

NOTICE OF REGULAR MEETING AND AGENDA



October 28, 2020

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

Joie Siegrist, President, Board of Education

Dr. Don Haddad, Superintendent of Schools

DISTRICT VISION STATEMENT

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

DISTRICT MISSION STATEMENT

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

ESSENTIAL BOARD ROLES

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

BOARD MEMBERS

*John Ahrens, Secretary
Jim Berthold, Member
Chico Garcia, Member
Dr. Richard Martyr, Member
Paula Peairs, Vice President
Karen Ragland, Treasurer &
Asst Secretary
Joie Siegrist, President*

1. CALL TO ORDER:

5:30 pm Comprehensive Annual Financial Report
6:00 pm Regular Business Meeting

2. ADDENDUMS/CHANGES TO THE AGENDA:

3. AUDIENCE PARTICIPATION:

4. VISITORS:

5. SUPERINTENDENT REPORT:

6. REPORTS:

1. Season A Athletics/Fine Arts Report
2. 2020 Fiscal Year Comprehensive Annual Financial Report

7. CONSENT ITEMS:

1. Approval: Approval of Amendment to Construction Manager/General Contractor (CMGC) Contract for Lyons M/S High School Auditorium Addition and Renovation Project
2. Approval: Approval of Fee Adjustment 5 to Architect Agreement for Niwot High School Renovation Project
3. Approval: First Reading, Repeal of Board Policy EEAEG* – Use of Wireless Communication Devices by School Transportation Vehicle Operators; and Adoption of Revisions to Board Policies JEB – Entrance Age Requirements and JHB – Truancy

8. ACTION ITEMS:

1. Recommendation: Approval of Contract for The Wild Plum Center for Young Children and Families

9. DISCUSSION ITEMS:

10. ADJOURNMENT:

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

Wednesday, November 11 6:00 pm Regular Meeting

MEMORANDUM

DATE: October 28, 2020

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Season A Athletics/Fine Arts Report
Strategic Priority – Portfolio of 21st-Century Instructional Focus
Schools and Robust Co-Curricular Opportunities

PURPOSE

To provide the Board of Education with a summary of the accomplishments of the 2020 Season A Athletics/Fine Arts.

BACKGROUND

Chase McBride, Executive Director of Athletics, Activities, Fine Arts, PE and Health, will be present to provide a verbal report and answer questions.

MEMORANDUM

DATE: October 28, 2020

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: 2020 Fiscal Year Comprehensive Annual Financial Report (CAFR)
Strategic Priority – Strong District Finances

PURPOSE

For the Board of Education to get an update on the draft of the 2020 Fiscal Year Comprehensive Annual Financial Report.

BACKGROUND

The 2020 Fiscal Year Comprehensive Annual Financial Report (CAFR) was audited by the certified public accounting firm of CliftonLarsonAllen (CLA). While the audit is substantially complete, the CAFR still needs to undergo two additional reviews. Attached is a preliminary draft of the CAFR, which does not contain the component units, auditors' integrity, or single audit reports. Administration is confident in the accuracy of the report; however, it is still subject to change. If additional information can be included in the CAFR prior to the Board meeting, an updated draft will be provided at that time.

Paul Niedermuller from CLA will review the 2020 CAFR with the Board in detail at the October 28 work session as well as note any changes from the preliminary draft, discuss a draft Report to Governance, and respond to questions.



Student Achievement • Well-Being • Partnerships

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2020

DRAFT

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, 2020

Don Haddad, Ed.D.
Superintendent of Schools

Prepared by: Financial Services Department

Gregory A. Fieth
Chief Financial Officer

Jane Frederick, CPA
Comptroller

THIS PAGE LEFT INTENTIONALLY BLANK

St. Vrain Valley School District RE-1J

TABLE OF CONTENTS

June 30, 2020

INTRODUCTORY SECTION	Page
Vision and Mission Statements	x
Members of the Board of Education	xi
Letter of Transmittal	xiii
Strategic Priorities Hierarchy	xxiii
ASBO International Certificate of Excellence in Financial Reporting.....	xxiv
GFOA Certificate of Achievement for Excellence in Financial Reporting	xxv
Organizational Chart	xxvi
Elected and Appointed Officials.....	xxviii
 FINANCIAL SECTION	
Independent Auditors' Report	1
Management's Discussion and Analysis.....	5
 Basic Financial Statements	
Government -wide Financial Statements	
Statement of Net Position	21
Statement of Activities	22
Fund Financial Statements	
Balance Sheet – Governmental Funds	24
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Statement of Fund Net Position – Proprietary Fund	28
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund	29
Statement of Cash Flows – Proprietary Fund.....	30
Notes to the Financial Statements	31

St. Vrain Valley School District RE-1J
TABLE OF CONTENTS (CONTINUED)
June 30, 2020

FINANCIAL SECTION (Continued)	Page
Required Supplementary Information	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General, Colorado Preschool Program, and Risk Management Funds.....	82
Schedule of District's Proportionate Share of the Net Pension Liability	84
Schedule of District Pension Contributions	85
Schedule of District's Proportionate Share of the Net OPEB Liability	86
Schedule of District OPEB Contributions	87
Notes to Required Supplementary Information	88
Supplementary Information	
Supplementary Schedules – Major Governmental Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual –	
Bond Redemption Fund	90
Building Fund	91
Combining Nonmajor Fund Financial Statements	
Combining Balance Sheet – Nonmajor Governmental Funds	94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	96
Supplementary Schedules – Nonmajor Governmental Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual –	
Capital Reserve Capital Projects Fund	99
Community Education Fund	100
Fair Contributions Fund	101
Governmental Designated-Purpose Grants Funds	102
Nutrition Services Fund	103
Student Activity Fund	104
Supplementary Schedules – Proprietary Fund	
Schedule of Revenues, Expenses and Changes in Fund Net Position – Budget and Actual –	
Self Insurance Fund	106

St. Vrain Valley School District RE-1J
TABLE OF CONTENTS (CONTINUED)
June 30, 2020

FINANCIAL SECTION (Continued)	Page
Supplementary Information (Continued)	
Supplementary Schedules – Component Units	
Combining Statement of Net Position – Component Units – Charter Schools.....	108
Combining Statement of Activities – Component Units – Charter Schools.....	110
STATISTICAL SECTION (Unaudited)	
Net Position by Component – Accrual Basis of Accounting	116
Changes in Net Position – Accrual Basis of Accounting	118
Colorado Public School Finance Act Revenues by Source – Accrual Basis of Accounting	120
Fund Balances of Governmental Funds – Modified Accrual Basis of Accounting.....	122
Changes in Fund Balances of Governmental Funds – Modified Accrual Basis of Accounting	124
Colorado Public School Finance Act Revenues by Source – Modified Accrual Basis of Accounting	126
Assessed Value and Estimated Actual Value of Taxable Property.....	128
Property Tax Rates – Direct and Overlapping Governments	130
Principal Taxpayers of the Boulder/Longmont Area	131
Property Tax Levied and Collected – All Funds	132
Ratios of Outstanding Debt by Type	133
Ratios of General Bonded Debt Outstanding	134
Direct and Overlapping Governmental Activities Debt	135
Legal Debt Margin	136
Demographic and Economic Information	138
Major Private and Public Employers – Northern Colorado	143
Full-Time Equivalent (FTE) District Employees by Function	144
Student Count	146
Other Student Statistics	147
District Buildings.....	148
Capital Assets by Type.....	150

St. Vrain Valley School District RE-1J
TABLE OF CONTENTS (CONTINUED)
June 30, 2020

COMPLIANCE	Page
Electronic Financial Data Integrity Check Figures.....	155

INTRODUCTORY SECTION

St. Vrain Valley School District RE-1J

OUR VISION

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

OUR MISSION

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

St. Vrain Valley School District RE-1J

**BOARD OF EDUCATION
2019-2020**



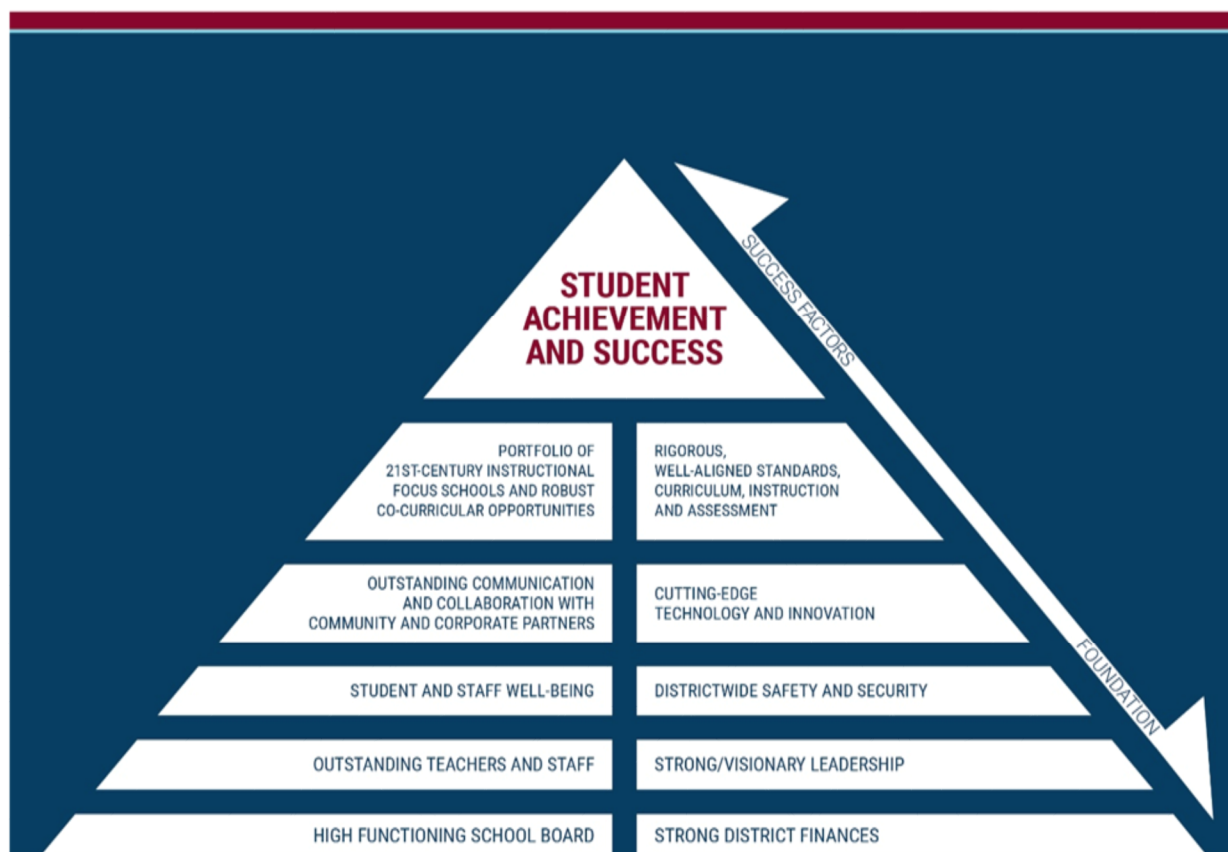
Pictured from left to right:

(Row 1) President Joie Siegrist, Vice President Paula Peairs,
Secretary John Ahrens, Treasurer & Assistant Secretary Karen Ragland,

(Row 2) Members Mr. Jim Berthold, Mr. Chico Garcia, and Dr. Richard Martyr

THIS PAGE LEFT INTENTIONALLY BLANK

STRATEGIC PRIORITIES FOR STUDENT ACHIEVEMENT AND SUCCESS



ST. VRAIN VALLEY SCHOOLS
academic excellence by design



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

St. Vrain Valley School District RE-1J

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

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

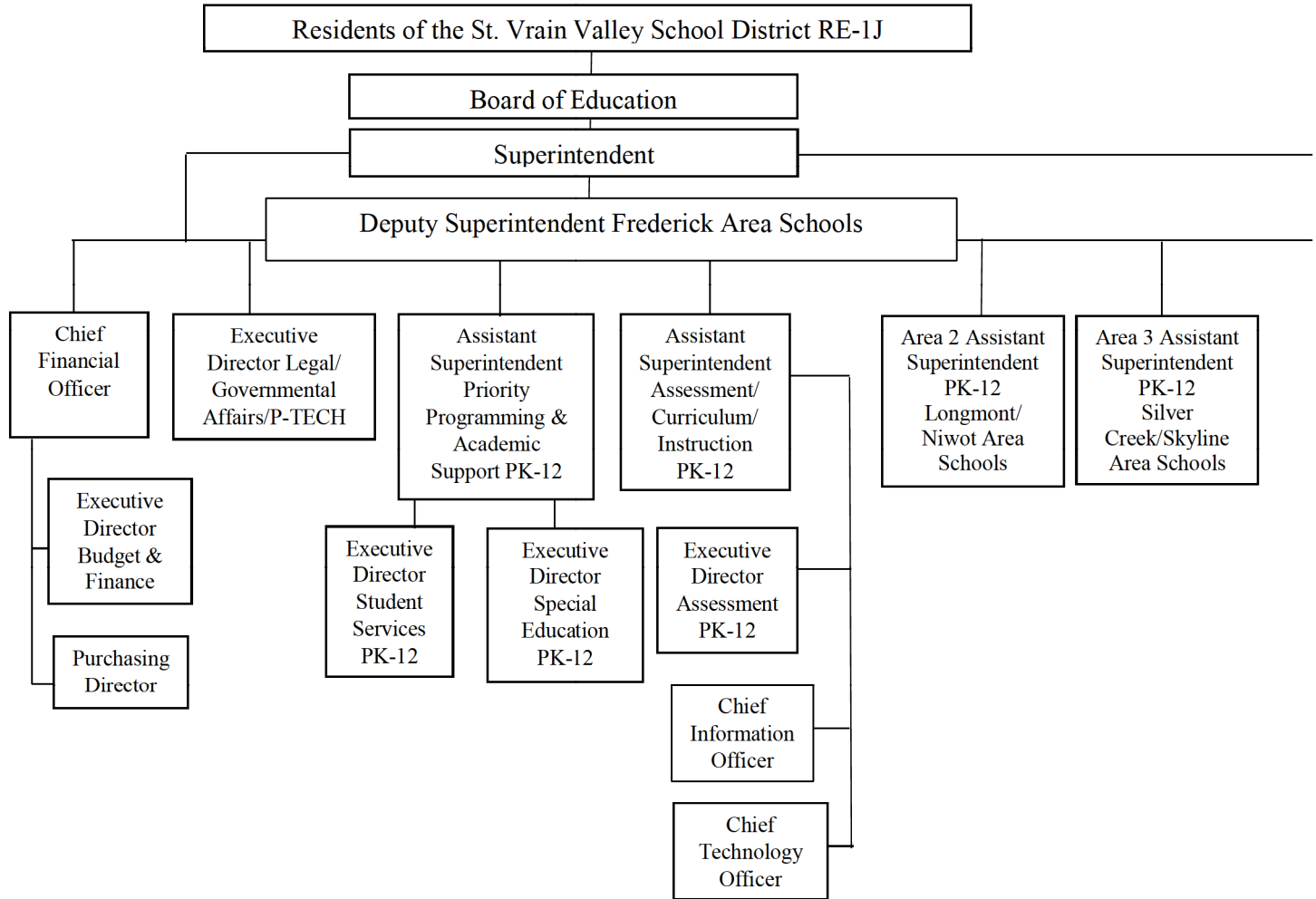
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

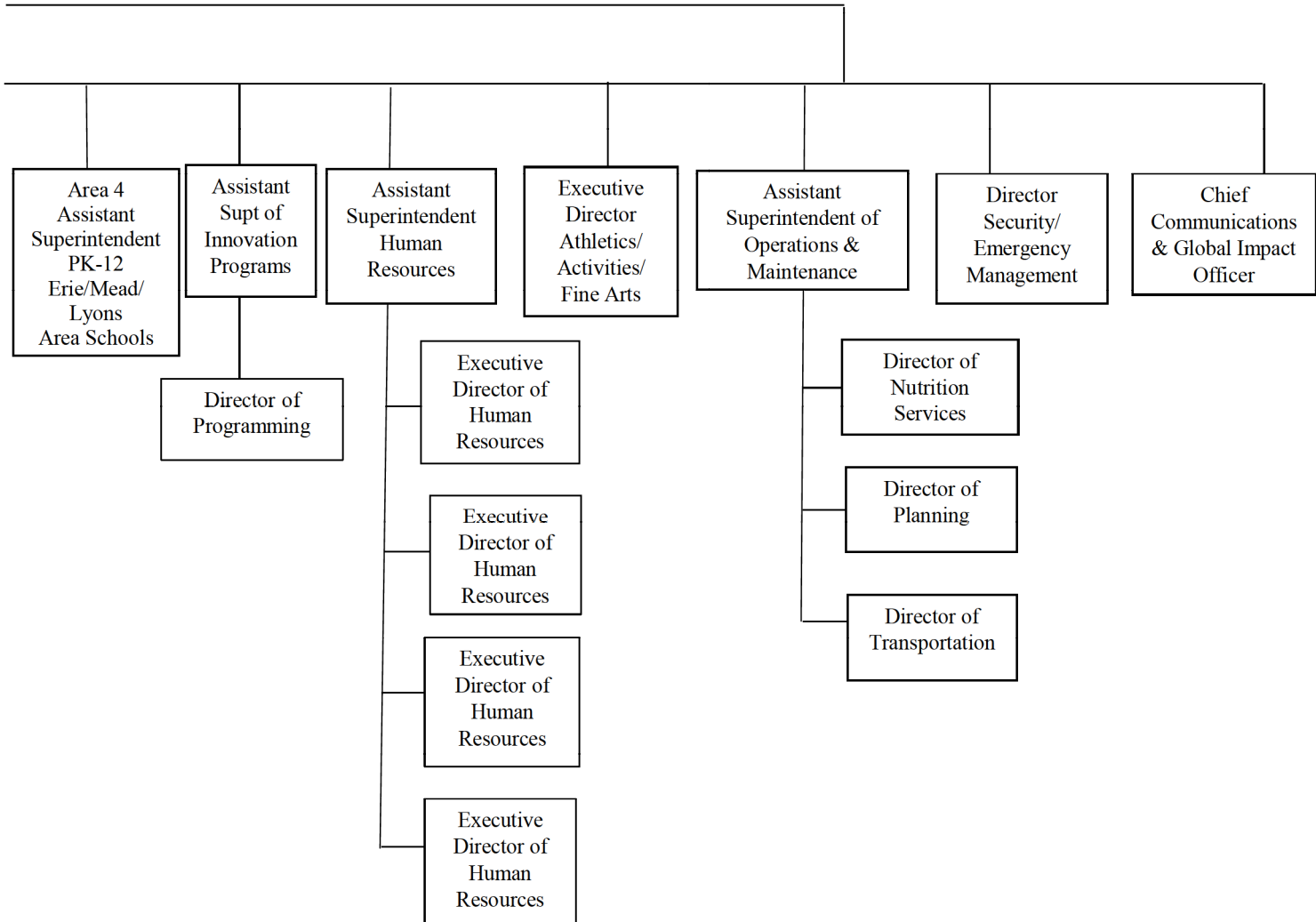
St. Vrain Valley School District RE-1J
ORGANIZATIONAL CHART
June 30, 2020



Revised: September 25, 2019

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, 2020

Elected Officials

<u>Board Member</u>	<u>Term of Office</u>
District A, Joie Siegrist, President	2/12 - 11/23 (Appointed 2/12)
District B, Karen Ragland, Treasurer/ Asst Secretary ..	11/17 - 11/21
District C, Jim Berthold, Member	11/19 - 11/23
District D, John Ahrens, Secretary	11/13 - 11/21
District E, Dr. Richard Martyr, Member	11/15 - 11/23
District F, Paula Peairs, Vice President.....	11/13 - 11/21
District G, Chico Garcia, Member	1/19 - 11/23 (Appointed 1/19)

Appointed Officials

District Leadership Team

Don Haddad	Superintendent
Jackie Kapushion	Deputy Superintendent & Area 1 PK-12
Greg Fieth	Chief Financial Officer
Tony Whiteley	Executive Director of Budget & Finance
Brandon Shaffer	Exec Director of Legal/Govt'l Affairs/P-TECH
Diana Lauer .	Asst Supt of Priority Programs & Academic Support
Johnny Terrell	Executive Director of Student Services
Laura Hess	Executive Director of Special Education
Kahle Charles .	Asst Supt of Assessment, Curriculum & Instruction
Ann Reed	Executive Director of Assessment
Michelle Bourgeois	Chief Information Officer
Patrick Mount	Chief Technology Officer
Mark Mills	Area 2 Asst Superintendent PK-12
Dina Perfetti-Deany	Area 3 Asst Superintendent PK-12
Bryan Krause	Area 4 Asst Superintendent PK-12
Patty Quinones	Assistant Supt of Innovative Programs
Todd Fukai	Assistant Superintendent of Human Resources
Sarah James.....	Executive Director of Human Resources
Kate Rodriguez	Executive Director of Human Resources
Jessica Stitz.....	Executive Director of Human Resources
Chase McBride ...	Exec Director of Athletics, Activities & Fine Arts
Brian Lamer	Assistant Superintendent of Operations
Rick Ruffino	Executive Director of Construction & Maintenance
Kerri McDermid.....	Chief Communications & Global Impact Officer

FINANCIAL SECTION



Supporting safety, well-being, and academic success during the coronavirus pandemic.

