,337	1,227,732	1,240,032	1,238,072
12,336	12,065	11,068	11,068	11,068
11,475	11,724	10,763	10,329	11,071
93%	97%	97%	93%	100%
		2	2	2
		284,649	284,649	284,649
		2,150	2,150	2,150
		1,750	1,747	1,826
		81%	81%	85%
9	9	8	8	8
908,105	922,105	828,025	828,025	831,766
5,740	6,200	5,558	5,640	5,640
5,114	5,361	5,072	5,241	5,449
89%	86%	91%	93%	97%
9	8	8	8	8
1,492,200	1,372,591	1,379,891	1,379,891	1,381,331
8,738	8,834	8,834	8,890	8,890
7,440	7,681	7,897	8,169	8,352
85%	87%	89%	92%	94%
2	2	1	3	3
152,516	152,516	81,600	81,600	81,600
738	626	209	864	994
6	6	6	6	6
3,009	3,587	3,761	3,342	3,271
185,720	305,329	271,318	272,482	272,482

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

	2007	2008	2009	2010
General Capital Assets Group / Governmental Activities				
Land/Sites	$ 18,564,441	$ 19,792,539	$ 19,792,539	$ 19,792,539
Projects in progress	8,658,126	58,980,808	1,811,297	25,144,438
Water rights	4,089,516	4,122,407	4,340,807	4,943,227
Capital assets not depreciated	31,312,083	82,895,754	25,944,643	49,880,204
Land Improvements	19,261,023	19,261,023	20,163,514	20,178,134
Buildings	178,542,911	178,624,762	245,874,910	246,727,350
Building Improvements	99,556,995	99,725,058	99,876,713	100,398,102
Equipment	25,213,065	26,120,496	27,199,661	29,210,118
Capital assets depreciated	322,573,994	323,731,339	393,114,798	396,513,704
Less: accumulated depreciation				
Land Improvements	6,579,135	7,477,099	8,409,521	9,298,853
Buildings	39,654,107	42,877,045	46,979,138	51,412,991
Building Improvements	26,385,211	29,472,391	32,574,831	35,740,474
Equipment	14,658,269	16,644,245	18,731,165	20,548,985
Total accumulated depreciation	87,276,722	96,470,780	106,694,655	117,001,303
Capital assets depreciated, net	235,297,272	227,260,559	286,420,143	279,512,401
Total capital assets, General Capital Assets Group / Governmental Activities	$ 266,609,355	$ 310,156,313	$ 312,364,786	$ 329,392,605
Enterprise Fund / Business-type Activities				
Equipment	$ 2,312,660	$ 2,324,322	$ 2,634,246	$ 2,756,630
Less: accumulated depreciation	1,253,142	1,397,420	1,558,615	1,714,277
Total	$ 1,059,518	$ 926,902	$ 1,075,631	$ 1,042,353

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

2011	2012	2013	2014	2015 (1)	2016
$ 20,073,379	$ 20,073,379	$ 20,073,379	$ 20,053,379	$ 20,053,379	$ 20,846,495
70,274,929	23,008,224	46,882,404	6,542,968	12,080,092	554,037
1,095,578	1,095,578	1,095,578	1,083,578	1,083,578	1,083,578
91,443,886	44,177,181	68,051,361	27,679,925	33,217,049	22,484,110
23,402,497	23,402,497	24,051,471	24,106,959	24,106,959	24,106,959
249,187,029	300,679,143	301,587,741	301,936,554	302,473,799	303,749,153
112,542,642	130,861,657	135,461,032	183,639,236	185,061,854	198,300,747
30,357,183	24,868,107	25,752,447	27,311,492	32,364,256	34,863,265
415,489,351	479,811,404	486,852,691	536,994,241	544,006,868	561,020,124
10,271,324	11,308,292	12,366,859	13,412,046	14,460,119	15,501,629
56,207,902	61,282,240	66,768,318	71,843,136	77,325,154	83,118,454
39,379,006	43,833,351	48,617,140	54,690,125	61,727,094	68,838,373
22,192,475	18,069,528	17,801,645	19,292,822	22,781,556	24,558,788
128,050,707	134,493,411	145,553,962	159,238,129	176,293,923	192,017,244
287,438,644	345,317,993	341,298,729	377,756,112	367,712,945	369,002,880
$ 378,882,530	$ 389,495,174	$ 409,350,090	$ 405,436,037	$ 400,929,994	$ 391,486,990
$ 2,823,299	$ 3,291,862	$ 3,377,603	$ 3,402,259	$ -	$ -
1,914,487	2,089,989	2,239,803	2,355,922	-	-
$ 908,812	$ 1,201,873	$ 1,137,800	$ 1,046,337	$ -	$ -

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COMPLIANCE SECTION

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of St. Vrain Valley School District RE-1J (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 21, 2016. Our report includes a reference to other auditors, who audited the financial statements of the Aspen Ridge Preparatory School, the Carbon Valley Academy, the Flagstaff Academy, Imagine Charter School at Firestone, St. Vrain Community Montessori School and Twin Peaks Charter Academy, as described in our report on the District's financial statements. This report does not include the results of Aspen Ridge Preparatory School, the Carbon Valley Academy, the Flagstaff Academy, Imagine Charter School at Firestone, St. Vrain Community Montessori School and Twin Peaks Charter Academy 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, the Carbon Valley Academy, the 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

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.

RubinBrown LLP

October 21, 2016

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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) *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, 2016. 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, 2016.

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.