St. Vrain Valley School District RE-1J
Management's Discussion and Analysis
As of and for the Fiscal Year Ended June 30, 2020

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, 2020. 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 \$428.4 million at June 30, 2020, compared to the prior year's deficit net position of \$564.0 million, primarily due to its implementations of Governmental Accounting Standards Board's (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB No. 68*, and Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*, and recognizing its proportionate share of pension and OPEB liabilities – \$506.2 million at June 30, 2020 – a net decrease of \$85.9 million dollars.
- Total net position of the District increased \$135.6 million during the year ended June 30, 2020, primarily due to the net changes of all varying components of the pension under GASB Statement's No. 68 and a one-year policy change regarding property tax revenue recognition.
- Fund balance of the District's governmental funds decreased from an ending fund balance of \$330.3 million at June 30, 2019 to \$322.9 million for fiscal year ended June 30, 2020. The decrease is primarily due to the ongoing projects of 2016 voter-approved general obligation building bonds for community-wide facility, instructional and safety improvements as well as construction of new schools offset by cost savings due to the effects of an unanticipated worldwide coronavirus (COVID-19) pandemic.
- During the current year, the fund balance in the District's *General Fund* increased by \$24.7 million leaving an ending fund balance of \$149.0 million. Despite a planned slight growth in fund balance, the increase is primarily due to the out performance of the budget in areas of salaries, benefits and supplies, and the direct impact of a mandated 2-month plus closure of school buildings and district facilities at the onset of the pandemic.
- The District began construction on a new elementary school, completed and continued numerous construction projects at several school sites – including classroom additions and major renovations, as well as a entire rebuild of an existing elementary school – to provide its growing student population with rigorous academics in safe and innovative environments that foster learning and student development.

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 21-78 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*, nonmajor capital projects and special revenue funds, and an internal service fund. The District has no business-type activities.

Also presented on the government-wide financial statements are component units, representing the District's six charter schools. The charter schools are legally separate entities with their own appointed independent governing boards. They are financially dependent on the District for most of their funding, and their applications and budgets must be approved by the District. In addition, because of their potential to provide financial benefit to, or impose financial burden on, the District, accounting principles prescribe a discrete presentation of the component units, meaning separate presentation from the primary government. The government-wide financial statements can be found on pages 21-23 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, 2020 are the *General 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 24-27 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 28-30 of this report.

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 District has no fiduciary funds.

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 31-78 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* 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 Statements No. 68 and No. 75. The RSI can be found on pages 81-88. The remaining governmental funds budgetary comparisons are reported as other supplemental information. Combining and individual fund statements and schedules can be found on pages 89-111 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 items, deposits, and inventories are current assets. These assets are available to provide resources for the near-term operations of the District. Eighty-one percent of the current assets are cash and investments.

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

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

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 2021.

Long-term liabilities such as long-term debt obligations and compensated absences will be liquidated from resources that will become available after fiscal year 2021. Also included in longer term liabilities are the District's proportionate shares of the pension and OPEB liabilities. Although multiple participating employers are required to report their proportionate shares of these liabilities, Senate Bill 18-200 was enacted in June 2018, restructuring contributions, benefits and future eligibility requirements which, thereby, will restore the full funding of these plans within 30 years. Also, beginning July 2018, the State of Colorado is required to make annual direct on-behalf payments to the state retirement system. In accordance with accounting principles generally accepted in the United States of America (US GAAP), the District not only recognizes the State's proportionate share of the pension liability associated with the District at the government-wide level, but also recognizes its share of the State's required payment as revenue and expenditures at the fund level.

Due to the implementation of GASB Statements No. 68 and No. 75, 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 pension and OPEB liabilities, 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, 2020, the liabilities plus deferred inflows exceed assets plus deferred outflows of the primary government's governmental activities by \$428.4 million with an unrestricted deficit net position of \$609.1 million. For three of the ten prior fiscal years, the District was able to report positive balances in all three categories of net position. In the previous five fiscal years as well as the current fiscal year – due to the implementation of GASB Statements No. 68 and No. 75 – the District has reported a negative unrestricted net position.

Major renovations, additional classrooms, safety upgrades, a bus satellite facility, and a future-ready innovation mobile lab contributed to the \$25.0 million increase in “net investment in capital assets” – from \$58.4 million to \$83.4 million – for the primary government's governmental activities. The increase in capital assets (\$28.5 million) combined with the net decrease of related liabilities (\$45.2 million) exceeded the decreased deferred outflow of resources related to debt (\$1.4 million) and the decrease of *Building Fund's* cash and investments (\$47.4 million). Refer to Note 5 (Capital Assets) and Note 7 (Long-Term Debt) for detailed information.

Colorado Revised Statute Article X, Section 20 (Taxpayer Bill of Rights (TABOR)) requires the District to establish reserves. The net position restricted for TABOR, as required by statute, increased \$684 thousand to \$11.2 million as of June 30, 2020. Net position restricted for debt service increased \$14.7 million resulting in a total of \$69.1 million.

The \$211.5 million net decrease in liabilities plus deferred inflows of resources is attributable to the District recognizing its net decreased proportionate share of a pension liability of \$482.5 million and OPEB liability of \$23.7 million. Refer to Note 9 (Defined Benefit Pension Plan) and Note 10 (Defined Benefit OPEB Plan).

Table 1 provides a summary of the District's net position as of June 30, 2020 compared to June 30, 2019.

Table 1
Comparative Summary of Net Position
As of June 30, 2020 and 2019
(in Thousands)

	Governmental Activities		Total Dollar Change	Total Percentage Change
	2020	2019	2019 - 2020	2019 - 2020
Assets				
Current assets	\$ 317,088	\$ 328,926	\$ (11,838)	-3.60%
Noncurrent assets excluding capital assets	74,166	55,718	18,448	33.11%
Capital assets	546,738	518,209	28,529	5.51%
Total assets	<u>937,992</u>	<u>902,853</u>	<u>35,139</u>	<u>3.89%</u>
Deferred outflows of resources	<u>79,392</u>	<u>190,407</u>	<u>(111,015)</u>	<u>-58.30%</u>
Liabilities				
Current liabilities	55,691	40,092	15,599	38.91%
Long-term liabilities	558,492	601,204	(42,712)	-7.10%
Pension liability	482,494	563,919	(81,425)	-14.44%
OPEB liability	23,721	28,164	(4,443)	-15.78%
Total liabilities	<u>1,120,398</u>	<u>1,233,379</u>	<u>(112,981)</u>	<u>-9.16%</u>
Deferred inflows of resources	<u>325,424</u>	<u>423,915</u>	<u>(98,491)</u>	<u>-23.23%</u>
Net Position				
Net investment in capital assets	83,397	58,386	25,011	42.84%
Restricted for				
TABOR	11,167	10,483	684	6.52%
Debt service	69,131	54,463	14,668	26.93%
Contractual, federal grant obligations	6,970	6,911	59	0.85%
Colo Preschool	560	801	(241)	-30.09%
Other	9,435	10,450	(1,015)	-9.71%
Unrestricted	(609,098)	(705,528)	96,430	13.67%
Total net position	<u>\$ (428,438)</u>	<u>\$ (564,034)</u>	<u>\$ 135,596</u>	<u>24.04%</u>

Government-wide Activities

Governmental activities increased the net position of the District \$135.6 million during the year ended June 30, 2020. General revenues increased \$47.5 million while program revenues decreased \$5.0 million. The addition of capital assets, the payment of long-term debt and the effects of the multi-faceted variables related to the District's pension liability under GASB Statement No. 68 contributed to overall decrease of expenses by \$2.6 million. Table 2 provides a summary of the District's change in net position for 2020 compared to 2019.

Table 2
Comparative Schedule of Changes in Net Position
For the Years Ended June 30, 2020 and 2019
(in Thousands)

	<u>Governmental Activities</u>		<u>Total Dollar</u>	<u>Total</u>
	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>Percentage</u>
			<u>2019 - 2020</u>	<u>2019 - 2020</u>
Revenues				
Program revenues				
Charges for services	\$ 18,622	\$ 25,508	\$ (6,886)	-27.00%
Grants & contributions:				
Operating	35,144	32,630	2,514	7.70%
Capital	2,901	3,495	(594)	-17.00%
General revenues				
Property, specific ownership, and mill levy override taxes	249,451	200,994	48,457	24.11%
State equalization	149,676	147,896	1,780	1.20%
Other	12,988	15,765	(2,777)	-17.61%
Total revenues	<u>468,782</u>	<u>426,288</u>	<u>42,494</u>	<u>9.97%</u>
Expenses				
Instruction	158,922	169,532	(10,610)	-6.26%
Supporting services	153,453	152,783	670	0.44%
Interest expense	20,811	13,516	7,295	53.97%
Total expenses	<u>333,186</u>	<u>335,831</u>	<u>(2,645)</u>	<u>-0.79%</u>
Increase (decrease) in net position	135,596	90,457	45,139	49.90%
Net position - 7/1	<u>(564,034)</u>	<u>(654,491)</u>	<u>90,457</u>	<u>13.82%</u>
Net position - 6/30	<u>\$ (428,438)</u>	<u>\$ (564,034)</u>	<u>\$ 135,596</u>	<u>24.04%</u>

The governmental activities' total assets increased by \$35.1 million and deferred outflows of resources decreased \$111.0 million attributed to the following elements:

Table 3
Comparative Schedule of Assets & Deferred Outflows of Resources
of Governmental Activities
As of June 30, 2020 and 2019

	2020	2019	Increase (Decrease)
Cash and investments	\$ 331,351,740	\$ 365,032,697	\$ (33,680,957)
Cash with fiscal agent	1,700,059	1,549,938	150,121
Accounts receivable	2,836,802	1,063,437	1,773,365
Due from component units	110,617	203,419	(92,802)
Grants receivable	3,733,341	3,858,541	(125,200)
Interest receivable	818	23,860	(23,042)
Taxes receivable, net	49,304,940	10,587,104	38,717,836
Prepaid items	199,975	471,914	(271,939)
Deposits	-	77,420	(77,420)
Inventories	2,015,943	1,776,441	239,502
Capital assets			
Non-depreciable	80,116,259	52,953,737	27,162,522
Depreciable, net	466,621,976	465,254,869	1,367,107
Total assets	<u>\$ 937,992,470</u>	<u>\$ 902,853,377</u>	<u>\$ 35,139,093</u>
Deferred outflows of resources			
Related to debt	\$ 9,592,368	\$ 10,956,852	\$ (1,364,484)
Related to pension	67,653,697	177,502,358	(109,848,661)
Related to OPEB	2,145,803	1,948,071	197,732
Total deferred outflows	<u>\$ 79,391,868</u>	<u>\$ 190,407,281</u>	<u>\$ (111,015,413)</u>

The \$33.7 million decrease in cash and investments (which includes unrestricted and restricted cash and investments) is primarily due to the cash outflow from capital asset additions and payment of long term debt obligations. The \$150 thousand increase in cash with fiscal agent is due to increased property taxes collected by the county treasurers during June.

The \$1.8 million increase in accounts receivable is primarily due to the delayed receipts of Build America Bonds (BABs) interest income and tax abatement revenues from local urban renewal authorities. The \$93 thousand decrease of due from component units is based on timing of receipts for services provided. The \$125 thousand decrease in grant activity is primarily due to the timing of Build Excellent Schools Today (BEST) grant reimbursement requests approved after June. The decrease in interest receivable is due to the closure of a sweep account near fiscal year end and the timing of its related interest receipts in the General Fund. Taxes receivable, net of an estimated uncollectible taxes, increased \$38.7 million. In addition to property tax gross assessed valuations increasing \$876 million, Colorado waived the interest period on unpaid property taxes until October 1, 2020, to provide economic relief during the worldwide pandemic. As a result, the District adopted a one-year policy change to extend the period from 60- to 90-days after fiscal year end for property tax revenue recognition. The \$349 thousand decrease in prepaid items and deposits is primarily the result of recognizing the current year's portion of a prepaid maintenance agreement. The \$240 thousand increase in inventories is primarily due to the purchase of personal protective equipment (PPE). The PPE was distributed to schools and departments after fiscal year-end in response to the coronavirus pandemic and in preparation of transitioning from a fully online/remote learning setting to a hybrid (in-person alternating with online) learning environment. The \$27.2 million increase in non-depreciable capital assets reflects the increase of new construction projects, including a planned new elementary school in a high-growth area of the district and the entire rebuild of an existing older elementary school. Depreciable capital assets increased \$1.4 million primarily due to the completion of major renovations and additional classrooms during the year.

Deferred outflows of resources are due to two factors: debt defeasance and the pension and OPEB liabilities. The \$1.4 million decrease is the current year amortization, on an effective interest method,

related to debt. The difference between expected and actual experience, changes in assumptions, the net difference between projected and actual earnings on pension and OPEB 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 combined decrease of deferred outflows of \$109.7 million.

The governmental activities' total liabilities decreased by \$113.0 million and deferred inflows of resources decreased \$98.5 million as follows:

Table 4
Comparative Schedule of Liabilities & Deferred Inflows of Resources
of Governmental Activities
As of June 30, 2020 and 2019

	2020	2019	Increase (Decrease)
Accounts payable	\$ 11,439,607	\$ 11,714,219	\$ (274,612)
Due to component units	94,841	-	94,841
Retainage payable	1,797,507	743,149	1,054,358
Accrued salaries, benefits, withholdings	23,505,095	23,074,846	430,249
Accrued interest payable	1,000,072	1,066,226	(66,154)
Claims payable	2,494,585	2,379,403	115,182
Unearned revenues	15,359,739	1,114,669	14,245,070
Noncurrent liabilities			
Due within one year	37,611,907	40,190,292	(2,578,385)
Due in more than one year	520,879,631	561,014,310	(40,134,679)
Net pension liability	482,494,456	563,918,679	(81,424,223)
OPEB liability	23,720,549	28,164,275	(4,443,726)
Total liabilities	<u>\$ 1,120,397,989</u>	<u>\$ 1,233,380,068</u>	<u>\$ (112,982,079)</u>
Deferred inflows of resources			
Related to pension	\$ 321,042,176	\$ 423,872,126	\$ (102,829,950)
Related to OPEB	4,381,852	42,871	4,338,981
	<u>\$ 325,424,028</u>	<u>\$ 423,914,997</u>	<u>\$ (98,490,969)</u>

Accounts payable combined with retainage payable increased a net \$780 thousand, primarily due to the timing of capital construction projects for community-wide improvements as part of the 2016 voter approved bonds. Due to component units increased \$95 thousand for allowable costs incurred by the charter schools before fiscal year end, but not yet reimbursed by the District, fiscal agent of Coronavirus Relief Funds (CRF) – established through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and awarded by the Colorado Department of Education (CDE). Accrued salaries, benefits and payroll withholdings increased \$430 thousand due to salary increases, benefit increases, the growth in the number of employees offset by the unanticipated cost savings of non-essential employee positions that were open and not filled during the onset of the pandemic. The \$66 thousand decrease in accrued interest reflects the decreased bond interest due by the District because of the pay down of debt. The \$115 thousand increase in claims payable is due to the change in lag time as well as the expected, although uncertain, estimated increases related to COVID-19. Refer to Note 8 (Risk Financing). The \$14.2 million increase in unearned revenues is primarily due to the advanced CRF funding received in May. Through June 30, 2020, approximately 10% of the CRF funding was expended; the balance is to be expended by December 30, 2020. The decrease of \$42.7 million in noncurrent liabilities due within one year and due in more than one year are primarily due to payments of bonds and capital leases during the year as well as the amortization of the deferred bond premium. Refer to Note 7 (Long-Term Debt). The decrease of \$85.9 million in pension and OPEB liabilities is due to recognizing the District's proportionate share of the pension and OPEB liabilities, along with its share of the State's on-behalf payment. Refer to Note 9 (Defined Benefit Pension Plan) and Note 10 (Postemployment Benefits Other Than Pension (OPEB)).

Deferred inflows of resources related to pensions and OPEBs net decrease of \$98.5 million primarily due to the changes in assumptions or other inputs under GASB Statements No. 68 and No. 75.

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (SFA). Under the SFA, after the budget stabilization 'negative' factor was applied and CDE's administrative fee was withheld, the District received \$8,289 per funded pupil. For the fiscal year ended June 30, 2020, the funded pupil count was 31,300.8, a growth rate of 3.7% 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 2020, SFA per pupil funding increased by \$372 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, 2020 and 2019
(in Thousands)

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
Instruction	\$ 158,922	\$ 169,532	\$ 121,832	\$ 127,776
Supporting services	153,453	152,784	133,876	132,906
Interest expense	20,811	13,516	20,811	13,516
	<u>\$ 333,186</u>	<u>\$ 335,832</u>	<u>\$ 276,519</u>	<u>\$ 274,198</u>

Key elements of the governmental activities are as follows:

- The cost of all governmental activities this year was \$333.2 million compared to \$335.8 million last year. Interest expense increased by \$7.3 million due to the amortization of the bond interest premiums on an effective interest method.
- About \$18.6 million of the cost of services was financed by the users of the District's programs in the form of charges for services, a decrease of \$6.9 million from 2019. The decrease is primarily due to canceled or suspended tuition and fee-based programs and student activities as a result of the pandemic.
- The federal and state governments subsidized certain programs with grants and contributions in the amount of \$38.0 million, an increase of \$1.9 million from fiscal year 2019. Federal CRF funding up to the allowable expenditures incurred before year-end primarily contributed to the increase.
- The majority of the District's net cost of services, \$276.5 million, was financed by State and District taxpayers.
- General revenues accounted for \$412.1 million in revenue which was 87.9% of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions, accounted for \$56.7 million or 12.1% of total revenues of \$468.8 million. These percentages reflect a shift of 2.4% of total revenue from program specific to general revenues.
- The increase in the property tax assessed valuations, a one-year policy change related to property tax revenue recognition, and the unanticipated cost savings in salaries, benefits and supplies due to the pandemic contributed to the increase of 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 \$322.9 million, a decrease from the prior year ending balance of \$330.3 million. As noted earlier, the fund balance decrease was primarily due to the ongoing projects of 2016 voter-approved general obligation building bonds for community-wide facility, instructional and safety improvements as well as construction of new schools offset by cost savings due to the effects of an unanticipated worldwide coronavirus (COVID-19) pandemic.

Among major funds, the *General Fund* is the chief operating fund of the District. The *General Fund* had \$363.8 million in revenues, and \$338.5 million in expenditures. The *General Fund's* fund balance increased \$24.7 million to \$149.0 million. The increase is partly due to the District's share of the State's on-behalf payment to the retirement plan as well as conservative budgeting. Colorado waived the interest period on unpaid property taxes until October 1, 2020, to provide businesses and residents economic relief due to the pandemic. As a result, the District adopted a one-year policy modifying its accrual basis of accounting for property taxes only – extending its revenue recognition period from 60- to 90-days after fiscal year end. Several factors resulted in expenditures being lower than budgeted. The District realized savings in salaries, benefits and supplies. Again, due to COVID-19, non-essential positions that were open, or became open, were not filled. In addition, busses were not running, building utility costs were reduced and the District's summer literacy and child care programs were canceled. With the severity and uncertainty of budget cuts from the state, textbook adoptions were delayed.

Significant differences between the *General Fund's* adopted and amended budgets are due to \$16.8 million and \$8.4 million increases in property taxes and mill levy override dollars, respectively, due to increased assessed property values; \$9.3 million decrease in state equalization due to the increased locally assessed property values; \$1.3 million increase in the BEST grant due to anticipated projects; \$4.7 million increase in the State's on-behalf payment to the Colorado Public Employees' Retirement Association (PERA) based on known information; \$1.2 million increase in other state sources due to increased funding of state grant programs; \$4.5 million increase in benefits expenditures are primarily due to the State's on-behalf payment to Colorado PERA; and, \$2.5 million increase in capital outlay due to anticipated BEST grant and kindergarten facility capital construction projects.

The fund balance of the *Bond Redemption Fund* had an increase of \$16.0 million, resulting in a balance of \$68.8 million as of June 30, 2020. Due to its one-year property tax policy change, the District realized an additional \$12.5 million in delayed revenues that, otherwise, would have been considered subsequent year's revenues. The *Bond Redemption Fund* has adequate resources accumulated to make the December 2020 principal and interest payments. The mill levy to accumulate resources for the June 2021 interest payment will be certified in December 2020.

The *Building Fund* is used to record the proceeds, interest revenue and corresponding construction expenditures for bonds. The fund balance decreased \$45.9 million due to capital construction projects. Projects included major renovations, additional classrooms, safety upgrades, a bus satellite facility, and a future-ready innovation mobile lab, the construction of a planned new elementary school in a high growth area of the District and the entire rebuild an existing elementary school.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2020 is \$546.7 million (net of accumulated depreciation). Capital assets include land and improvements, buildings and improvements, water rights, projects in progress, and equipment. The District's investment in capital assets, net of accumulated depreciation, increased for the current fiscal year by \$28.5 million. Major capital events during the year included major renovations, over 200 additional classrooms, an elementary school solar project, a bus satellite facility, and a future-ready innovation mobile lab. Construction began on a new elementary school in a high growth area of the district. In addition, with enough savings from unused contingency funds and bond sale premiums, the District was able to upgrade a major renovation project to an entire rebuild of an older elementary school.

Table 6 shows fiscal year 2020 capital assets compared to 2019.

Table 6
Comparative Schedule of Capital Assets
As of June 30, 2020 and 2019
(Net of Depreciation, in Thousands)

	Governmental Activities		Total Dollar Change	Total Percentage Change
	2020	2019	2019 - 2020	2019 - 2020
Land	\$ 20,846	\$ 20,846	\$ -	0.00%
Water rights	1,091	1,091	-	0.00%
Projects in progress	58,179	31,016	27,163	87.58%
Land improvements	10,081	10,435	(354)	-3.39%
Buildings	281,521	287,007	(5,486)	-1.91%
Building improvements	147,304	138,164	9,140	6.62%
Equipment	27,716	29,650	(1,934)	-6.52%
Totals	<u>\$ 546,738</u>	<u>\$ 518,209</u>	<u>\$ 28,529</u>	5.51%

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

Debt Administration. The District was assigned an underlying rating of AA+ from Standard & Poor's Financial Services and Aa2 from Moody's Investors Service for its general obligation refunding bond issues in October 2018. The custodian and paying agent for all of the District's bond debt is UMB Bank in Denver, Colorado. Total long-term debt outstanding as of June 30, 2020 as compared to June 30, 2019 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 \$835 million and the legal debt margin was \$320 million, significantly higher than prior year due to the increased property gross assessed valuations by \$876 million, primarily from Weld County.

Table 7
Comparative Schedule of Outstanding Debt
As of June 30, 2020 and 2019
(in Thousands)

	2020	2019	Increase (Decrease)
General obligation bonds	\$ 514,915	\$ 548,690	\$ (33,775)
Deferred bond premium	35,887	41,788	(5,901)
Capital leases	1,677	5,617	(3,940)
Benefits payable	6,013	5,110	903
Total debt	<u>\$ 558,492</u>	<u>\$ 601,205</u>	<u>\$ (42,713)</u>

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

Factors Bearing on the District's Future

The District continues to receive strong community support. It has strong ties to the municipalities, businesses, and industry. In November 2008, the Board referred ballot questions to District voters for both a mill levy override (MLO) increase of \$16.5 million and a bond issue of \$189 million. The voters approved both measures by a strong margin. The additional MLO funding came at the time of the country's Great Recession. The 2008 bond revenues were efficiently managed to accomplish the stated improvements and additions, as well as provide additional renovations to District facilities.

In November 2012, the Board referred a \$14.8 million mill levy override ballot question to District voters. This override helped the District continue the gains realized from the 2008 MLO and avoid large class size increases and program cuts despite cuts in state per pupil funding since 2010. The voters approved the 2012 MLO measure by a strong margin notwithstanding the fact that the economy was just coming out of a multiyear 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 about \$56.8 million in fiscal year 2020-2021. This amounts to more than \$1,800 per student. These mill levy overrides are fixed mills so the revenues grow as assessed valuation increases. In addition, the mill levy overrides do not sunset.

With significant growth occurring within the District, facility capacity once again became a priority. The Board of Education, based on recommendations by the Superintendent and a community task force, approved putting a \$260.34 million capital construction bond question on the November 2016 election ballot. Voters once again showed their support by passing the measure. Approximately 68 percent of these funds will go toward providing additional classroom space with the remaining 32 percent of the funds addressing school safety and security upgrades, repairs and renovations to existing school facilities. In December of 2016, the District issued an initial \$200 million of general obligation debt pursuant to the 2016 authorization, and realized another \$23.6 million in premium. Based on the District's current spend down plan on the 2016 constructions projects, and the need for additional funding, the District sold the remaining \$60.34 million on September 19, 2018. The sale on September 19 was for a 5-year bond maturity, shortened from what was initially planned to be a 14-year schedule. The Series 2018 bonds carried yields of 1.72 percent to 2.21 percent, which combined with the rates locked in at the time of the sale of the initial \$200 million in December 2016, provided a net interest cost of 3.57 percent for the full issue. The final piece of the 2016 bond authorization has been sold, and compared to the ballot numbers that voters approved the total amount of principal and interest to be repaid on these bonds is over \$21 million less than voters approved in 2016.

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 initial program allows Skyline 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 subsequently added a new P-TECH program at Frederick High School for students to achieve an Associate degree in Biomedical Sciences. The District is also adding a Cybersecurity P-TECH program at Silver Creek High School in the 2020-2021 school year.

In addition, the District also recently added a P-TEACH program. This program is designed to provide post-secondary opportunities to students who are interested in a career in the education field. The coursework is designed to introduce students to the teaching profession both in the classroom and in internships.

During the 2018-2019 school year, the District also implemented "Project Launch", a kindergarten through 2nd grade program designed to extend the school year for students who are not reading at grade level proficiency. The goals were to provide targeted instructional during the month of June to increase proficiency, reduce the "summer slide" due to students not being in school, and begin the next school year at a better starting point. Early indications are that the program has been successful, and the District is currently planning to continue the program in the 2019-2020 school year. However, due to the pandemic, the summer program was temporarily suspended.

The District has experienced strong growth in student enrollment from fiscal years 2011 through 2020, ranging from 0.66% to 4.53%. The October 2019 headcount was 216 more students than the previous year, a 0.66% increase. Pre-pandemic projections reflect an estimated annual growth rate of approximately 1.4% over the next five years.

The District has provided increases in employee compensation for each of the 2005 through 2020 budget years. The mill levy overrides passed by the community, along with the operating efficiencies implemented by the District have improved the District's starting and average teacher salaries. The District and its Education Association agreed to a new salary schedule concept for certified personnel for the 2015-2016 fiscal year. The salary schedule increased the base salary, but also stabilized the cost of providing an experience step for teachers. The concept of the new salary schedule is to increase the base salary of a new teacher more quickly than the previous salary schedule. Beginning in the 2015-2016 school year, the starting base salary of \$35,000 has increased annually to \$44,250 for the 2020-2021 school year. In combination with test score improvements, national recognition, and a stable, supportive School Board, the District continues to receive a strong response of qualified applicants for open positions.

Strong administrative leadership, a stable and supportive School Board, the vibrant and growing District population, an emphasis on positive relationships with businesses and stakeholders, and conservative financial management have combined to make St. Vrain Valley Schools one of the top achieving Districts in Colorado. Evidence in support of this claim include John Irwin Schools of Excellence Awards for state's top 8% performing schools as well as numerous Governor's Distinguished Improvement Awards and Colorado Trailblazer 'Schools to Watch' Awards

To enhance learning opportunities for our students, the District started an in-District online school and opened a homeschool program. The initial pupil count for 2014 in these two programs exceeded 700 students. For 2020-2021, that number is estimated to be just under 900 students. In addition, the District has applied for and received numerous grants and continues to actively seek grants and corporate sponsorships. In early August 2010, the U.S. Department of Education notified the District that it had been selected for a \$3.6 million development grant, payable over five years, under the 2010 Investing in Innovation Fund (i3) competition. Out of 1700 applicants, the District received the highest score nationwide on its application and was one of 49 chosen to receive grant funds. The District's grant plan focused on expanding programs for at risk students in seven schools. The i3 grant ended in the 2015-2016 school year, but key personnel and operations remain as the District developed a sustainability plan. In November 2012, the District also received one of the first round of Race to the Top grants from the federal government. This grant provided \$16.5 million dollars over four years. It was developed to create and implement more STEM curricula into the lower socio-economic schools within the District. That grant ended in July of 2017, and the District has developed a sustainability plan for key personnel and operations.

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

Another constitutional amendment that will impact the state's funding, as well as special districts including school districts, is the 1982 Gallagher Amendment. The assessed property value revisions required by the 1982 Gallagher Amendment have continued to limit increases in the residential assessed values used to levy taxes for the District, even though actual property values for most residential properties are higher. This amendment requires that the residential property share of the total assessed value in the state be stabilized at approximately 45% of the total. However, by fixing the residential percentage share of property tax collections, an increasing portion of the taxes levied continues to be shifted to the commercial and nonresidential property owners. This reduction in residential property tax revenues also requires the state

to commit other revenues to fulfill the School Finance Act (per pupil funding). The most recent adjustment to the residential rate was to set the rate to 7.15%, but if the Gallagher amendment is not repealed, that percentage could drop to as low as 5.88%. A repeal of Gallagher question is on the November ballot. If it passes, the District would benefit from the rebalancing of the tax impact on residential and small business owners.

The fiscal year 2020 is Dr. Don Haddad's twelfth year as the Superintendent of Schools. He has been recognized multiple times on the national level, including the 2013 National Superintendent of the Year award from the National Association of School Superintendents. He continues to develop strong relationships with business, industry, and community leaders throughout the District. He is united with his administration, staff, and the Board of Education in the mission and strategic priorities for the District.

The fiscal year 2020 is the District's twelfth 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.

The Effects of the Pandemic

On March 13, 2020, the Superintendent signed a Declaration of Local Disaster Emergency due to the COVID-19 pandemic. The Board of Education later approved extending that declaration indefinitely. The District employed remote learning from after Spring Break 2020 to the end of the school year. The State of Colorado also declared a state of emergency through the same timeframe. Because of the pandemic, the legislation did not meet during the normal session, and did not establish the School Finance Act, or the long bill, until the middle of June.

Although the District already had a 1:1 device initiative in place prior to the pandemic, an order of 1,000 iPads was immediately approved to ensure that every student had access to a device for remote instruction. With school closed from March 16 – March 20 due to the pandemic, district staff worked diligently to create (or adapt current in-person) lesson plans for remote learning. On March 23, district staff also began handing out paper homework packets and/or iPads from two distribution centers for those students and their families that did not have either a device or internet service.

As the pandemic continued to surge in the spring, district administration realized that remote instruction would likely continue into the next school year. Understanding that not all students had access to their own device, and that remote synchronous learning was important to every student, the District placed additional iPad orders of 500 devices in March and 4,100 devices in June to ensure the District moved to a true 1:1 device initiative for all students. In addition to the iPads, the District went through a process to determine the best synchronous learning technology for its teaching staff. This included looking at specialized lenses for the teachers' iPads, a stand for the teachers' iPads and microphones that allowed the teacher to speak and be heard effectively. The district solidified its synchronous remote learning technology, and placed orders for that equipment – far ahead of most districts. In addition, the District realized that some families and their students would want to return to their schools when it was reasonably safe to do so, other families would want to stay in remote learning for a longer period. To ensure students and families had options, the District performed an evaluation of on-line learning platforms and determined that the current on-line program in use was effective and could be adapted to a new platform that would include using current district teaching staff to provide instruction.

In May, the District learned that it would receive approximately \$15.75 million in CARES Act CRF funding and an additional \$2.5 million in CARES Act Elementary and Secondary School Emergency Relief (ESSER) funding. The CRF funding is required to be spent by December 30, 2020, with the ESSER funding having a longer timeframe for expenses. For the 2019-20 school year, the District spent approximately \$1.7 million of CRF funds on facilitating distance learning, personal protection equipment (PPE), sanitization and cleaning, and salary and benefits for employees providing COVID-19 response duties. The District expects to spend the remaining CRF funds on similar activities with the majority of the expenses being spent on facilitating distance learning (including technology, professional development, on-line costs) or returning to

a physical classroom setting (including increased instructional time and social distancing). The ESSER funds will be spent similar to the CRF funds, but will occur primarily in the Spring of 2020.

The District began the year in a remote learning environment and moved into a hybrid learning model on October 5, 2020. The hybrid model has students in their school two days a week, working remotely (synchronous and asynchronous) the remainder of the week. This is designed to encourage students returning to the physical classroom while maintaining social distancing guidelines.

COVID-19 had a financial impact on the FY20 school year, and it and other factors will continue to impact the District financially for years to come. COVID-19 had a positive financial impact on the District's FY20 performance. The District's amended budget was forecasting a \$3.8 million increase to the General Fund fund balance. The District's fund balance actually increased by \$24.7 million. This was primarily due to salaries, benefits, and supplies and materials. Although the District continued to pay all of its employees up to their normal assigned hours for the rest of the FY20 school year, significant savings were realized in salaries and benefits as non-essential positions that were open, or became open, were not filled. In addition, the District realized savings in other areas. Busses were not being used, buildings did not use at much in utilities, and the District's summer literacy program was cancelled. Also, because the District did not know the severity of budget cuts from the state, textbook adoptions were delayed.

The legislation enacted the School Finance Act in June 2020, and the District's per pupil revenue (PPR) was reduced by 5.4%, or nearly \$13.9 million. Another area that the legislation enacted was a waiver of the late interest fees on unpaid property taxes until October 1, 2020 (normally property taxes are due June 30 of each year). Due to this waiver, the District saw a very large unpaid portion of property taxes until October. In October, the District did receive the majority of the unpaid property taxes and only recorded a \$4.6 million deferred inflows of unavailable property taxes. Although the District usually only recognizes payments through August 31, it was able to recognize all property taxes collected by the counties in September and received by the District prior to October 13, 2020 due to GASB guidance allowing school districts to adopt a one-year policy change for such recognition during extenuating circumstances.

For the 2020-21 fiscal year, the District will see reduced revenue due to reductions in per pupil revenue and a reduction in Funded Pupil Count (FPC). The preliminary assessed valuations provided by the counties indicate a slight reduction in assessed valuation, but the final assessed valuations are not certified until December. The state's economy is recovering quicker than forecast, so a mid-year rescission is not probable, but is possible. Another item that the District is monitoring is the Repeal of Gallagher question on the November ballot. If it passes, the District would benefit from the rebalancing of the tax impact on residential and small business owners.

Items that the District will continue to monitor in the 2021-22 fiscal year and future years include many of those mentioned above including expectations around PPR, reductions in assessed valuation due to the Oil and Gas war in the Spring of 2020 (assessed valuation lags oil and gas production by eighteen months), and other potential legislative changes.

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

THIS PAGE LEFT INTENTIONALLY BLANK

St. Vrain Valley School District RE-1J
Statement of Net Position
June 30, 2020

DRAFT
Oct 21, 2020

	Primary Government	Component Units
	Governmental Activities	Charter Schools
Assets		
Cash and investments	\$ 257,185,680	
Cash with fiscal agent	1,700,059	
Accounts receivable	2,836,802	
Due from component units	110,617	
Grants receivable	3,733,341	
Interest receivable	818	
Taxes receivable, net	49,304,940	
Prepaid items	199,975	
Deposits	-	
Inventories	2,015,943	
Restricted cash and investments for		
General Fund	15,761,980	
Bond Redemption Fund	54,557,054	
Building Corporations	-	
Self Insurance Fund	3,847,026	
Capital assets,		
Non-depreciable	80,116,259	
Depreciable, net	466,621,976	
Total assets	937,992,470	
Deferred outflows of resources		
Related to debt	9,592,368	
Related to pension	67,653,697	
Related to OPEB	2,145,803	
Total deferred outflow of resources	79,391,868	
Liabilities		
Accounts payable	11,439,607	
Due to component units	94,841	
Retainage payable	1,797,507	
Accrued salaries and benefits	14,249,922	
Payroll withholdings	9,255,173	
Accrued interest payable	1,000,072	
Claims payable	2,494,585	
Unearned revenues	15,359,739	
Noncurrent liabilities due within one year	37,611,907	
Noncurrent liabilities due in more than a year		
General obligation bonds	478,330,000	
Deferred bond premium	35,886,710	
Capital leases	907,415	
Compensated absences	5,755,506	
Net pension liability	482,494,456	
OPEB liability	23,720,549	
Total liabilities	1,120,397,989	
Deferred inflows of resources		
Related to pension	321,042,176	
Related to OPEB	4,381,852	
Total deferred inflow of resources	325,424,028	
Net Position		
Net investment in capital assets	83,396,755	
Restricted for		
TABOR	11,166,827	
Debt service	69,131,203	
Component units' capital projects	-	
Contractual obligations	3,847,026	
Specific federal contract	3,123,057	
Colorado Preschool Fund	560,060	
Extracurricular, community programs	9,435,379	
Unrestricted	(609,097,986)	
Total net position	\$ (428,437,679)	

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

St. Vrain Valley School District RE-1J

**Statement of Activities
For the Year Ended June 30, 2020**

		Program Revenues		
Functions / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities				
Instruction	\$ 158,922,491	\$ 15,154,503	\$ 21,935,756	\$ -
Supporting services	153,452,472	3,467,649	13,207,985	2,900,745
Interest expense	20,811,078	-	-	-
Total governmental activities	<u>\$ 333,186,041</u>	<u>\$ 18,622,152</u>	<u>\$ 35,143,741</u>	<u>\$ 2,900,745</u>
COMPONENT UNITS				
Instruction				
Supporting services				
Interest expense				
Total component units	<u></u>	<u></u>	<u></u>	<u></u>
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 basic financial statement.

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Component Units
Governmental Activities	Charter Schools
\$ (121,832,232)	\$ -
(133,876,093)	-
(20,811,078)	-
(276,519,403)	-
-	
-	
-	
-	
177,639,870	
14,981,378	
149,676,569	
-	
56,829,800	
4,980,121	
8,008,393	
412,116,131	
135,596,728	
(564,034,407)	
<u>\$ (428,437,679)</u>	

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

St. Vrain Valley School District RE-1J

DRAFT
Oct 21, 2020

Balance Sheet
Governmental Funds
June 30, 2020

	General	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash & investments - unrestricted	\$ 134,256,107	\$ -	\$ 86,967,261	\$ 26,870,740	\$ 248,094,108
Cash with fiscal agent	1,325,445	374,614	-	-	1,700,059
Cash & investments - restricted	15,761,980	54,557,054	-	-	70,319,034
Accounts receivable	1,799,754	775,994	4,990	70,056	2,650,794
Due from other funds	1,399,796	-	-	-	1,399,796
Due from component units	110,617	-	-	-	110,617
Grants receivable	619,018	-	-	3,114,323	3,733,341
Interest receivable on investments	818	-	-	-	818
Taxes receivable, net	36,353,529	14,428,863	-	-	50,782,392
Prepays	185,966	-	-	14,009	199,975
Inventories	1,366,607	-	-	649,336	2,015,943
Total assets	<u>\$ 193,179,637</u>	<u>\$ 70,136,525</u>	<u>\$ 86,972,251</u>	<u>\$ 30,718,464</u>	<u>\$ 381,006,877</u>
Liabilities					
Accounts payable	\$ 3,446,894	\$ 5,250	\$ 5,641,718	\$ 1,772,060	\$ 10,865,922
Due to other funds	-	-	-	1,399,796	1,399,796
Due to component units	93,241	-	-	1,600	94,841
Retainage payable	-	-	1,780,359	17,148	1,797,507
Accrued salaries and benefits	13,310,854	-	-	939,068	14,249,922
Payroll withholdings	9,255,173	-	-	-	9,255,173
Claims payable	557,610	-	-	-	557,610
Unearned revenues	14,322,234	-	-	1,037,505	15,359,739
Total liabilities	<u>40,986,006</u>	<u>5,250</u>	<u>7,422,077</u>	<u>5,167,177</u>	<u>53,580,510</u>
Deferred inflows of resources					
Unavailable property tax revenue	<u>3,230,466</u>	<u>1,330,647</u>	<u>-</u>	<u>-</u>	<u>4,561,113</u>
Fund Balances					
Nonspendable:					
deposits, inventories, prepaids	1,552,573	-	-	663,345	2,215,918
Restricted: TABOR	11,166,827	-	-	-	11,166,827
Restricted: Colorado Preschool	560,060	-	-	-	560,060
Restricted: debt service	-	68,800,628	-	-	68,800,628
Restricted: special revenue funds	-	-	-	9,435,379	9,435,379
Restricted: specific federal contract	3,123,057	-	-	-	3,123,057
Restricted: voter approved projects	-	-	79,550,174	-	79,550,174
Committed: capital projects	-	-	-	7,528,258	7,528,258
Committed: contingencies	7,444,552	-	-	-	7,444,552
Committed: Board allocations	7,960,293	-	-	-	7,960,293
Committed: risk management	6,769,208	-	-	-	6,769,208
Committed: special revenue fund	-	-	-	7,924,305	7,924,305
Assigned: Mill Levy Override	48,541,880	-	-	-	48,541,880
Assigned: subsequent year expenditures	19,534,701	-	-	-	19,534,701
Unassigned	42,310,014	-	-	-	42,310,014
Total fund balances	<u>148,963,165</u>	<u>68,800,628</u>	<u>79,550,174</u>	<u>25,551,287</u>	<u>322,865,254</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 193,179,637</u>	<u>\$ 70,136,525</u>	<u>\$ 86,972,251</u>	<u>\$ 30,718,464</u>	<u>\$ 381,006,877</u>