RubinBrown LLP

October 21, 2016

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Period Ended June 30, 2016

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Program Or Award Number	Cluster Subtotal	Federal Expenditures
U.S. Department Of Education				
Direct award from the Federal government				
Investing in Innovation, Recovery Act	84.396	4396		$ 253,127
Race to the Top - District Grants	84.416	5416		3,968,113
Passed through State Department of Education				
Title I Grants to Local Educational Agencies (Title I, Part A of ESEA)	84.010	4010, 92xx		3,020,763
Special Education - Grants to States (IDEA, Part B)	84.027	4027, 5027	$ 4,521,660	
Special Education - Preschool Grants (IDEA Preschool)	84.173	4173	55,574	
Total of Special Education Cluster (IDEA)				4,577,234
Education for Homeless Children and Youth	84.196	5196		33,885
Charter Schools (Title V, Part B of ESEA)	84.282	5282		192,297
Advanced Placement for Disadvantaged Students: Advanced Placement Fees	84.330	5330		490
English Language Acquisition State Grants (Title III, Part A of ESEA)	84.365	4365		259,415
Improving Teacher Quality State Grants (Title II, Part A of ESEA)	84.367	4367		526,187
Race to the Top: Early Learning	84.412	5412		20,719
Passed through State Department of Human Services				
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	5126		509,062
Passed through Colorado Community Colleges & Occupational Education System				
Career and Technical Education - Basic Grants to States (Perkins IV)	84.048	4048		157,051
Total U.S. Department Of Education				13,518,344
U.S. Department Of Agriculture				
Passed through State Department of Public Health & Enviroment				
Child and Adult Care Food Program	10.558	4558		26,021
Passed through State Department of Human Services				
National School Lunch Program (non-cash commodities entitlement)	10.555	4555	576,131	
Passed through State Department of Education				
School Breakfast Program	10.553	4553	1,225,860	
National School Lunch Program	10.555	4555	3,797,320	
Summer Food Service Program for Children	10.559	4559	172,487	
Total of Child Nutrition Cluster				5,771,797
Total U.S. Department Of Agriculture				5,797,818
Total Expenditures Of Federal Awards				$ 19,316,162

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2016

1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards, which includes the federal grant activity of the St. Vrain Valley School District RE-1J (the District), is presented on the modified accrual basis of accounting, except for the U.S. Department of Education grants, which are presented on the full accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the District's financial statements for the year ended June 30, 2016.

2. Noncash

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

3. Indirect Costs

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2016

Section I - Summary Of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	____ yes	✔ no
• Significant deficiency(ies) identified?	____ yes	✔ none reported
• Noncompliance material to financial statements noted?	____ yes	✔ no

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	____ yes	✔ no
• Significant deficiency(ies) identified?	____ yes	✔ none reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ yes	✔ no

Identification of major programs:

CFDA No.	Name Of Federal Program Or Cluster
10.553, 10.555, 10.556, 10.559	School Breakfast Program, National School Lunch Program, Special Milk Program for Children and Summer Food Service Program for Children
84.027, 84.173	Special Education Cluster (IDEA)
84.282	Charter Schools
84.416	Race to the Top - District Grants

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee? ____ yes ✔ no

Section II - Financial Statement Findings

There were no findings related to the District's financial statements for the year ended June 30, 2016.

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.

Section IV - Prior-Year Findings

Finding: 2015-001

Material Weaknesses, Internal Control Over Compliance

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

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

Pass-Through Entity: Colorado Department of Education

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

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

Questioned Costs: Not applicable.

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

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

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

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

Views Of Responsible Officials And Planned Corrective Actions: The District has already taken measures to ensure compliance with this requirement by notifying all applicable purchasing personnel of this provision, putting processes in place to verify suspension and debarment and documenting searches performed.

Auditor Response: The District has corrected this finding.


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Colorado Department of Education

Auditors Integrity Report

District: 0470 - ST VRAIN VALLEY RE 1J

Fiscal Year 2015-16
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number Governmental	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 =
10 General Fund	74,997,280	240,760,722	224,901,845	90,856,157
18 Risk Mgmt Sub-Fund of General Fund	3,302,890	3,192,962	2,199,834	4,296,018
19 Colorado Preschool Program Fund	557,709	1,471,944	1,450,945	578,708
Sub- Total	**78,857,879**	**245,425,629**	**228,552,624**	**95,730,884**
11 Charter School Fund	8,495,749	28,797,739	27,492,851	9,800,637
20,26-29 Special Revenue Fund	9,291,310	8,976,613	8,452,228	9,815,695
21 Food Service Spec Revenue Fund	2,358,675	9,279,787	9,230,623	2,407,840
22 Govt Designated-Purpose Grants Fun	0	14,445,338	14,445,338	0
23 Pupil Activity Special Revenue Fund	5,186,984	6,995,541	6,592,141	5,590,384
24 Full Day Kindergarten Mill Levy Overri	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	34,035,743	171,011,006	161,670,820	43,375,929
39 Certificate of Participation (COP) Debt	0	0	0	0
41 Building Fund	13,104,711	39,973	5,700,002	7,444,682
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Func	7,389,624	5,580,727	6,103,120	6,867,231
Totals	**158,720,676**	**490,552,354**	**468,239,747**	**181,033,282**
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	1,785,286	-210,128	820,682	754,476
Totals	**1,785,286**	**-210,128**	**820,682**	**754,476**
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	224,389	39,958	44,584	219,763
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	129,056	188,777	140,258	177,575
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	**353,445**	**228,735**	**184,842**	**397,338**

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

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