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

St. Vrain Valley School District RE-1J

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2020**

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

Governmental funds total fund balances	\$ 322,865,254
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	546,738,235
Deferred outflows from refunding debt are not considered current financial resources and, therefore, not reported in the governmental funds	9,592,368
Premium on issuance of bonds is recognized as other financing source in the governmental funds but are deferred in the statement of net position.	(35,886,710)
Long-term liabilities, including capital leases (\$1,677,322), compensated absences (\$6,012,506), bonds payable (\$514,915,000), related accrued interest (\$1,000,072) and claims payable (\$238,975) are not due and payable in the current period and, therefore, are not reported in the funds.	(523,843,875)
Pension liability (\$482,494,456), OPEB liability (\$23,720,549) and related deferred inflows (\$325,424,028) and deferred outflows \$69,799,500 are not considered current and, therefore, not reported in the funds.	(761,839,533)
Deferred property tax inflows will be collected but are not available to pay for the current period's expenditures and, therefore, are not recorded as revenue in the funds.	3,083,661
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.	10,852,921
Net position of governmental activities	<u>\$ (428,437,679)</u>

The accompanying notes are an integral part of this basic 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, 2020**

	General	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 110,181,143	\$ 73,389,872	\$ -	\$ -	\$ 183,571,015
Specific ownership taxes	14,981,378	-	-	-	14,981,378
Mill levy override	56,829,800	-	-	-	56,829,800
Investment income	1,934,909	653,451	1,831,318	462,163	4,881,841
Charges for services	3,499,598	-	-	8,783,237	12,282,835
Pupil activities	-	-	-	6,339,317	6,339,317
Other local sources	6,104,104	982,297	605,713	1,432,295	9,124,409
State intergovernmental	164,807,022	-	-	8,062,818	172,869,840
Federal intergovernmental	5,489,945	-	-	14,754,086	20,244,031
Total revenues	<u>363,827,899</u>	<u>75,025,620</u>	<u>2,437,031</u>	<u>39,833,916</u>	<u>481,124,466</u>
Expenditures					
Current					
Instruction	200,997,793	-	-	14,692,092	215,689,885
Supporting services	129,402,727	-	7,879,835	11,387,135	148,669,697
Food service operations	-	-	-	10,290,973	10,290,973
Capital outlay	3,949,671	-	40,402,668	6,446,345	50,798,684
Debt service					
Principal	3,951,533	33,775,000	-	-	37,726,533
Interest	204,772	25,208,839	-	-	25,413,611
Fiscal charges	-	16,390	2,513	-	18,903
Total expenditures	<u>338,506,496</u>	<u>59,000,229</u>	<u>48,285,016</u>	<u>42,816,545</u>	<u>488,608,286</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>25,321,403</u>	<u>16,025,391</u>	<u>(45,847,985)</u>	<u>(2,982,629)</u>	<u>(7,483,820)</u>
Other Financing Sources (Uses)					
Capital lease issuance	11,573	-	-	-	11,573
Transfers in	-	-	-	1,313,290	1,313,290
Transfers out	(618,753)	-	-	(694,537)	(1,313,290)
Total other financing sources (uses)	<u>(607,180)</u>	<u>-</u>	<u>-</u>	<u>618,753</u>	<u>11,573</u>
Net change in fund balances	<u>24,714,223</u>	<u>16,025,391</u>	<u>(45,847,985)</u>	<u>(2,363,876)</u>	<u>(7,472,247)</u>
Fund balances, beginning	<u>124,248,942</u>	<u>52,775,237</u>	<u>125,398,159</u>	<u>27,915,163</u>	<u>330,337,501</u>
Fund balances, ending	<u>\$ 148,963,165</u>	<u>\$ 68,800,628</u>	<u>\$ 79,550,174</u>	<u>\$ 25,551,287</u>	<u>\$ 322,865,254</u>

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

St. Vrain Valley School District RE-1J

DRAFT
Oct 21, 2020

**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, 2020**

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

Net change in fund balances of governmental funds \$ (7,472,247)

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	(22,902,726)	
Capital outlay - capitalized	51,748,018	
Net effect of disposed capital assets	<u>(315,663)</u>	28,529,629

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

Current year amortization of premium on bond issue	5,900,863	
Current year amortization of deferred outflows	(1,364,484)	
Long term portion of claims payable	(10,451)	
Change in deferred property tax accrual less abatements	<u>(5,931,145)</u>	(1,405,217)

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	(415,082)	
Accrued vacation earned during the year	(704,455)	
Amount paid during the year	<u>216,778</u>	(902,759)

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

Bond principal payments	33,775,000	
Accrued interest expense on bonds	66,154	
Long-term lease additions	(11,573)	
Long-term lease payments	<u>3,951,533</u>	37,781,114

Pension and OPEB expenses related to the cost-sharing multiple-employer defined benefit pension fund, net of contributions, are recognized on a government-wide basis and not included in the fund statements.

Pension expense	73,183,588	
Pension contributions	1,221,924	
OPEB expense	250,290	
OPEB contributions	<u>52,188</u>	74,707,990

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.

4,358,218

Change in net position of governmental activities \$ 135,596,728

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

St. Vrain Valley School District RE-1J

**Statement of Fund Net Position
Proprietary Fund
June 30, 2020**

	Governmental Activities
	Internal Service Fund
Assets	
Current assets	
Cash and cash equivalents	\$ 9,091,572
Accounts receivable	186,008
Total current assets	<u>9,277,580</u>
Noncurrent assets	
Restricted cash and cash equivalents	3,847,026
Total assets	<u>13,124,606</u>
Liabilities	
Current liabilities	
Accounts payable	573,685
Claims payable	<u>1,698,000</u>
Total liabilities	<u>2,271,685</u>
Net Position	
Restricted for contractual obligations	3,847,026
Unrestricted	<u>7,005,895</u>
Total net position	<u><u>\$ 10,852,921</u></u>

The accompanying notes are an integral part of this basic 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, 2020**

	Governmental Activities Internal Service Fund
Operating Revenues	
Charges for services	\$ 23,914,896
Total operating revenues	<u>23,914,896</u>
Operating Expenses	
Salaries and benefits	236,454
Purchased services	3,472,024
Small equipment	835,883
Claims	<u>15,189,495</u>
Total operating expenses	<u>19,733,856</u>
Operating income	4,181,040
Nonoperating Revenues	
Investment income	98,280
Other	<u>78,898</u>
Total nonoperating revenues	<u>177,178</u>
Change in net position	4,358,218
Net position, beginning	<u>6,494,703</u>
Net position, ending	<u><u>\$ 10,852,921</u></u>

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

St. Vrain Valley School District RE-1J

**Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2020**

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities	
Cash received from customers	\$ 23,873,435
Cash paid to providers	(15,104,495)
Cash paid to other vendors	(4,220,304)
Cash paid to employees	(236,454)
Net cash provided by operating activities	<u>4,312,182</u>
Cash Flows from Noncapital Financing Activities	
Change in restricted cash and cash equivalents	(63,413)
Credits/rebates received from insurance companies	78,898
Net cash provided by noncapital financing activities	<u>15,485</u>
Cash Flows from Investing Activities	
Investment income	<u>98,280</u>
Increase in cash and cash equivalents	4,425,947
Cash and cash equivalents, beginning of the year	<u>4,665,625</u>
Cash and cash equivalents, end of the year	<u><u>\$ 9,091,572</u></u>
Reconciliation of Operating Income to Net Cash (Used in) Operating Activities	
Operating income	\$ 4,181,040
Adjustments to reconcile operating income to Net cash provided by operating activities	
Changes in assets and liabilities	
Increase in accounts receivable	(41,461)
Increase in accounts payable	87,603
Increase in claims payable	<u>85,000</u>
Net cash provided by operating activities	<u><u>\$ 4,312,182</u></u>

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements

June 30, 2020

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 the 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, 24 elementary, 2 PK-8, 1 K-8, 8 middle, 1 middle/senior, 7 high, 1 alternative high, 1 online high, 1 P-TECH program, 6 charter schools, and programs including the Innovation Center, Main Street Special Education, Career Development Center, and high-quality homeschool enrichment, and is serving nearly 33,000 students.

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

Discretely Presented Component Units – Charter Schools

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

The charter schools are discretely presented component units because of the significance of their financial accountability to and fiscal dependency on the District. They are all considered nonmajor.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

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 three 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.

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.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

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

The remaining nonmajor governmental funds are the *Capital Reserve Capital Projects Fund* and Special Revenue Funds. The *Capital Reserve Capital Projects Fund* is used to account for the District-designated allocation of resources and other revenues for on-going capital outlay needs of the District, such as equipment purchases. Special Revenue Funds account for revenues derived from earmarked revenue sources, charges for supporting educational services, and tuition. Special Revenue Funds consist of *Community Education Fund*, *Fair Contributions Fund*, *Government Designated-Purpose Grants 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 fund reporting focuses on net position and changes in net position. Fiduciary funds are used to report fiduciary activities for pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The three types of trust funds are distinguished from agency funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has no trust or custodial funds.

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* are normally supported by taxes and intergovernmental revenues and are reported as the *primary government*. The legally separate charter schools are reported as *component units* for which the District is financially accountable.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary 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.

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. However, for the current fiscal year, the District adopted a one-year policy change for property tax revenues only by extending the availability period to 90 days. To provide economic relief, Colorado House Bill 20-1421 waived the interest period on unpaid taxes until October 1, 2020.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

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.

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.

Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position/Fund Balance

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 amortized cost, net asset value which approximates fair value, or at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, and as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

Receivables – All receivables are reported at their gross value since all amounts are considered collectible, except for property taxes receivable which are presented net of an allowance for uncollectable taxes. 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 Items – 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 the governmental activities of 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 acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

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

Deferred Outflows of Resources (related to debt) – In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. For refunding of debt resulting in defeasance, deferred outflow of resources is the difference where the net carrying value of the old debt is less than the reacquisition price. The District's refundings have resulted in deferred outflows of resources of \$9,592,368 at June 30, 2020.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position/Fund Balance (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 at least 10 years of continuous service or who terminates with 20 years or more of service will be paid \$60-\$100 per day, depending on years of service and number of used sick leave, 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 amortized over the life of the bonds using the effective interest method that recognizes amortization in proportion to bond interest payments. Issuance costs are reported as expenses.

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

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

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

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of June 30, 2020.

Postemployment Benefits Other Than Pensions (OPEB) - The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows of Resources and Deferred Inflows of Resources (related to pensions and OPEBs) – 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.

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

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

- *Nonspendable* balances include deposits, inventories, and prepaid items.
- *Restricted* balances are those imposed by creditors, grantors, contributors, or laws and regulations and include TABOR, the Colorado Preschool Program, debt service, and statute-defined special revenue funds (including student extracurricular/interscholastic fee-based programs and community education programs).
- *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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

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 2020 is as follows:

Tax Year

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

Collection Year

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

Property taxes are recorded initially at the budgeted collection rate as deferred revenue in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected in governmental funds and in the period for which the taxes are levied in the government-wide statements. The District has deferred inflows from property tax collection at June 30, 2020 in the amount of \$4,561,113. 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. Uncollectible taxes, estimated to be 0.25% of the amount levied or \$600,959, are netted against taxes receivable.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes (continued)

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.

To provide economic relief due to the pandemic, Colorado waived the interest period on unpaid taxes until October 1, 2020. As a result, the District modified its property tax revenue recognition period after fiscal year end from 60- to 90-days. This policy change is in effect for one year due to these unusual circumstances.

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.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

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 2020, the District required a minimum budget of \$6,755,550 for instructional supplies and materials purposes. The District expended \$11,396,775 on instructional supplies and materials during fiscal year ended June 30, 2020.

Direct allocation of funding to the *Capital Reserve* and *Risk Management Funds* was also discontinued by the Legislature. However, the District continues to fund these needs according to prior statute. For fiscal year ended June 30, 2020, the Board of Education authorized a minimum total allocation of \$9,820,191 via the amended budget: \$6,080,821 to *Capital Reserve Fund* and \$3,739,370 to *Risk Management Fund*. Total allocations were met during the fiscal year ended June 30, 2020.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 3: DEPOSITS AND INVESTMENTS

At June 30, 2020, the District's and component units' deposits and investments were reported in the financial statements as follows:

	<u>District</u>	<u>Component Units</u>
Governmental activities	<u>\$ 333,051,799</u>	<u>\$ -</u>

At June 30, 2020, the District and component units had cash and investments with the following carrying balances:

	<u>District</u>	<u>Component Units</u>
Cash and deposits	\$ 28,186,835	\$ -
Cash with fiscal agent	1,700,059	-
Investments measured at net asset value	303,164,905	-
Investments measured at amortized cost	-	-
Investments measured at fair value	-	-
	<u>\$ 333,051,799</u>	<u>\$ -</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. The State regulatory commissioners regulate the eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the deposits. The District does not have a deposit policy.

As of June 30, 2020, the District had bank deposits of \$40,895,312 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 \$xx,xxx,xxx of which \$x,xxx,xxx was covered by FDIC and \$x,xxx,xxx was covered by collateral held by authorized escrow agents in the financial institutions' name (PDPA).

Custodial Credit Risk – This is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statute requires the District to use eligible public depositories as defined by PDPA. Although the District does not have a formal custodial credit risk policy, its deposits as of June 30, 2020 were held at eligible public depositories.

Investments

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

- Obligations of the United States, certain U.S. Agency securities, and World Bank
- 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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

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

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

Local Government Investment Pools – At June 30, 2020, 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.

COLOTRUST is valued using the NAV per share (or its equivalent) of the investments. COLOTRUST does not have any unfunded commitments, redemption restrictions or redemption notice periods. At June 30, 2020, the District's investments measured at NAV include \$303,164,905 with COLOTRUST, with a rating of AAAM. The component units' investments are \$x,xxx,xxx with COLOTRUST.

CSAFE and Colorado Statewide Investment Program (CSIP) are valued at amortized cost. The component units' investments measured at amortized cost include \$x,xxx,xxx with CSAFE, with a rating of AAAM, which conforms to C.R.S Section 24-75-601, as well as \$x,xxx,xxx with CSIP as of June 30, 2020.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

At June 30, 2020, the component units had money market funds, rated AAAM, of \$x,xxx,xxx – of which \$x,xxx,xxx is measured at Level 1 inputs and \$x,xxx,xxx measured at Level 2 inputs.

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

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

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

Restricted Cash and Investments

The General Fund's unspent Coronavirus Aid, Relief, and Economic Security (CARES) Act dollars of \$15,761,980 are restricted for allowable expenditures through December 30, 2020, in accordance with the Coronavirus Relief Fund (CRF) guidelines. Bond Redemption Fund's deposits and investments totaling \$54,557,054 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 \$3,847,026 are restricted for the purposes of the medical and dental self-insurance trust funds. The component units' deposits and investments totaling \$x,xxx,xxx are restricted for construction and debt payments.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

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, 2020 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Community Education Fund	\$ 235,257
General Fund	Governmental Designated-Purpose Grants Fund	1,164,539
		<u>\$ 1,399,796</u>

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

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers during fiscal year 2020 were as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Capital Reserve Fund	Community Education Fund	\$ 375,000
Capital Reserve Fund	General Fund	168,753
Capital Reserve Fund	Student Activities Fund	273,000
Community Education Fund	General Fund	450,000
Community Education Fund	Student Activities Fund	6,037
Student Activities Fund	Community Education Fund	40,500
Total governmental funds		<u>\$ 1,313,290</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 5: CAPITAL ASSETS

The following is a summary of changes in the District's capital assets for the year ended June 30, 2020:

	Balance 7/1/2019	Additions	Deletions, Adjustments & Reclassifications	Transfers	Balance 6/30/2020
Governmental activities					
Non-depreciable assets					
Land	\$ 20,846,495	\$ -	\$ -	\$ -	\$ 20,846,495
Projects in progress	31,016,164	49,287,223	-	(22,124,701)	58,178,686
Water rights	1,091,078	-	-	-	1,091,078
Total non-depreciable assets	52,953,737	49,287,223	-	(22,124,701)	80,116,259
Depreciable assets					
Land improvements	29,300,771	-	-	799,292	30,100,063
Buildings	388,186,141	-	(7,255)	1,573,904	389,752,790
Building improvements	231,543,514	-	7,086	18,440,122	249,990,722
Equipment	61,160,619	2,460,795	(4,826,035)	1,311,383	60,106,762
Total depreciable assets	710,191,045	2,460,795	(4,826,204)	22,124,701	729,950,337
Less accumulated depreciation for					
Land improvements	18,866,625	1,152,258	-	-	20,018,883
Buildings	101,179,304	7,058,278	(5,800)	-	108,231,782
Building improvements	93,378,945	9,305,678	2,510	-	102,687,133
Equipment	31,511,302	5,386,512	(4,507,251)	-	32,390,563
Total accumulated depreciation	244,936,176	22,902,726	(4,510,541)	-	263,328,361
Total depreciable assets, net	465,254,869	(20,441,931)	(315,663)	22,124,701	466,621,976
Governmental activities					
Total capital assets, net	<u>\$ 518,208,606</u>	<u>\$ 28,845,292</u>	<u>\$ (315,663)</u>	<u>\$ -</u>	<u>\$ 546,738,235</u>

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

Governmental activities

Instruction	\$ 19,172,745
Supporting services	3,729,981
Total	<u>\$ 22,902,726</u>

Capital Leases. Capital assets included above that were acquired through capital lease arrangements are as follows:

	Modular Buildings	Equipment	Total
Asset	\$ 904,678	\$ 13,303,036	\$ 14,207,714
Less: Accum Deprec	652,735	4,508,554	5,161,289
Total	<u>\$ 251,943</u>	<u>\$ 8,794,482</u>	<u>\$ 9,046,425</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 5: CAPITAL ASSETS (Continued)

Component Units' Capital Assets

The following is a summary of changes in the component units' capital assets for the year ended June 30, 2020:

	Balance 7/1/2019	Additions	Reclassifications & Deletions	Balance 6/30/2020
Component units				
Non-depreciable assets				
Land	\$ 4,355,006	\$ -	\$ -	\$ 4,355,006
Construction in progress	27,525	-	-	27,525
Total non-depreciable assets	<u>4,382,531</u>	<u>-</u>	<u>-</u>	<u>4,382,531</u>
Depreciable assets				
Land improvements	280,487	-	-	280,487
Building	48,131,181	-	-	48,131,181
Leasehold improvements	6,296,387	-	-	6,296,387
Furniture & equipment	1,558,705	-	-	1,558,705
Software costs	29,432	-	-	29,432
Total depreciable assets	<u>56,296,192</u>	<u>-</u>	<u>-</u>	<u>56,296,192</u>
Less accumulated depreciation	<u>11,447,937</u>	<u>-</u>	<u>-</u>	<u>11,447,937</u>
Total depreciable assets, net	<u>44,848,255</u>	<u>-</u>	<u>-</u>	<u>44,848,255</u>
Total capital assets, net	<u>\$ 49,230,786</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,230,786</u>

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

NOTE 6: ACCRUED SALARIES AND BENEFITS

Salaries and benefits of certain contractually employed personnel are paid over a 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, 2020 are determined to be as follows:

General Fund	\$ 13,310,854
Other funds	939,068
Total governmental funds	<u>\$ 14,249,922</u>
Component units	<u>\$ -</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 7: LONG-TERM DEBT

The District's long-term debt changed as follows during the year ended June 30, 2020.

Governmental activities	Balance 7/1/2019	Additions	Payments/ Amortization	Balance 6/30/2020	Due within one year
General obligation bonds	\$ 548,690,000	\$ -	\$ (33,775,000)	\$ 514,915,000	\$ 36,585,000
Deferred bond premium	41,787,573	-	(5,900,863)	35,886,710	-
Capital leases	5,617,282	11,573	(3,951,533)	1,677,322	769,907
Vacation payable	1,932,408	704,455	(91,135)	2,545,728	120,000
Annual leave payable	3,177,339	415,082	(125,643)	3,466,778	137,000
Total	\$ 601,204,602	\$ 1,131,110	\$ (43,844,174)	\$ 558,491,538	\$ 37,611,907

General Obligation Bonds

Description, Interest Rates, and Maturity Dates

Balance
due at
June 30, 2020

Refunding Bonds (Series 2006), original amount of \$43,455,000, due in varying installments through December 15, 2020, interest at 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 on an effective interest method. Amounts defeased were \$16,675,000 during October 2016 but later called in December 2016.

\$ 7,750,000

Building Bonds (Series 2009), original amount of \$104,000,000, due in varying installments through December 15, 2021, interest from 3.250% to 3.625%. Premium of \$504,199 received upon issuance is being amortized on an effective interest method. Amounts defeased were \$102,700,000 during fiscal year 2016 but later called in December 2018. Premium amortization was adjusted accordingly.

200,000

Building Bonds (Series 2010A), original amount of \$8,590,000, due in varying installments on December 15 from 2023 through 2025, interest at 5.25%. Premium of \$1,191,756 received upon issuance is being amortized on an effective interest method.

8,590,000

Building Bonds (Series 2010B), taxable (Direct Pay Build America Bonds), original amount of \$76,410,000, due in varying installments on December 15 from 2026 through 2033, interest from 5.34% to 5.79%.

76,410,000

Refunding Bonds (Series 2011B), original amount of \$31,150,000, due in varying installments through December 15, 2022, interest from 3.0% 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 on an effective interest method.

25,065,000

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 7: LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

Refunding Bonds (Series 2012), original amount of \$34,695,000, due in varying installments through December 15, 2024, interest from 3.0% 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 on an effective interest method.

\$ 23,395,000

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 on an effective interest method.

46,450,000

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 on an effective interest method.

96,235,000

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

14,390,000

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

183,325,000

Building Bonds (Series 2018), original amount of \$60,340,000, due in varying installments through December 15, 2022, interest at 5.0%. Premium of \$3,415,401 received upon issuance is being amortized on an effective interest method.

33,105,000

Total general obligation bonds payable

\$ 514,915,000

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 7: LONG-TERM DEBT (Continued)

Bond and coupon payments to maturity are as follows:

Year ending	GO Bonds		
June 30	Principal	Interest	Total
2021	\$ 36,585,000	\$ 23,559,439	\$ 60,144,439
2022	36,185,000	21,932,820	58,117,820
2023	36,795,000	20,284,189	57,079,189
2024	23,050,000	18,900,695	41,950,695
2025	24,560,000	17,823,958	42,383,958
2026-2030	141,065,000	68,987,342	210,052,342
2031-2035	175,245,000	28,868,701	204,113,701
2036-2037	41,430,000	2,085,750	43,515,750
Total	<u>\$ 514,915,000</u>	<u>\$ 202,442,894</u>	<u>\$ 717,357,894</u>

For fiscal year ended June 30, 2020, the District's legal debt limit was \$835,259,848 and the legal debt margin was \$320,344,848 .

Capital Lease Obligations. The future minimum lease obligations for the capital leases and the net present value of the future payments, with an imputed or stated interest rate from 3.14% to 5.41%, at June 30, 2020 are as follows:

Year Ended June 30,	
2021	\$ 841,958
2022	841,958
2023	107,015
Total minimum lease payments	\$ 1,790,931
Less: amount representing interest	113,609
Present value of minimum lease payments	<u>\$ 1,677,322</u>

Compensated Absences. Compensated absences include both vacation pay and annual leave. The District allows employees to carryover unused vacation from one fiscal year to the next up to 240 hours.

Unused annual leave is accumulated and carried over from year to year. When an eligible employee voluntarily separates or is laid off, the employee will receive 50% of the employee's current daily rate for unused annual leave above 20 days, up to a maximum of 150 paid days. The amount payable as of June 30, 2020 includes qualified annual leave for all eligible employees as of June 30, 2020.

Unused annual leave greater than 42 hours for certified employees may be paid out upon request at the end of the year in the amount of \$60 per each group of 7 hours up to 35 hours. All remaining annual leave hours will be carried over.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 7: LONG-TERM DEBT (Continued)

Component Units' Long-Term Debt

In June 2015, the Colorado Educational and Cultural Facilities Authority (CECFA) issued \$11,235,000 Charter School Revenue Bonds, Series 2015A and 2015B. Bond proceeds were loaned to the Aspen Ridge Preparatory School's Building Corporation to purchase and construct the School's education facilities. The School is obligated under a lease agreement to make monthly lease payments to the Building Corporation for using the facilities. The Building Corporation is required to make equal loan payments to the Trustee, for payment of the bonds. Interest accrues on the bonds at rates ranging from 4.125% to 5.25% and is payable semi-annually on January 1 and July 1. Principal payments are due annually on July 1, through 2046.

In December 2017, CECFA issued \$4,375,000 in Charter School Refunding Revenue Notes, Series 2017. Proceeds from the notes were loaned to Carbon Valley Academy under a lease agreement to refund the 2006 Revenue Bonds. The Academy 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 a rate of 3.50% per year. The bonds mature in December 2024.

In June 2016, CECFA issued \$13,335,000 in 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 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 3.00% to 5.00% per year. The bonds mature in August 2046.

In April 2011, CECFA issued \$4,775,000 of Charter School Revenue Bonds, Series 2011A and 2011B. Proceeds of the bonds were used to construct improvements to the Twin Peaks Charter Academy's building. Interest accrues at a rate of 2.0% to 5.0% per year. The lease matures in March 2043. In August 2014, CECFA issued \$21,990,000 of Charter School Revenue Bonds, Series 2014. Proceeds of the bonds were used to refund outstanding Series 2008 Bonds, purchase land, and construct improvements to the Academy's building and site. Interest accrues at a rate of 6.375% to 7.5% per year. The lease matures in March 2044. The charter school is required to make equal lease payments to the Building Corporation for use of the building. The Building Corporation is required to make lease payments to the Trustee for payment of the bonds.

In August 2016, Imagine Charter School at Firestone entered into a lease purchase agreement with Frontier Business Produce to finance the purchase of 13 Sharp Aquos Boards. Principal and interest payments in the amount of \$1,307 are due monthly from September 1, 2016 through August 1, 2021. On June 27, 2019, the School paid the lease in full.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 7: LONG-TERM DEBT (Continued)

Component Units' Long-Term Debt (Continued)

Following is a summary of the component units' long-term debt transactions for the year ended June 30, 2020.

Component units	Balance 7/1/2019	Additions	Payments	Balance 6/30/2020	Due within one year
Revenue bonds,					
refunding notes	\$ 52,673,662	\$ -	\$ -	\$ 52,673,662	\$ -
Premium	1,035,615	-	-	1,035,615	-
Capital lease	-	-	-	-	-
	<u>\$ 53,709,277</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,709,277</u>	<u>\$ -</u>

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

Year ending June 30,	Principal	Interest	Total
2021	\$ -	\$ -	\$ -
2022	-	-	-
2023	-	-	-
2024	-	-	-
2025	-	-	-
2026-2030	-	-	-
2031-2035	-	-	-
2036-2040	-	-	-
2041-2045	-	-	-
2046-2050	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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. During the fiscal year ended June 30, 2020, the outstanding defeased bonds were paid in full.

In August 2014, Twin Peaks Charter Academy defeased Series 2008 Bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. This resulted in a net present value savings of \$996,501. Accordingly the trust account assets and the liability for the defeased bonds are not included in the Academy's financial statements. At June 30, 2020, the outstanding defeased bonds were \$12,760,000.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 8: RISK FINANCING

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

Risk Management Fund

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

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

Since July 1, 2002, the District has been a member of the Colorado School Districts Self Insurance Pool for property and liability insurance. During the fiscal year ended June 30, 2020, the District had insurance deductibles of \$50,000 (property), \$50,000 (general liability), and \$1,000 (vehicle liability) per claim. At June 30, 2020, the District's property and liability claims payable was \$0.

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 were 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 was received in January 2018.

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, 2020. At June 30, 2020, the District's workers' compensation claims payable was \$796,585.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 8: RISK FINANCING (Continued)

Risk Management Fund (Continued)

Claims Liability – The claims liability on a government-wide basis includes losses from currently available funds as well as estimates for claims that have been incurred but not reported. Of the current total claims payable, \$557,610 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, 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Beginning fiscal year liability	\$ 766,403	\$ 837,292
Current year claims and adjustments	1,004,570	805,572
Claims paid	<u>(974,388)</u>	<u>(876,461)</u>
Ending fiscal year liability	<u>\$ 796,585</u>	<u>\$ 766,403</u>

Self Insurance Fund

In January 2013, the District established a *Self Insurance Fund* to account for dental and certain medical liability claims. Liabilities and related claims expense as reported in the Fund were estimated based on a financial services consultant's analyses of the dental and medical providers' claims data at June 30, 2020. The following is a summary of the changes in claims liability for the Self Insurance Fund for fiscal years ended June 30, 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Beginning fiscal year liability	\$ 1,613,000	\$ 1,716,000
Current year claims and adjustments	15,189,495	15,603,272
Claims paid	<u>(15,104,495)</u>	<u>(15,706,272)</u>
Ending fiscal year liability	<u>\$ 1,698,000</u>	<u>\$ 1,613,000</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN

Plan Description – Eligible employees of the District are provided with pensions through the School Division Trust Fund (SCHDTF) – a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules are 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 as of December 31, 2019 – PERA provides retirement, disability, and survivor benefits. Retirements are determined by the amount of service credit earned and/or purchases, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. §24-51-602, 604, 1713, and 1714.

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

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

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

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

As of December 31, 2019, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, the annual increase for 2019 is 0.00% for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007, and all benefit recipients of the DPS benefit structure will receive an annual increase of 1.25% unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007, will receive the lessor of an annual increase of 1.25% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Benefits Provided (continued)

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

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

Contributions – Eligible employees of the District are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 8.75% of their PERA-includable salary during the period of July 1, 2019 through June 30, 2020. Employer contribution requirements are summarized in the table below:

	July 1, 2019 Through June 30, 2020
Employer Contribution Rate ¹	10.40 %
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)%
Amount Apportioned to the SCHDTF ¹	9.38 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 ¹	4.50 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 ¹	5.50 %
Total Employer Contribution Rate to the SCHDTF ¹	19.38 %

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Contributions (continued)

As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.

Subsequent to the SCHDTF's December 31, 2019, measurement date, HB 20-1379 *Suspend Direct Distribution to PERA Public Employees Retirement Association for 2020-21 Fiscal Year*, was passed into law during the 2020 legislative session and signed by Governor Polis on June 29, 2020. This bill suspends the July 1, 2020, \$225 million direct distribution allocated to the State, School, Judicial, and DPS Divisions, as required under Senate Bill 18-200.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$37,766,235 for the year ended June 30, 2020.

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

The net pension liability for the SCHDTF was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total pension liability to December 31, 2019. The District's proportion of the net pension liability was based on its contributions to the SCHDTF for the calendar year 2019 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate Share of the Net Pension Liability	\$ 482,494,456
State's Proportionate Share of the Net Pension Liability Associated with the (Entity)	<u>61,198,284</u>
Total	<u>\$ 543,692,740</u>

At December 31, 2019, the District's proportion was 3.2295948042%, which was an increase of 0.0448827729% from its proportion measured as of December 31, 2018.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended June 30, 2020, the District recognized pension expense of \$55,553,555 and revenue of (\$1,935,786) for support from the State as a nonemployer contributing entity. At June 30, 2020, 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	\$ 26,296,265	\$ -
Changes of Assumptions or other Inputs	13,774,480	218,854,913
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	-	57,156,271
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
of Contributions	8,730,995	45,030,992
Contributions Subsequent to the Measurement Date	18,851,957	-
Total	<u>\$ 67,653,697</u>	<u>\$ 321,042,176</u>

\$18,851,957 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2021	\$ (151,152,636)
2022	(104,162,194)
2023	2,517,266
2024	(19,442,872)
	<u>\$ (272,240,436)</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions – The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 - 9.70%
Long-Term Investment Rate of Return, Net of Pension Plan	
Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Automatic)	1.25% Compounded Annually
PERA Benefit Structure hired after December 31, 2006 (Ad Hoc, Substantively Automatic)	Financed by the Annual Increase Reserve

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

Post-retirement non-disabled mortality assumptions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

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

For disabled retirees, the mortality assumption was based on 90% of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions (continued)

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

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

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30-Year Expected Geometric Real Rate of Return</u>
U.S. Equity - Large Cap	21.20 %	4.30 %
U.S. Equity - Small Cap	7.42	4.80
Non U.S. Equity - Developed	18.55	5.20
Non U.S. Equity - Emerging	5.83	5.40
Core Fixed Income	19.32	1.20
High Yield	1.38	4.30
Non U.S. Fixed Income - Developed	1.84	0.60
Emerging Market Debt	0.46	3.90
Core Real Estate	8.50	4.90
Opportunity Fund	6.00	3.80
Private Equity	8.50	6.60
Cash	1.00	0.20
Total	100.00	

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and the additional 0.50% resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and the additional 0.50%, resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employer contributions also include the current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State provides an annual direct distribution of \$225 million, which commenced July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The Annual Increase Reserve (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. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered annual increase cap, from 1.50% to 1.25% resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.
- Benefit payments and contributions were assumed to be made at the middle of the year.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Discount rate (continued)

Based on the above assumptions and methods, the projection test indicates 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 of 7.25% 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 rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's proportionate share of the Net Pension Liability to Changes in the Discount Rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	\$ 639,890,954	\$ 482,494,456	\$ 350,346,380

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.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Component Units' Defined Benefit Pension Plan

Contributions – Employer contributions recognized by the SCHDTF from the component units were \$x,xxx,xxx for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2020, the amount recognized by the component units as their proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the component units were as follows:

INSERT PROPORTIONATE SHARE TABLE

At December 31, 2019, the component units' proportion was a combined 0.XXXXXXXXXX%, which was a net decrease of 0.XXXXXXXXXX% from their proportion measured as of December 31, 2018. For the year ended June 30, 2020, the component units recognized a combined pension expense of \$x,xxx,xxx.

At June 30, 2020, the component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

INSERT DO – DI TABLE

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2020

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Component Units' Defined Benefit Pension Plan (Continued)

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

\$x,xxx,xxx 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

INSERT PENSION EXP TABLE

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 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

INSERT SENSITIVITY TABLE

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan description – Eligible employees of the District are provided with OPEB through the Health Care Trust Fund (HCTF) - a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (PERA). The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

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

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

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

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

PERA Benefit Structure (continued)

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$1,987,697 for the year ended June 30, 2020.

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

At June 30, 2020, the District reported a liability of \$23,720,549 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2019. The District's proportion of the net OPEB liability was based on its contributions to the HCTF for the calendar year 2019 relative to the total contributions of participating employers to the HCTF.

At December 31, 2019, the District's proportion was 2.1103729230%, which was an increase of 0.0402953093% from its proportion measured as of December 31, 2018.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

For the year ended June 30, 2020, the District recognized an OPEB expense of (\$689,731) and deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 78,717	\$ 3,985,925
Changes of Assumptions or other Inputs	196,792	-
Net Difference between Projected and Actual		
Earnings on OPEB Plan Investments	-	395,927
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
Share of Contributions	878,086	-
Contributions Subsequent to the Measurement Date	992,208	-
Total	<u>\$ 2,145,803</u>	<u>\$ 4,381,852</u>

\$992,208 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2021	\$ (633,259)
2022	(633,217)
2023	(518,582)
2024	(721,154)
2025	(681,006)
Thereafter	(41,039)
Total	<u>\$ (3,228,257)</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial assumptions - The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 % in the aggregate
Long-Term Investment Rate of Return, Net of OPEB Plan	
Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	5.60% in 2019, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.50% for 2019, gradually increasing to 4.50% in 2029

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2019 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	\$ 601	\$ 240
Kaiser Permanente Medicare Advantage HMO	605	237

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial assumptions (continued)

The 2019 Medicare Part A premium is \$437 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	\$ 562
Kaiser Permanente Medicare Advantage HMO	571

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2018, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2019	5.60%	3.50%
2020	8.60%	3.50%
2021	7.30%	3.50%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	3.75%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial assumptions (continued)

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73% factor applied to rates for ages less than 80, a 108% factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78% factor applied to rates for ages less than 80, a 109% factor applied to rates for ages 80 and above, and further adjustments for credibility.

Post-retirement non-disabled mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

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

For disabled retirees, the mortality assumption was based on 90% of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2019 plan year.
- The morbidity assumptions were updated to reflect the assumed standard aging factors.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial assumptions (continued)

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

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

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30-Year Expected Geometric Real Rate of Return</u>
U.S. Equity - Large Cap	21.20 %	4.30 %
U.S. Equity - Small Cap	7.42	4.80
Non U.S. Equity - Developed	18.55	5.20
Non U.S. Equity - Emerging	5.83	5.40
Core Fixed Income	19.32	1.20
High Yield	1.38	4.30
Non U.S. Fixed Income - Developed	1.84	0.60
Emerging Market Debt	0.46	3.90
Core Real Estate	8.50	4.90
Opportunity Fund	6.00	3.80
Private Equity	8.50	6.60
Cash	1.00	0.20
Total	100.00	

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	4.60%	5.60%	6.60%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	\$ 23,157,080	\$ 23,720,549	\$ 24,371,684

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2019, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	\$ 26,820,856	\$ 23,720,549	\$ 21,069,140

Detailed information about the HCTF plan's fiduciary net position is available in the separately issued comprehensive annual financial report issued by PERA. That report can be obtained at www.copera.org/investments/pera-financial-reports.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Component Units' Postemployment Benefits Other Than Pensions (OPEB)

Contributions – Employer contributions recognized by the HCTF from the component units were \$xxx,xxx for the year ended June 30, 2020.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs – At June 30, 2020, the component units reported a combined liability of \$x,xxx,xxx for their proportionate share of the net OPEB liability. At December 31, 2019, the component units' proportion was a combined 0.XXXXXXXXXX %, which was a net increase of 0.00XXXXXXXX % from their proportion measured as of December 31, 2018. For the year ended June 30, 2020, the component units recognized a combined OPEB expense of \$xxx,xxx.

At June 30, 2020, the component units reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

INSERT DO – DI TABLE

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Component Units' (OPEB) (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)

\$xx,xxx reported as deferred outflows of resources related to OPEBs, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

INSERT PENSION EXP TABLE

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

INSERT SENSITIVITY TABLE 1

Sensitivity of the component units' proportionate share of the net OPEB liability to changes in the discount rate – The following presents the component units' proportionate share of the net OPEB liability, as well as what the component units' proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate.

INSERT SENSITIVITY TABLE 2

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 11: DEFINED CONTRIBUTION PLAN

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

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions of up to a maximum limit set by the Internal Revenue Service as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. There is no employer match. Historical voluntary program member contribution totals are listed in the following table:

Year Ended June 30,	
2020	\$ 1,970,516
2019	\$ 1,944,847
2018	\$ 1,848,757
2017	\$ 1,649,608
2016	\$ 1,594,025

NOTE 12: TAX INCREMENT REVENUES

The District has entered into Intergovernmental Agreements with several, local urban renewal authorities (URA) and one downtown development authority (DDA). These governmental entities may enter into tax abatement agreements with individuals or other entities located with their boundaries. The District requested disclosure of any tax abatement agreements made by the URAs and DDA that may reduce the District's tax revenue. As of June 30, 2020, the District was not notified of any such third-party agreements.

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 \$336,326 which includes \$113,603 for contractual services and \$222,723 for tuition during the year ended June 30, 2020. The BOCES financial statements can be obtained at their administrative office located at 2020 Clubhouse Drive, Greeley, Colorado 80634.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

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, 2020, significant amounts of grant expenditures have not been audited by granting agencies, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

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

Construction Contracts

The District has entered into a number of separate construction projects as of June 30, 2020. Contract commitments at June 30, 2020, as a result of these projects, totaled \$44,309,000.

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, 2020, 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, 2020.

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.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2020

NOTE 15: CAPITAL CONTRIBUTIONS TO COMPONENT UNITS

During fiscal year ended June 30, 2017, the District and each of its component units entered into individual agreements for the funding of capital construction projects. With the successful passage of voter-authorized 2016 building bonds, the District agreed to allocate a portion of the proceeds to pay for various capital improvements and upgrades. As of June 30, 2020, the component units reported capital contributions from the District of \$14,895. The District records the construction activity as a service provided to the charter schools. Depending on the scope of work and organization of the charter school, the component unit may report the construction expenditures as Construction in Progress in its Building Corporation or as Repair and Maintenance in its Statement of Revenues, Expenditures and Changes in Fund Balances.

NOTE 16: RESTATEMENT OF FUND BALANCE

The component units' beginning fund balance of their governmental funds were restated by \$x,xxx,xxx for the change in accounting of their building corporations, previously reported as internal service funds and now reported as special revenue funds/blended component units of the charter schools.

NOTE 17: DEFICIT NET POSITION

The net position of the District's governmental activities is a deficit of \$428,437,679 as a result of implementing GASB Statements No. 68 and 75. Also the component units' net position is a deficit of \$xx,xxx,xxx primarily as a result of implementing the new reporting standards.

NOTE 18: SUBSEQUENT EVENT

Component Unit - Termination of Management Agreement

As of July 1, 2020 the Imagine Charter School at Firestone terminated its management agreement with Imagine Schools, Inc. and changed its name to Firestone Charter Academy.

DRAFT
Oct 21, 2020

THIS PAGE LEFT INTENTIONALLY BLANK



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.

Budget to actual information for the *General Fund* is presented on the following pages.

Pension and OPEB. 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*. During fiscal year 2018, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*.

The primary objectives of these Statements is to improve the accounting and financial reporting by state and local governments for pensions and OPEBs. Required supplementary schedules, *District's Proportionate Share of the Net Pension Liability*, *Schedule of District Contributions* for the Employee Pension Plan, *District's Proportionate Share of the Net OPEB Liability*, and *Schedule of District Contributions* for the Health Care Trust Fund 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, 2020

	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	\$ 94,307,685	\$ 111,063,650	\$ 110,181,143	\$ (882,507)	\$ -	\$ -	\$ -	\$ -
Specific ownership taxes	11,655,687	12,000,000	14,981,378	2,981,378	-	-	-	-
Mill levy override	48,351,489	56,755,906	56,829,800	73,894	-	-	-	-
Investment income	2,200,000	2,900,000	1,809,012	(1,090,988)	19,000	19,000	12,455	(6,545)
Charges for services	4,324,935	4,637,935	3,499,598	(1,138,337)	-	-	-	-
Other local sources	3,730,115	4,331,181	6,073,391	1,742,210	-	-	5,673	5,673
Total local revenues	164,569,911	191,688,672	193,374,322	1,685,650	19,000	19,000	18,128	(872)
State								
Equalization, net	147,508,214	137,897,121	137,799,474	(97,647)	1,775,171	2,056,904	2,056,904	-
Special Education	7,246,548	7,832,142	7,972,578	140,436	-	-	-	-
Vocational Education	1,303,749	875,028	875,027	(1)	-	-	-	-
Transportation	2,047,297	2,020,380	2,160,617	140,237	-	-	-	-
Gifted and Talented	304,458	308,571	308,571	-	-	-	-	-
English Language Proficiency Act	1,650,202	1,655,609	1,655,609	-	-	-	-	-
BEST grant	750,000	2,006,103	1,722,592	(283,511)	-	-	-	-
PERA: State on Behalf Payment	-	4,700,000	4,635,183	(64,817)	-	-	-	-
Other state sources	814,028	1,975,120	1,881,097	(94,023)	-	-	-	-
Total state revenues	161,624,496	159,270,074	159,010,748	(259,326)	1,775,171	2,056,904	2,056,904	-
Federal								
Build America Bond rebates	1,428,020	1,432,587	1,435,058	2,471	-	-	-	-
Migrant passed through BOCES	15,000	10,000	5,735	(4,265)	-	-	-	-
CARES Act	-	-	1,664,078	1,664,078	-	-	-	-
Other federal sources	1,542,989	1,943,538	2,385,074	441,536	-	-	-	-
Total federal revenues	2,986,009	3,386,125	5,489,945	2,103,820	-	-	-	-
Total revenues	329,180,416	354,344,871	357,875,015	3,530,144	1,794,171	2,075,904	2,075,032	(872)
Expenditures								
Current								
Salaries	196,069,646	196,557,091	188,032,703	8,524,388	209,465	209,771	209,914	(143)
Benefits	66,448,018	70,967,155	68,299,422	2,667,733	64,732	66,230	65,351	879
Purchased services	15,072,780	15,905,256	16,090,009	(184,753)	1,280,725	1,373,350	1,366,026	7,324
Supplies and materials	26,446,898	26,548,974	20,418,404	6,130,570	87,450	91,500	100,688	(9,188)
Claims paid	-	-	-	-	-	-	-	-
Other	1,641,287	1,636,287	775,311	860,976	26,210	27,600	23,730	3,870
Charter schools	30,570,099	30,697,249	30,795,978	(98,729)	-	-	-	-
Capital outlay	1,227,495	3,464,932	3,399,671	65,261	250,000	550,000	550,000	-
Debt service								
Principal	3,938,888	3,938,888	3,951,533	(12,645)	-	-	-	-
Interest	215,000	215,000	204,772	10,228	-	-	-	-
Total expenditures, US GAAP basis	341,630,111	349,930,832	331,967,803	17,963,029	1,918,582	2,318,451	2,315,709	2,742
Excess (deficiency) of revenues over (under) expenditures before transfers	(12,449,695)	4,414,039	25,907,212	21,493,173	(124,411)	(242,547)	(240,677)	1,870
Other Financing Sources (Uses)								
Capital lease	-	-	11,573	11,573	-	-	-	-
Transfers out	-	(596,060)	(618,753)	(22,693)	-	-	-	-
Total other financing sources (uses)	-	(596,060)	(607,180)	(11,120)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures and other financing sources uses	\$ (12,449,695)	\$ 3,817,979	25,300,032	\$ 21,482,053	\$ (124,411)	\$ (242,547)	(240,677)	\$ 1,870
Fund balance, beginning			116,333,865				800,737	
Fund balance, ending			\$ 141,633,897				\$ 560,060	

See the accompanying Notes to Required Supplementary Information.

Risk Management Fund (A sub-fund of the General Fund)				Total			
Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)	Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ 94,307,685	\$ 111,063,650	\$ 110,181,143	\$ (882,507)
-	-	-	-	11,655,687	12,000,000	14,981,378	2,981,378
-	-	-	-	48,351,489	56,755,906	56,829,800	73,894
125,000	146,000	113,442	(32,558)	2,344,000	3,065,000	1,934,909	(1,130,091)
-	-	-	-	4,324,935	4,637,935	3,499,598	(1,138,337)
25,000	50,000	25,040	(24,960)	3,755,115	4,381,181	6,104,104	1,722,923
150,000	196,000	138,482	(57,518)	164,738,911	191,903,672	193,530,932	1,627,260
3,739,370	3,739,370	3,739,370	-	153,022,755	143,693,395	143,595,748	(97,647)
-	-	-	-	7,246,548	7,832,142	7,972,578	140,436
-	-	-	-	1,303,749	875,028	875,027	(1)
-	-	-	-	2,047,297	2,020,380	2,160,617	140,237
-	-	-	-	304,458	308,571	308,571	-
-	-	-	-	1,650,202	1,655,609	1,655,609	-
-	-	-	-	750,000	2,006,103	1,722,592	(283,511)
-	-	-	-	-	4,700,000	4,635,183	(64,817)
-	-	-	-	814,028	1,975,120	1,881,097	(94,023)
3,739,370	3,739,370	3,739,370	-	167,139,037	165,066,348	164,807,022	(259,326)
-	-	-	-	1,428,020	1,432,587	1,435,058	2,471
-	-	-	-	15,000	10,000	5,735	(4,265)
-	-	-	-	-	-	1,664,078	1,664,078
-	-	-	-	1,542,989	1,943,538	2,385,074	441,536
-	-	-	-	2,986,009	3,386,125	5,489,945	2,103,820
3,889,370	3,935,370	3,877,852	(57,518)	334,863,957	360,356,145	363,827,899	3,471,754
331,210	330,721	309,096	21,625	196,610,321	197,097,583	188,551,713	8,545,870
104,275	104,719	92,427	12,292	66,617,025	71,138,104	68,457,200	2,680,904
3,638,700	3,638,700	2,655,395	983,305	19,992,205	20,917,306	20,111,430	805,876
132,685	132,685	177,830	(45,145)	26,667,033	26,773,159	20,696,922	6,076,237
1,632,000	1,632,000	974,388	657,612	1,632,000	1,632,000	974,388	657,612
50,500	50,500	13,848	36,652	1,717,997	1,714,387	812,889	901,498
-	-	-	-	30,570,099	30,697,249	30,795,978	(98,729)
-	-	-	-	1,477,495	4,014,932	3,949,671	65,261
-	-	-	-	3,938,888	3,938,888	3,951,533	(12,645)
-	-	-	-	215,000	215,000	204,772	10,228
5,889,370	5,889,325	4,222,984	1,666,341	349,438,063	358,138,608	338,506,496	19,632,112
(2,000,000)	(1,953,955)	(345,132)	1,608,823	(14,574,106)	2,217,537	25,321,403	23,103,866
-	-	-	-	-	-	11,573	11,573
-	-	-	-	-	(596,060)	(618,753)	(22,693)
-	-	-	-	-	(596,060)	(607,180)	(11,120)
<u>\$ (2,000,000)</u>	<u>\$ (1,953,955)</u>	<u>(345,132)</u>	<u>\$ 1,608,823</u>	<u>\$ (14,574,106)</u>	<u>\$ 1,621,477</u>	<u>24,714,223</u>	<u>\$ 23,092,746</u>
		<u>7,114,340</u>				<u>124,248,942</u>	
		<u>\$ 6,769,208</u>				<u>\$ 148,963,165</u>	

See the accompanying Notes to Required Supplementary Information.

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, (Plan Measurement Date)
Employee Pension Plan
Year Six **

	2014	2015	2016	2017	2018	2019
District's proportion of the net pension liability (asset)	3.4574%	3.4942%	3.5445%	3.5931%	3.1847%	3.2296%
District's proportionate share of the net pension liability (asset)	\$ 468,595,684	\$ 534,414,453	\$ 1,055,346,922	\$ 1,161,892,447	\$ 563,918,679	\$ 482,494,456
State's Proportionate Share of the Net Pension Liability associated with the District ##	-	-	-	-	77,108,048	61,198,284
Total	<u>\$ 468,595,684</u>	<u>\$ 534,414,453</u>	<u>\$ 1,055,346,922</u>	<u>\$ 1,161,892,447</u>	<u>\$ 641,026,727</u>	<u>\$ 543,692,740</u>
District's covered payroll	\$ 144,605,343	\$ 152,401,888	\$ 159,046,911	\$ 165,688,597	\$ 175,080,505	\$ 189,755,923
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	324.05%	350.66%	663.54%	701.25%	322.09%	254.27%
Plan fiduciary net position as a percentage of the total pension liability	62.84%	59.20%	43.10%	43.96%	57.01%	64.52%

A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200.

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

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Contractually required contribution (excluding HTCF)	\$ 25,104,314	\$ 27,643,539	\$ 29,805,956	\$ 32,072,868	\$ 34,721,871	\$ 37,766,235
Contributions in relation to the contractually required contribution	(25,104,314)	(27,643,539)	(29,805,956)	(32,072,868)	(34,721,871)	(37,766,235)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 148,684,016	\$ 155,886,834	\$ 162,112,201	\$ 169,798,038	\$ 181,504,815	\$ 194,872,214
Contributions as a percentage of covered payroll (excluding HTCF)	16.88%	17.73%	18.39%	18.89%	19.13%	19.38%

** 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 Notes to Required Supplementary Information.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of District's Proportionate Share of the Net OPEB Liability
Year Ended December 31, (Plan Measurement Date)
Health Care Trust Fund
Year Three **

	<u>2017</u>	<u>2018</u>	<u>2019</u>
District's proportion of the net OPEB liability (asset)	2.0416%	2.0701%	2.1104%
District's proportionate share of the net OPEB liability (asset)	\$ 26,532,775	\$ 28,164,275	\$ 23,720,549
District's covered payroll	\$ 165,688,597	\$ 175,080,505	\$ 189,755,923
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	16.01%	16.09%	12.50%
Plan fiduciary net position as a percentage of the total OPEB liability	17.53%	17.03%	24.49%

** GASB Statement No. 75 was implemented during fiscal year 2018.
As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Notes to Required Supplementary Information.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of District OPEB Contributions
Year Ended June 30, (Fiscal Year End Date)
Health Care Trust Fund
Year Three **

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Contractually required contribution	\$ 1,732,540	\$ 1,851,349	\$ 1,987,697
Contributions in relation to the contractually required contribution	(1,732,540)	(1,851,349)	(1,987,697)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 169,798,038	\$ 181,504,815	\$ 194,872,214
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%

** GASB Statement No. 75 was implemented during fiscal year 2018.
As information becomes available, each subsequent year will be added
until a full 10-year trend is compiled.

See the accompanying Notes to Required Supplementary Information.

St. Vrain Valley School District RE-1J

Notes to Required Supplementary Information

June 30, 2020

NOTE 1: GENERAL FUND BUDGETARY INFORMATION

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

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

- \$16.8 million and \$8.4 million increases in property taxes and mill levy override dollars, respectively, due to increased assessed property values;
- \$9.3 million decrease in state equalization due to the increased locally assessed property values;
- \$1.3 million increase in Building Excellent Schools Today (BEST) grant due to anticipated projects;
- \$4.7 million increase in the State's on-behalf payment to the Colorado Public Employees' Retirement Association (PERA) based on known information;
- \$1.2 million increase in other state sources due to increased funding of state grant programs;
- \$4.5 million increase in benefits due to the State's on-behalf payment to Colorado PERA;
- \$2.5 million increase in capital outlay is primarily due to anticipated BEST grant and kindergarten facility capital construction projects;

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

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 six 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.

NOTE 3: NET OPEB LIABILITY AND DISTRICT CONTRIBUTIONS

The schedules presented will illustrate a 10-year trend. However, since the District did not implement GASB Statement No. 75 until fiscal year 2018, only three years are presented in these prior schedules. As information is available, each subsequent year will be added until the full 10-year trend is compiled. *The Schedule of the District's Proportionate Share of the Net OPEB 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.

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, 2020**

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ 62,440,000	\$ 73,294,052	\$ 73,389,872	\$ 95,820
Investment income	950,000	1,200,000	653,451	(546,549)
Other local sources	-	-	982,297	982,297
Total revenues	<u>63,390,000</u>	<u>74,494,052</u>	<u>75,025,620</u>	<u>531,568</u>
Expenditures				
Debt principal	33,775,000	33,775,000	33,775,000	-
Debt interest	25,208,839	25,208,839	25,208,839	-
Fiscal charges	20,000	21,000	16,390	4,610
Total expenditures	<u>59,003,839</u>	<u>59,004,839</u>	<u>59,000,229</u>	<u>4,610</u>
Net change in fund balances	<u>\$ 4,386,161</u>	15,489,213	16,025,391	<u>\$ 536,178</u>
Fund balance, beginning		<u>52,775,237</u>	<u>52,775,237</u>	
Fund balance, ending		<u>\$ 68,264,450</u>	<u>\$ 68,800,628</u>	

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

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, 2020**

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 2,800,000	\$ 2,600,000	\$ 1,831,318	\$ (768,682)
Other local sources	5,000	610,000	605,713	(4,287)
Total revenues	<u>2,805,000</u>	<u>3,210,000</u>	<u>2,437,031</u>	<u>(772,969)</u>
Expenditures				
Salaries	635,600	580,000	567,218	12,782
Benefits	192,000	180,000	178,397	1,603
Purchased services	10,000,000	14,000,000	7,130,134	6,869,866
Supplies and materials	-	-	2,639	(2,639)
Capital outlay	60,000,000	70,000,000	40,402,668	29,597,332
Other	5,000	6,000	3,960	2,040
Total expenditures	<u>70,832,600</u>	<u>84,766,000</u>	<u>48,285,016</u>	<u>36,480,984</u>
Net change in fund balances	<u><u>\$ (68,027,600)</u></u>	<u>(81,556,000)</u>	<u>(45,847,985)</u>	<u><u>\$ 35,708,015</u></u>
Fund balance, beginning		<u>125,398,159</u>	<u>125,398,159</u>	
Fund balance, ending		<u><u>\$ 43,842,159</u></u>	<u><u>\$ 79,550,174</u></u>	

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

THIS PAGE LEFT INTENTIONALLY BLANK

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 summer school, K-5 child care, PreK child care, and enrichment as well as community-based grants and awards.
- *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.
- *Governmental Designated-Purpose Grants Fund* – This fund is used to account for restricted state or federal grants that are obtained primarily to provide for specific instructional programs.
- *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, fund raising, gate receipts, and gifts.

St. Vrain Valley School District RE-1J

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30. 2020**

	Capital Reserve Capital Projects Fund
Assets	
Cash and investments	\$ 8,454,090
Accounts receivable	3,448
Grants receivable	-
Prepays	-
Inventories	-
	<hr/>
Total assets	<u>\$ 8,457,538</u>
Liabilities	
Accounts payable	\$ 912,132
Due to other funds	-
Due to component units	-
Accrued salaries and benefits	-
Construction retainage payable	17,148
Unearned revenues	-
	<hr/>
Total liabilities	<u>929,280</u>
Fund Balances	
Nonspendable: deposits, inventories, prepaids	-
Restricted: special revenue funds	-
Committed: capital projects	7,528,258
Committed: special revenue fund	-
	<hr/>
Total fund balances	<u>7,528,258</u>
Total liabilities and fund balances	<u><u>\$ 8,457,538</u></u>

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

Special Revenue Funds					
Community Education	Fair Contributions	Governmental Designated- Purpose Grants	Nutrition Services	Student Activity	Total Nonmajor Governmental Funds
\$ 3,544,565	\$ 8,506,710	\$ -	\$ 637,546	\$ 5,727,829	\$ 26,870,740
42,938	-	-	4,538	19,132	70,056
-	-	2,754,858	359,465	-	3,114,323
4,585	-	-	-	9,424	14,009
-	-	-	649,336	-	649,336
<u>\$ 3,592,088</u>	<u>\$ 8,506,710</u>	<u>\$ 2,754,858</u>	<u>\$ 1,650,885</u>	<u>\$ 5,756,385</u>	<u>\$ 30,718,464</u>
\$ 16,430	\$ 582,405	\$ 68,028	\$ 18,806	\$ 174,259	\$ 1,772,060
235,257	-	1,164,539	-	-	1,399,796
-	-	1,600	-	-	1,600
234,693	-	517,621	185,189	1,565	939,068
-	-	-	-	-	17,148
34,075	-	1,003,070	-	360	1,037,505
<u>520,455</u>	<u>582,405</u>	<u>2,754,858</u>	<u>203,995</u>	<u>176,184</u>	<u>5,167,177</u>
4,585	-	-	649,336	9,424	663,345
3,067,048	-	-	797,554	5,570,777	9,435,379
-	-	-	-	-	7,528,258
-	7,924,305	-	-	-	7,924,305
<u>3,071,633</u>	<u>7,924,305</u>	<u>-</u>	<u>1,446,890</u>	<u>5,580,201</u>	<u>25,551,287</u>
<u>\$ 3,592,088</u>	<u>\$ 8,506,710</u>	<u>\$ 2,754,858</u>	<u>\$ 1,650,885</u>	<u>\$ 5,756,385</u>	<u>\$ 30,718,464</u>

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

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, 2020**

	Capital Reserve Capital Projects Fund
Revenues	
Intergovernmental	\$ 6,080,821
Investment income	167,961
Charges for services	-
Pupil activities	-
Other local sources	191,316
State intergovernmental	-
Federal intergovernmental	-
Total revenues	<u>6,440,098</u>
Expenditures	
Instruction	-
Supporting services	3,840,644
Food service operations	-
Capital outlay	<u>5,193,364</u>
Total expenditures	<u>9,034,008</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>(2,593,910)</u>
Other Financing Sources (Uses)	
Transfers in	816,753
Transfers out	<u>-</u>
Total other financing sources (uses)	<u>816,753</u>
Net changes in fund balances	(1,777,157)
Fund balances, beginning	<u>9,305,415</u>
Fund balances, ending	<u><u>\$ 7,528,258</u></u>

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

Special Revenue Funds					
Community Education	Fair Contributions	Governmental Designated- Purpose Grants	Nutrition Services	Student Activity	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,080,821
63,235	113,991	-	17,952	99,024	462,163
5,315,588	-	-	3,467,649	-	8,783,237
-	-	-	-	6,339,317	6,339,317
-	1,178,153	-	62,826	-	1,432,295
-	-	1,799,451	182,546	-	1,981,997
3,577	-	8,789,329	5,961,180	-	14,754,086
5,382,400	1,292,144	10,588,780	9,692,153	6,438,341	39,833,916
4,241,159	-	5,194,999	-	5,255,934	14,692,092
1,511,853	7,200	5,218,908	-	808,530	11,387,135
-	-	-	10,290,973	-	10,290,973
43,962	952,460	174,873	13,274	68,412	6,446,345
5,796,974	959,660	10,588,780	10,304,247	6,132,876	42,816,545
(414,574)	332,484	-	(612,094)	305,465	(2,982,629)
456,037	-	-	-	40,500	1,313,290
(415,500)	-	-	-	(279,037)	(694,537)
40,537	-	-	-	(238,537)	618,753
(374,037)	332,484	-	(612,094)	66,928	(2,363,876)
3,445,670	7,591,821	-	2,058,984	5,513,273	27,915,163
\$ 3,071,633	\$ 7,924,305	\$ -	\$ 1,446,890	\$ 5,580,201	\$ 25,551,287

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

THIS PAGE LEFT INTENTIONALLY BLANK

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, 2020**

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Allocation from General Fund	\$ 7,175,029	\$ 6,080,821	\$ 6,080,821	\$ -
Investment income	210,000	220,000	167,961	(52,039)
Miscellaneous	75,000	191,677	191,316	(361)
Total revenues	<u>7,460,029</u>	<u>6,492,498</u>	<u>6,440,098</u>	<u>(52,400)</u>
Expenditures				
Capital expenditures	<u>9,288,000</u>	<u>10,044,106</u>	<u>9,034,008</u>	<u>1,010,098</u>
Total expenditures	<u>9,288,000</u>	<u>10,044,106</u>	<u>9,034,008</u>	<u>1,010,098</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	(1,827,971)	(3,551,608)	(2,593,910)	957,698
Other Financing Sources				
Transfers in	<u>-</u>	<u>371,060</u>	<u>816,753</u>	<u>445,693</u>
Net change in fund balances	<u>\$ (1,827,971)</u>	<u>(3,180,548)</u>	<u>(1,777,157)</u>	<u>\$ 1,403,391</u>
Fund balance, beginning		<u>9,305,415</u>	<u>9,305,415</u>	
Fund balance, ending		<u>\$ 6,124,867</u>	<u>\$ 7,528,258</u>	

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

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, 2020**

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 90,000	\$ 86,000	\$ 63,235	\$ (22,765)
Charges for services	7,350,220	7,014,000	5,315,588	(1,698,412)
CARES Act	-	-	3,577	3,577
Total revenues	<u>7,440,220</u>	<u>7,100,000</u>	<u>5,382,400</u>	<u>(1,717,600)</u>
Expenditures				
Instruction	5,337,686	4,916,918	4,241,159	675,759
Support services	1,994,620	2,383,082	1,511,853	871,229
Capital outlay	100,000	100,000	43,962	56,038
Total expenditures	<u>7,432,306</u>	<u>7,400,000</u>	<u>5,796,974</u>	<u>1,603,026</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	7,914	(300,000)	(414,574)	(114,574)
Other Financing Sources (Uses)				
Transfers in	-	408,000	456,037	48,037
Transfers out	-	-	(415,500)	(415,500)
Total other financing sources (uses)	<u>-</u>	<u>408,000</u>	<u>40,537</u>	<u>(367,463)</u>
Net change in fund balances	<u>\$ 7,914</u>	108,000	(374,037)	\$ (482,037)
Fund balance, beginning		3,445,670	3,445,670	
Fund balance, ending		<u>\$ 3,553,670</u>	<u>\$ 3,071,633</u>	

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

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, 2020**

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 160,000	\$ 150,000	\$ 113,991	\$ (36,009)
Cash in lieu	2,400,000	2,500,000	1,178,083	(1,321,917)
Miscellaneous	-	-	70	70
Total revenues	<u>2,560,000</u>	<u>2,650,000</u>	<u>1,292,144</u>	<u>(1,357,856)</u>
Expenditures				
Purchased services	500,000	500,000	7,200	492,800
Capital outlay	<u>1,500,000</u>	<u>1,600,000</u>	<u>952,460</u>	<u>647,540</u>
Total expenditures	<u>2,000,000</u>	<u>2,100,000</u>	<u>959,660</u>	<u>1,140,340</u>
Net change in fund balances	<u><u>\$ 560,000</u></u>	550,000	332,484	<u><u>\$ (217,516)</u></u>
Fund balance, beginning		<u>7,591,821</u>	<u>7,591,821</u>	
Fund balance, ending		<u><u>\$ 8,141,821</u></u>	<u><u>\$ 7,924,305</u></u>	

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

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Governmental Designated-Purpose Grants
For the Year Ended June 30, 2020**

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
State grants	\$ 982,000	\$ 2,303,255	\$ 1,799,451	\$ (503,804)
Federal grants	9,321,000	11,775,660	8,789,329	(2,986,331)
Total revenues	<u>10,303,000</u>	<u>14,078,915</u>	<u>10,588,780</u>	<u>(3,490,135)</u>
Expenditures				
Salaries	6,185,000	6,476,980	6,177,310	299,670
Benefits	1,983,000	2,439,271	2,134,108	305,163
Purchased services	495,000	1,234,654	799,830	434,824
Supplies and materials	807,000	3,038,661	636,097	2,402,564
Other	801,000	889,349	666,562	222,787
Capital outlay	32,000	-	174,873	(174,873)
Total expenditures	<u>10,303,000</u>	<u>14,078,915</u>	<u>10,588,780</u>	<u>3,490,135</u>
Net change in fund balances	<u><u>\$ -</u></u>	<u>-</u>	<u>-</u>	<u><u>\$ -</u></u>
Fund balance, beginning		-	-	
Fund balance, ending		<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	

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

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, 2020

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 25,000	\$ 24,000	\$ 17,952	\$ (6,048)
Charges for services	4,100,000	4,588,000	3,467,649	(1,120,351)
Other food service charges	95,000	60,000	62,826	2,826
State match	190,000	199,500	182,546	(16,954)
Commodities entitlement	656,000	670,000	610,326	(59,674)
National School Lunch/Breakfast Program	5,400,000	5,049,000	5,350,854	301,854
Total revenues	<u>10,466,000</u>	<u>10,590,500</u>	<u>9,692,153</u>	<u>(898,347)</u>
Expenditures				
Salaries	4,008,191	3,940,800	3,957,677	(16,877)
Benefits	1,687,241	1,734,300	1,665,160	69,140
Purchased services	140,000	108,000	168,400	(60,400)
Supplies and materials	4,931,000	5,121,600	4,442,736	678,864
Capital outlay	70,000	35,000	13,274	21,726
Other	100,000	100,000	57,000	43,000
Total expenditures	<u>10,936,432</u>	<u>11,039,700</u>	<u>10,304,247</u>	<u>735,453</u>
Net change in fund balances	<u>\$ (470,432)</u>	(449,200)	(612,094)	<u>\$ (162,894)</u>
Fund balance, beginning		2,058,984	2,058,984	
Fund balance, ending		<u>\$ 1,609,784</u>	<u>\$ 1,446,890</u>	

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

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, 2020**

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 140,000	\$ 128,000	\$ 99,024	\$ (28,976)
Athletic activities	2,772,000	2,900,000	2,348,466	(551,534)
Pupil activities	3,803,000	3,800,000	3,202,912	(597,088)
PTO/Gift activities	782,000	940,000	787,939	(152,061)
Total revenues	<u>7,497,000</u>	<u>7,768,000</u>	<u>6,438,341</u>	<u>(1,329,659)</u>
Expenditures				
Athletic activities	3,084,000	3,300,000	2,292,481	1,007,519
Pupil activities	3,703,000	3,800,000	3,079,555	720,445
PTO/Gift activities	785,000	900,000	760,840	139,160
Total expenditures	<u>7,572,000</u>	<u>8,000,000</u>	<u>6,132,876</u>	<u>1,867,124</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(75,000)	(232,000)	305,465	537,465
Other Financing Sources (Uses)				
Transfers in	-	-	40,500	40,500
Transfers out	-	(183,000)	(279,037)	(96,037)
Total other financing sources (uses)	<u>-</u>	<u>(183,000)</u>	<u>(238,537)</u>	<u>(55,537)</u>
Net change in fund balances	<u>\$ (75,000)</u>	(415,000)	66,928	<u>\$ 481,928</u>
Fund balance, beginning		<u>5,513,273</u>	<u>5,513,273</u>	
Fund balance, ending		<u>\$ 5,098,273</u>	<u>\$ 5,580,201</u>	

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

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, 2020**

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 120,000	\$ 120,000	\$ 98,280	\$ (21,720)
Charges for services	22,875,480	23,571,000	23,914,896	343,896
Miscellaneous	10,000	10,000	78,898	68,898
Total revenues	<u>23,005,480</u>	<u>23,701,000</u>	<u>24,092,074</u>	<u>391,074</u>
Expenses				
Salaries	205,200	205,200	178,259	26,941
Benefits	60,480	60,480	58,195	2,285
Purchased services	3,052,480	3,652,480	3,472,024	180,456
Supplies and materials	5,400	5,400	-	5,400
Other	730,000	820,000	835,883	(15,883)
Claims	18,068,400	18,791,136	15,189,495	3,601,641
Total expenses	<u>22,121,960</u>	<u>23,534,696</u>	<u>19,733,856</u>	<u>3,800,840</u>
Change in net position	<u>\$ 883,520</u>	166,304	4,358,218	<u>\$ 4,191,914</u>
Net position, beginning		<u>6,494,703</u>	<u>6,494,703</u>	
Net position, ending		<u>\$ 6,661,007</u>	<u>\$ 10,852,921</u>	

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

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, 2020**

	Aspen Ridge Preparatory School	Carbon Valley Academy	Flagstaff Academy
Assets			
Cash and investments			
Accounts receivable			
Prepays			
Deposits			
Restricted cash and investments			
Capital assets,			
Non-depreciable			
Depreciable, net			
Total assets			
Deferred outflows of resources			
Related to debt			
Related to pension			
Related to OPEB			
Total deferred outflows of resources			
Liabilities			
Accounts payable			
Due to primary government			
Accrued salaries and benefits			
Accrued interest payable			
Unearned revenue			
Noncurrent liabilities			
Due within one year			
Due in more than one year			
Pension liability			
OPEB liability			
Total liabilities			
Deferred inflows of resources			
Related to pension			
Related to OPEB			
Total deferred inflows of resources			
Net Position			
Net investment in capital assets			
Restricted for			
Emergencies			
Debt service			
Capital projects			
Unrestricted			
Total net position			

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

DRAFT
Oct 21, 2020

[illegible]

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

St. Vrain Valley School District RE-1J

**Combining Statement of Activities
Component Units
For the Year Ended June 30, 2020**

	Aspen Ridge Preparatory School	Carbon Valley Academy	Flagstaff Academy
Expenses			
Instruction			
Supporting services			
Interest expense			
Total expenses			
Program Revenues			
Charges for Services			
Operating Grants and Contributions			
Capital Grants and Contributions			
Total program revenues			
General Revenues			
Per pupil revenue			
Mill levy override			
Interest income			
Other			
Total general revenues			
Change in net position			
Net position, beginning			
Restatement			
Net position, restated			
Net position, ending			

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

Oct 21, 2020

[illegible]

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



**STATISTICAL SECTION
(UNAUDITED)**

THIS PAGE LEFT INTENTIONALLY BLANK

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

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

<u>Contents</u>	<u>Pages</u>
Financial Trends	
The schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	116 – 127
Revenue Capacity	
The schedules contain information to help the reader assess the District's most significant local and state revenue sources.....	128 – 132
Debt Capacity	
The schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	133 – 137
Demographic and Economic Information	
The schedules offer demographic and economic indicators to help the reader understand the environment with which the District's financial activities take place.	138 – 143
Operating Information	
The schedules contain information to help the reader understand the staffing of the District, student population it serves, and capital asset data.....	144 - 151

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)

	2011	2012	2013	2014
Governmental activities				
Net investment in capital assets	\$ 1,650,384	\$ (4,553,120)	\$ 5,975,997	\$ 4,819,681
Restricted	41,903,392	42,346,312	43,513,161	47,616,074
Unrestricted	49,879,868	52,817,264	74,351,302	75,262,484
Total governmental net position	93,433,644	90,610,456	123,840,460	127,698,239
Business-type activities (1)				
Net investment in capital assets	908,812	1,201,873	1,137,800	1,046,337
Restricted	-	-	-	-
Unrestricted	1,534,339	1,957,064	2,065,046	2,226,743
Total business-type net position	2,443,151	3,158,937	3,202,846	3,273,080
Primary government				
Net investment in capital assets	2,559,196	(3,351,247)	7,113,797	5,866,018
Restricted	41,903,392	42,346,312	43,513,161	47,616,074
Unrestricted	51,414,207	54,774,328	76,416,348	77,489,227
Total primary government net position	\$ 95,876,795	\$ 93,769,393	\$ 127,043,306	\$ 130,971,319

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.

Note 2: 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.

Note 3: Due to the implementation of GASB Statement No. 75 in FY18, the District also recognized its share of the net OPEB liability, further adding to the deficit net position.

<u>2015 (2)</u>	<u>2016</u>	<u>2017</u>	<u>2018 (3)</u>	<u>2019</u>	<u>2020</u>
\$ 4,340,004	\$ 6,071,204	\$ 11,775,724	\$ 23,251,521	\$ 58,385,613	\$ 83,396,755
50,736,515	62,443,429	281,601,451	88,422,987	79,323,629	97,263,552
<u>(355,968,501)</u>	<u>(365,795,314)</u>	<u>(733,090,324)</u>	<u>(766,165,267)</u>	<u>(701,743,649)</u>	<u>(609,097,986)</u>
<u>(300,891,982)</u>	<u>(297,280,681)</u>	<u>(439,713,149)</u>	<u>(654,490,759)</u>	<u>(564,034,407)</u>	<u>(428,437,679)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,340,004	6,071,204	11,775,724	23,251,521	58,385,613	83,396,755
50,736,515	62,443,429	281,601,451	88,422,987	79,323,629	97,263,552
<u>(355,968,501)</u>	<u>(365,795,314)</u>	<u>(733,090,324)</u>	<u>(766,165,267)</u>	<u>(701,743,649)</u>	<u>(609,097,986)</u>
<u>\$ (300,891,982)</u>	<u>\$ (297,280,681)</u>	<u>\$ (439,713,149)</u>	<u>\$ (654,490,759)</u>	<u>\$ (564,034,407)</u>	<u>\$ (428,437,679)</u>

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

	2011	2012	2013	2014
Expenses				
Governmental activities:				
Instruction	\$ 154,559,432	\$ 156,466,950	\$ 162,259,184	\$ 178,639,344
Supporting services	92,466,787	87,621,269	82,910,079	102,775,349
Interest	20,837,721	20,839,718	20,383,627	19,739,295
Total governmental activities expenses	<u>267,863,940</u>	<u>264,927,937</u>	<u>265,552,890</u>	<u>301,153,988</u>
Business-type activities:				
Food services	8,155,509	8,338,941	8,550,602	8,878,049
Total primary government expenses	<u>\$ 276,019,449</u>	<u>\$ 273,266,878</u>	<u>\$ 274,103,492</u>	<u>\$ 310,032,037</u>
Program Revenues				
Governmental activities:				
Charges for services				
Tuition and fees	\$ 10,924,440	\$ 12,478,933	\$ 14,190,837	\$ 15,704,630
Internal charges	1,594,055	1,731,141	1,557,178	1,517,636
Operating grants and contributions	26,905,761	19,577,033	19,285,254	25,359,439
Capital grants and contributions	334,803	514,826	742,088	1,022,765
Total governmental activities program revenues	<u>39,759,059</u>	<u>34,301,933</u>	<u>35,775,357</u>	<u>43,604,470</u>
Business-type activities: (1)				
Charges for services	3,709,186	3,804,775	3,448,430	3,879,122
Operating grants and contributions	4,878,818	4,884,351	5,035,106	5,052,608
Capital grants and contributions	-	364,451	109,033	15,396
Total business-type activities program revenues	<u>8,588,004</u>	<u>9,053,577</u>	<u>8,592,569</u>	<u>8,947,126</u>
Total primary government program revenues	<u>\$ 48,347,063</u>	<u>\$ 43,355,510</u>	<u>\$ 44,367,926</u>	<u>\$ 52,551,596</u>
Net (expense) / revenue				
Governmental activities	\$ (228,104,881)	\$ (230,626,004)	\$ (229,777,533)	\$ (257,549,518)
Business-type activities	<u>432,495</u>	<u>714,636</u>	<u>41,967</u>	<u>69,077</u>
Total primary government net expense	<u>\$ (227,672,386)</u>	<u>\$ (229,911,368)</u>	<u>\$ (229,735,566)</u>	<u>\$ (257,480,441)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	\$ 91,600,278	\$ 94,238,488	\$ 99,933,752	\$ 96,794,464
Specific ownership taxes	5,805,254	5,920,333	7,090,842	8,241,096
Mill levy override	17,180,635	17,108,522	31,646,447	32,675,735
State equalization	101,290,756	103,622,720	108,346,576	119,131,699
Investment income	2,014,620	952,516	770,928	447,054
Other	6,952,806	5,960,237	15,218,992	6,677,328
Total governmental activities	<u>224,844,349</u>	<u>227,802,816</u>	<u>263,007,537</u>	<u>263,967,376</u>
Business-type activities:				
Investment income	666	1,150	1,942	1,157
Total primary government	<u>\$ 224,845,015</u>	<u>\$ 227,803,966</u>	<u>\$ 263,009,479</u>	<u>\$ 263,968,533</u>
Change in Net Position				
Governmental activities	\$ (3,260,532)	\$ (2,823,188)	\$ 33,230,004	\$ 6,417,858
Business-type activities	<u>433,161</u>	<u>715,786</u>	<u>43,909</u>	<u>70,234</u>
Total primary government	<u>\$ (2,827,371)</u>	<u>\$ (2,107,402)</u>	<u>\$ 33,273,913</u>	<u>\$ 6,488,092</u>

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.

2015	2016	2017	2018	2019	2020
\$ 201,741,825	\$ 218,636,924	\$ 347,824,746	\$ 397,860,921	\$ 169,531,944	\$ 158,922,491
122,353,964	122,197,878	158,628,561	169,476,857	152,783,575	153,452,472
13,866,228	14,561,966	20,528,709	24,293,242	13,515,669	20,811,078
337,962,017	355,396,768	526,982,016	591,631,020	335,831,188	333,186,041
-	-	-	-	-	-
\$ 337,962,017	\$ 355,396,768	\$ 526,982,016	\$ 591,631,020	\$ 335,831,188	\$ 333,186,041
\$ 19,348,384	\$ 20,154,234	\$ 21,956,420	\$ 22,860,452	\$ 23,944,204	\$ 17,612,682
1,469,687	1,438,908	1,520,960	1,465,093	1,564,115	1,009,470
34,241,186	33,671,661	34,163,283	30,979,447	32,630,274	35,143,741
1,078,391	1,302,197	1,157,140	1,600,684	3,494,645	2,900,745
56,137,648	56,567,000	58,797,803	56,905,676	61,633,238	56,666,638
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 56,137,648	\$ 56,567,000	\$ 58,797,803	\$ 56,905,676	\$ 61,633,238	\$ 56,666,638
\$ (281,824,369)	\$ (298,829,768)	\$ (468,184,213)	\$ (534,725,344)	\$ (274,197,950)	\$ (276,519,403)
-	-	-	-	-	-
\$ (281,824,369)	\$ (298,829,768)	\$ (468,184,213)	\$ (534,725,344)	\$ (274,197,950)	\$ (276,519,403)
\$ 97,352,334	\$ 117,616,184	\$ 130,381,255	\$ 139,219,380	\$ 144,616,943	\$ 177,639,870
8,253,685	7,938,746	9,904,649	11,588,740	11,830,477	14,981,378
31,932,829	38,998,710	40,087,329	43,332,885	44,545,572	56,829,800
133,584,264	132,980,049	137,977,278	139,726,941	147,896,140	149,676,569
370,277	537,862	2,192,308	4,866,216	7,598,755	4,980,121
4,889,519	4,369,518	5,208,926	6,503,076	8,166,415	8,008,393
276,382,908	302,441,069	325,751,745	345,237,238	364,654,302	412,116,131
-	-	-	-	-	-
\$ 276,382,908	\$ 302,441,069	\$ 325,751,745	\$ 345,237,238	\$ 364,654,302	\$ 412,116,131
\$ (5,441,461)	\$ 3,611,301	\$ (142,432,468)	\$ (189,488,106)	\$ 90,456,352	\$ 135,596,728
-	-	-	-	-	-
\$ (5,441,461)	\$ 3,611,301	\$ (142,432,468)	\$ (189,488,106)	\$ 90,456,352	\$ 135,596,728

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)

	2011	2012	2013	2014
Governmental activities:				
Property taxes	\$ 91,600,278	\$ 94,238,488	\$ 99,933,752	\$ 96,794,464
Specific ownership taxes	5,805,254	5,920,333	7,090,842	8,241,096
State equalization	101,290,756	103,622,720	108,346,576	119,131,699
Total finance act revenues	<u>\$ 198,696,288</u>	<u>\$ 203,781,541</u>	<u>\$ 215,371,170</u>	<u>\$ 224,167,259</u>
 Total governmental activities revenues (1)	 \$ 264,603,408	 \$ 262,104,749	 \$ 298,782,894	 \$ 307,571,846
 Public School Finance Act revenues as percentage of total governmental activities revenues	 75.1%	 77.7%	 72.1%	 72.9%

Note 1: Governmental activities revenues are a combination of
program revenues and general revenues as shown on page 118-119

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 97,352,334	\$ 117,616,184	\$ 130,381,255	\$ 139,219,380	\$ 144,616,943	\$ 177,639,870
8,253,685	7,938,746	9,904,649	11,588,740	11,830,477	14,981,378
<u>133,584,264</u>	<u>132,980,049</u>	<u>137,977,278</u>	<u>139,726,941</u>	<u>147,896,140</u>	<u>149,676,569</u>
<u><u>\$ 239,190,283</u></u>	<u><u>\$ 258,534,979</u></u>	<u><u>\$ 278,263,182</u></u>	<u><u>\$ 290,535,061</u></u>	<u><u>\$ 304,343,560</u></u>	<u><u>\$ 342,297,817</u></u>
\$ 332,520,556	\$ 359,008,069	\$ 384,549,548	\$ 402,142,914	\$ 426,287,540	\$ 468,782,769
71.9%	72.0%	72.4%	72.2%	71.4%	73.0%

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund				
Nonspendable	\$ 412,819	\$ 436,926	\$ 1,093,153	\$ 550,152
Restricted	7,152,152	7,058,536	7,253,916	8,255,777
Committed	6,797,608	12,435,243	14,714,696	16,712,437
Assigned	23,713,563	24,551,891	37,334,057	29,144,534
Unassigned	8,526,501	5,409,629	4,126,286	11,494,113
Total General Fund	<u>\$ 46,602,643</u>	<u>\$ 49,892,225</u>	<u>\$ 64,522,108</u>	<u>\$ 66,157,013</u>
All Other Governmental Funds				
Nonspendable	\$ 42,257	\$ 14,537	\$ 14,537	\$ 606,233
Restricted	34,751,240	35,287,776	36,259,245	39,360,297
Committed	104,057,163	78,979,099	46,545,871	38,120,748
Assigned	1,712,983	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 140,563,643</u>	<u>\$ 114,281,412</u>	<u>\$ 82,819,653</u>	<u>\$ 78,087,278</u>

2015	2016	2017	2018	2019	2020
\$ 564,695	\$ 602,083	\$ 635,580	\$ 1,418,518	\$ 1,680,314	\$ 1,552,573
8,581,421	9,102,103	12,208,279	13,730,473	14,410,652	14,849,944
17,356,755	19,457,385	18,671,797	23,135,360	25,816,425	22,174,053
30,313,348	38,441,989	48,397,718	54,751,578	59,163,644	68,076,581
22,041,660	28,127,324	30,688,810	27,529,981	23,177,907	42,310,014
<u>\$ 78,857,879</u>	<u>\$ 95,730,884</u>	<u>\$ 110,602,184</u>	<u>\$ 120,565,910</u>	<u>\$ 124,248,942</u>	<u>\$ 148,963,165</u>
\$ 886,069	\$ 500,271	\$ 533,832	\$ 536,550	\$ 645,461	\$ 663,345
42,155,094	51,997,880	267,784,641	174,361,833	188,545,862	157,786,181
26,529,450	21,133,257	13,903,920	13,092,625	16,897,236	15,452,563
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 69,570,613</u>	<u>\$ 73,631,408</u>	<u>\$ 282,222,393</u>	<u>\$ 187,991,008</u>	<u>\$ 206,088,559</u>	<u>\$ 173,902,089</u>

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

	2011	2012	2013	2014
Revenues				
Property taxes	\$ 92,576,990	\$ 94,084,083	\$ 97,617,286	\$ 97,868,432
Specific ownership taxes	5,805,254	5,920,333	7,090,842	8,241,096
Mill levy override	17,180,635	17,108,522	31,646,447	32,675,735
Investment income	2,014,620	952,516	768,369	441,771
Charges for service	7,572,312	8,823,864	9,657,975	11,233,462
Student activities	5,273,683	5,386,210	6,090,040	5,988,804
Miscellaneous	6,398,209	5,962,833	5,870,507	7,684,697
Local intergovernmental	889,400	147,779	149,260	-
State intergovernmental	108,561,877	111,631,898	115,745,102	129,412,975
Federal intergovernmental	19,634,640	11,567,855	11,886,728	15,078,163
Total revenues	<u>\$ 265,907,620</u>	<u>\$ 261,585,893</u>	<u>\$ 286,522,556</u>	<u>\$ 308,625,135</u>
Expenditures				
Instruction	\$ 137,948,105	\$ 135,709,381	\$ 139,805,061	\$ 155,545,205
Supporting services	82,318,652	80,315,183	80,357,118	100,099,062
Student activities	5,351,321	4,544,634	5,047,925	5,737,781
Food service operations (1)	-	-	-	-
Capital outlay	63,702,969	28,764,568	39,198,675	16,466,640
Debt service				
Principal	12,560,000	13,060,000	13,870,000	13,360,000
Interest, bond issuance costs, fiscal charges	23,023,214	22,209,181	21,597,766	20,513,917
Total expenditures	<u>\$ 324,904,261</u>	<u>\$ 284,602,947</u>	<u>\$ 299,876,545</u>	<u>\$ 311,722,605</u>
Excess of revenues over (under) expenditures	<u>(58,996,641)</u>	<u>(23,017,054)</u>	<u>(13,353,989)</u>	<u>(3,097,470)</u>
Other financing sources (uses)				
Issuance of bonds, coupons	\$ 65,505,000	\$ 35,395,000	\$ -	\$ -
Premium on issuance of bonds	8,370,336	4,224,186	-	-
Paid to bond agent	(74,596,274)	(39,594,781)	-	-
Capital lease	-	-	-	-
Transfers in (2)	5,034,643	217,592	3,972	50,123
Transfers out (2)	(5,034,643)	(217,592)	(3,481,859)	(50,123)
Total other financing sources (uses)	<u>\$ (720,938)</u>	<u>\$ 24,405</u>	<u>\$ (3,477,887)</u>	<u>\$ -</u>
Net change in fund balances	<u><u>\$ (59,717,579)</u></u>	<u><u>\$ (22,992,649)</u></u>	<u><u>\$ (16,831,876)</u></u>	<u><u>\$ (3,097,470)</u></u>
Debt service as percentage of noncapital expenditures	<u>13.5%</u>	<u>13.1%</u>	<u>13.2%</u>	<u>11.2%</u>

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.

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

2015	2016	2017	2018	2019	2020
\$ 95,556,636	\$ 117,473,228	\$ 130,020,812	\$ 138,986,222	\$ 141,207,583	\$ 183,571,015
8,253,685	7,938,746	9,904,649	11,588,740	11,830,477	14,981,378
31,932,829	38,998,710	40,087,329	43,332,885	44,545,572	56,829,800
364,441	518,599	2,146,529	4,784,368	7,467,291	4,881,841
13,976,867	15,193,163	16,250,156	16,844,541	17,979,260	12,282,835
6,841,204	6,399,979	7,227,224	7,481,004	7,529,059	6,339,317
5,815,650	5,671,715	6,137,826	7,997,715	10,832,136	9,124,409
152,260	-	-	-	-	-
145,784,457	144,672,380	150,399,060	152,620,247	167,516,676	172,869,840
22,040,993	21,979,330	21,741,501	18,086,141	18,100,812	20,244,031
<u>\$ 330,719,022</u>	<u>\$ 358,845,850</u>	<u>\$ 383,915,086</u>	<u>\$ 401,721,863</u>	<u>\$ 427,008,866</u>	<u>\$ 481,124,466</u>
\$ 160,954,003	\$ 175,857,230	\$ 179,215,964	\$ 185,265,606	\$ 198,038,352	\$ 210,433,951
103,793,219	105,198,115	119,633,203	128,750,175	141,894,744	147,861,167
6,416,414	5,969,981	6,694,866	7,015,509	7,371,001	6,064,464
8,960,303	9,184,944	9,447,360	9,774,731	10,273,923	10,290,973
14,786,624	8,167,677	28,619,854	111,786,879	40,638,822	50,798,684
14,205,000	15,225,000	18,145,000	28,238,714	46,690,949	37,726,533
19,139,633	17,946,933	22,124,449	25,506,559	26,819,103	25,432,514
<u>\$ 328,255,196</u>	<u>\$ 337,549,880</u>	<u>\$ 383,880,696</u>	<u>\$ 496,338,173</u>	<u>\$ 471,726,894</u>	<u>\$ 488,608,286</u>
<u>2,463,826</u>	<u>21,295,970</u>	<u>34,390</u>	<u>(94,616,310)</u>	<u>(44,718,028)</u>	<u>(7,483,820)</u>
\$ 50,355,000	\$ 115,155,000	\$ 214,390,000	\$ -	\$ 60,340,000	\$ -
10,821,491	12,871,395	26,070,242	-	3,415,401	-
(61,682,860)	(128,498,887)	(17,032,347)	-	-	-
-	110,322	-	10,348,651	2,743,210	11,573
6,669	7,620	2,340	63,365	11,020	1,313,290
(6,669)	(7,620)	(2,340)	(63,365)	(11,020)	(1,313,290)
<u>\$ (506,369)</u>	<u>\$ (362,170)</u>	<u>\$ 223,427,895</u>	<u>\$ 10,348,651</u>	<u>\$ 66,498,611</u>	<u>\$ 11,573</u>
<u>\$ 1,957,457</u>	<u>\$ 20,933,800</u>	<u>\$ 223,462,285</u>	<u>\$ (84,267,659)</u>	<u>\$ 21,780,583</u>	<u>\$ (7,472,247)</u>
<u>10.3%</u>	<u>9.8%</u>	<u>11.3%</u>	<u>13.9%</u>	<u>16.9%</u>	<u>14.5%</u>

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

	2011	2012	2013	2014
Governmental activities:				
Property taxes	\$ 92,576,990	\$ 94,084,083	\$ 97,617,286	\$ 97,868,432
Specific ownership taxes	5,805,254	5,920,333	7,090,842	8,241,096
State equalization	101,290,756	103,622,720	108,346,576	119,131,699
Total finance act revenues	<u>\$ 199,673,000</u>	<u>\$ 203,627,136</u>	<u>\$ 213,054,704</u>	<u>\$ 225,241,227</u>
 Total revenues (1)	 \$ 265,907,620	 \$ 261,585,893	 \$ 286,522,556	 \$ 308,625,135
 Public School Finance Act revenues as percentage of total governmental funds revenues	 75.1%	 77.8%	 74.4%	 73.0%

Note 1: As shown on the Changes in Fund Balances of Governmental Funds schedule, pages 124-125

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 95,556,636	\$ 117,473,228	\$ 130,020,812	\$ 138,986,222	\$ 141,207,583	\$ 183,571,015
8,253,685	7,938,746	9,904,649	11,588,740	11,830,477	14,981,378
<u>133,584,264</u>	<u>132,980,049</u>	<u>137,977,278</u>	<u>139,726,941</u>	<u>147,896,140</u>	<u>149,676,569</u>
<u>\$ 237,394,585</u>	<u>\$ 258,392,023</u>	<u>\$ 277,902,739</u>	<u>\$ 290,301,903</u>	<u>\$ 300,934,200</u>	<u>\$ 348,228,962</u>
\$ 330,719,022	\$ 358,845,850	\$ 383,915,086	\$ 401,721,863	\$ 427,008,866	\$ 481,124,466
71.8%	72.0%	72.4%	72.3%	70.5%	72.4%

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

Levy Year	Collection Year	Residential Property	Commercial Property	Industrial Property	Vacant Property	Oil & Gas	Public Utilities
2010	2011	\$ 1,187,067	\$ 570,059	\$ 220,668	\$ 98,862	\$ 217,263	\$ 44,690
2011	2012	1,143,172	550,254	205,539	76,411	312,960	48,052
2012	2013	1,007,602	573,511	178,137	53,144	484,467	141,099
2013	2014	1,158,066	557,650	209,886	69,100	359,581	54,164
2014	2015	957,810	537,785	174,325	48,086	547,850	122,912
2015	2016	1,411,528	619,463	209,403	100,063	481,547	81,294
2016	2017	1,209,020	594,681	297,679	58,793	683,730	163,107
2017	2018	1,322,718	690,343	336,823	64,555	690,836	167,430
2018	2019	1,372,835	701,637	345,853	63,293	867,218	161,003
2019	2020	1,960,879	867,250	317,271	110,009	924,568	100,109

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

<u>Agriculture</u>		<u>Natural Resources</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
\$	16,517	\$ 5,174	\$ 2,360,300	\$ 46.837 (1)	\$ 18,488,567	12.77%
	18,526	4,894	2,359,808	47.614 (1)	17,863,544	13.21%
	20,548	2,204	2,460,712	53.500 (2)	18,121,027	13.58%
	21,464	5,035	2,434,946	53.679 (2)	18,177,477	13.40%
	18,342	8,272	2,415,382	53.673 (2)	18,333,472	13.17%
	29,086	5,112	2,937,496	53.887 (2)	21,989,300	13.36%
	30,392	4,676	3,042,078	56.945 (2)	22,561,109	13.48%
	30,686	4,959	3,308,350	56.394 (2)	27,512,870	12.02%
	32,294	6,095	3,550,228	56.385 (2)	28,521,756	12.45%
	32,222	3,333	4,315,641	57.559	33,547,527	12.86%

-

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
2010	2011	32.537	14.300	46.837	24.645	16.804	22.524	28.968	92.941	13.420
2011	2012	32.474	15.140	47.614	24.645	16.804	22.472	28.968	92.889	13.420
2012	2013	38.700	14.800	53.500	24.645	16.804	22.520	28.968	92.937	13.420
2013	2014	38.879	14.800	53.679	25.120	16.804	22.424	28.968	93.316	13.420
2014	2015	38.873	14.800	53.673	24.794	15.800	22.459	28.968	92.021	13.420
2015	2016	39.087	14.800	53.887	22.624	15.800	21.882	28.968	89.274	13.420
2016	2017	39.395	17.550	56.945	24.064	15.800	22.521	28.968	91.353	13.420
2017	2018	38.844	17.550	56.394	22.726	15.800	22.092	28.968	89.586	13.420
2018	2019	38.835	17.550	56.385	24.026	15.038	22.403	28.968	90.435	13.420
2019	2020	40.009	17.550	57.559	23.473	15.038	21.863	28.968	89.342	13.420

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

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

Taxpayer	2011			2020		
	2010 Taxable Assessed Valuation	Rank	Percent of Total District Taxable Assessed Value (2)	2019 Taxable Assessed Valuation	Rank	Percent of Total District Taxable Assessed Value (2)
Crestone Peak Resources				\$ 378,071,310	1	9.05%
Kerr-McGee Rocky Mtn. Corp.	127,700,650	1	5.46%	293,926,150	2	7.04%
Extraction Oil & Gas LLC				81,618,880	3	1.95%
Great Western Oil & Gas				69,996,110	4	1.68%
Cub Creek Energy LLC				59,113,480	5	1.42%
Encana Oil & Gas (USA) Inc.	54,075,250	2	2.31%			
Amgen Inc.	28,398,660	3	1.21%			
Kerr-McGee Gathering LLC				22,146,430	6	0.53%
Public Service Co. nka Xcel Energy	12,069,519	6	0.52%	21,395,713	7	0.51%
JM Smucker LLC				21,342,150	8	0.51%
Noble Energy, Inc.	18,485,650	5	0.79%			
W ADP Harvest Junction Owner VIII LLC				18,106,150	9	0.43%
Seagate Technology LLC	22,344,640	4	0.96%	16,370,790	10	0.39%
Abound Solar, Inc.	11,941,870	7	0.51%			
Hub Properties Trust	11,564,480	8	0.49%			
Qwest Corporation	11,204,400	9	0.48%			
Longmont Sandstone LLC	10,783,580	10	0.46%			
Subtotal of largest taxpayers	\$ 308,568,699		13.19%	\$ 982,087,163		23.51%
Assessed value of other taxpayers	2,030,220,884		86.81%	3,194,212,078		76.49%
Total Assessed Value	<u>\$ 2,338,789,583</u>		<u>100.00%</u>	<u>\$ 4,176,299,241</u>		<u>100.00%</u>

Note 1: Based on a 2010 certified assessed valuation of \$2,338,789,583

Note 2: Based on a 2019 certified assessed valuation of \$4,176,299,241

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)
2010	2011	\$ 109,541,888	\$ 106,266,524	97.01%	\$ 3,185,425	\$ 109,451,949	99.92%	\$ 3,275,364
2011	2012	111,346,454	107,891,736	96.90%	2,892,256	110,783,992	99.49%	3,454,718
2012	2013	130,357,471	124,794,137	95.73%	2,314,277	127,108,414	97.51%	5,563,334
2013	2014	129,922,153	125,627,203	96.69%	2,459,347	128,086,550	98.59%	4,294,950
2014	2015	128,222,707	123,353,818	96.20%	1,600,853	124,954,671	97.45%	4,868,889
2015	2016	156,721,715	151,709,870	96.80%	1,889,241	153,599,111	98.01%	5,011,845
2016	2017	170,078,874	164,706,586	96.84%	1,720,288	166,426,874	97.85%	5,372,288
2017	2018	182,150,457	176,545,011	96.92%	1,727,654	178,272,665	97.87%	5,605,446
2018	2019	193,967,267	183,982,625	94.85%	1,419,585	185,402,210	95.58%	9,984,642
2019	2020 (3)	240,383,609	235,221,537	97.85%	4,923,903	240,145,440	99.90%	5,162,072

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

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

Note 3: Due to a one-year property tax revenue recognition policy change in FY20, the District's collections include a period of 90-days after fiscal year end, due to Colorado Legislature granting County Treasurers the authority to waive delinquent interest until October 1, 2020.

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

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

Fiscal Year	Governmental Activities					Percentage of Average Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Deferred Bond Premium	Registered Coupons & Related Discount	Capital Lease	Total		
2011	\$ 451,865,000	\$ 21,730,908	\$ -	\$ -	\$ 473,595,908	5.0%	\$ 3,016
2012	438,795,000	24,459,386	678,773	-	463,933,159	4.6%	2,918
2013	424,925,000	23,517,074	280,437	924,117	449,646,628	4.2%	2,766
2014	411,565,000	22,771,053	280,437	736,161	435,352,651	3.6%	2,664
2015	391,800,000	28,337,919	280,437	548,205	420,966,561	3.3%	2,564
2016	375,995,000	37,988,881	280,437	463,558	414,727,876	3.1%	2,481
2017	555,565,000	60,893,703	-	240,084	616,698,787	4.3%	3,638
2018	531,080,000	58,009,761	-	6,835,021	595,924,782	3.8%	3,452
2019	548,690,000	41,787,573	-	5,617,288	596,094,861	(1)	3,399
2020	514,915,000	35,886,710	-	1,677,322	552,479,032	(1)	3,052

Note 1: Personal income data for 2018 and 2019 not available

Note 2: Personal Income and Per Capita data from the Demographic and Economic Information
on pages 138-139

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	Deferred Bond Premium	Registered Coupons & Related Discount	Less Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Taxable Value (1) of Property	Per Capita (2)
2010	2011	\$ 451,865,000	\$ 21,730,908	\$ -	\$ 30,081,745	\$ 443,514,163	2.40%	2,824
2011	2012	438,795,000	24,459,386	678,773	30,163,653	433,769,506	2.43%	2,728
2012	2013	424,925,000	23,517,074	280,437	30,558,380	418,164,131	2.31%	2,572
2013	2014	411,565,000	22,771,053	280,437	32,700,504	401,915,986	2.21%	2,460
2014	2015	391,800,000	28,337,919	280,437	34,035,743	386,382,613	2.11%	2,353
2015	2016	375,995,000	37,988,881	280,437	43,375,929	370,888,389	1.69%	2,218
2016	2017	555,565,000	60,893,703	-	55,195,386	561,263,317	2.49%	3,311
2017	2018	531,080,000	58,009,761	-	62,572,848	526,516,913	1.91%	3,050
2018	2019	548,690,000	41,787,573	-	52,775,237	537,702,336	1.89%	3,066
2019	2020	514,915,000	35,886,710	-	68,800,628	482,001,082	1.44%	2,662

Note 1: Refer to Assessed and Estimated Actual Values of Taxable Property schedule on page 128-129

Note 2: Population data is in the Demographic and Economic Information on page 138-139

Source: District's financial records

St. Vrain Valley School District RE-1J
Debt Capacity
Direct and Overlapping Governmental Activities Debt
As of June 30, 2020
(Unaudited)

Name of Overlapping Entity	2019 Assessed Valuation	Outstanding General Obligation Debt	Outstanding General Obligation Debt Attributable to the District	
			Percent	Amount
City of Boulder	\$ 4,028,404,801	\$ 11,406,000	1.29%	\$ 147,137
Brennan Metropolitan District	3,808,856	2,886,000	100.00%	2,886,000
Carriage Hills Metropolitan District	6,610,010	7,392,488	100.00%	7,392,488
Central Colorado Water Conservancy	4,302,295,930	46,728,463	0.03%	14,019
Central Colorado Water Conservancy- Groundwater Mgmt Subdistrict	3,371,211,570	22,559,093	0.05%	11,280
Central Colorado Water Conservancy- Well Augmentation Subdistrict	232,454,904	14,675,471	0.03%	4,403
Colliers Hill Metro District No. 1	24,404,640	26,570,000	100.00%	26,570,000
Colliers Hill Metro District No. 2	5,825,630	24,126,000	100.00%	24,126,000
City of Dacono	85,950,830	1,197,887	76.01%	910,514
Town of Erie	549,150,354	14,853,000	78.91%	11,720,502
Erie Commons Metro District No. 1	210	32,435,000	100.00%	32,435,000
Erie Highlands Metro District No. 1	11,964,470	9,156,000	100.00%	9,156,000
Fort Lupton Fire Protection District	1,449,179,990	1,420,000	3.78%	53,676
Frederick-Firestone Fire Protection Dist.	755,520,480	890,000	91.43%	813,727
Front Range Fire Rescue Fire Prot. Dist.	493,834,610	595,000	0.23%	1,369
Goddard Hollow Metropolitan District	48,479,570	2,845,000	100.00%	2,845,000
Greens Metropolitan District	2,624,610	2,460,000	100.00%	2,460,000
Harvest Junction Metropolitan District	33,736,453	8,100,000	100.00%	8,100,000
Highlands Metropolitan District No. 2	3,140,450	7,149,000	100.00%	7,149,000
Liberty Ranch Metropolitan District	7,686,800	7,354,000	100.00%	7,354,000
Lost Creek Farms Metropolitan Dist.	890,894	1,492,000	100.00%	1,492,000
Lyons Fire Protection District	63,853,065	334,978	99.53%	333,404
Mead Western Meadows Metro District	5,425,440	2,880,000	100.00%	2,880,000
Mountain Shadows Metropolitan Dist.	4,290,740	2,795,000	100.00%	2,795,000
North Metro Fire Rescue Authority	9,021,326	13,720,000	0.12%	16,464
NP125 Metropolitan District	5,083,460	3,465,000	100.00%	3,465,000
Palisade Metropolitan District No. 2	202,613	49,608,000	100.00%	49,608,000
Palisade Park North Metro. Dist. No. 1	78,023	5,205,000	100.00%	5,205,000
Palisade Park North Metro. Dist. No. 2	11,893	4,290,000	100.00%	4,290,000
St. Vrain Lakes Metro. District No. 2	11,107,300	43,290,746	100.00%	43,290,746
Stoneridge Metropolitan District	10,302,500	3,460,000	99.33%	3,436,818
Sweetgrass Metropolitan District No. 2	10,636,740	13,161,500	0.05%	6,581
Vista Ridge Metropolitan District	81,340,920	35,680,000	100.00%	35,680,000
Wyndham Hill Metropolitan District No. 2	24,279,940	24,241,646	100.00%	24,241,646
Total overlapping debt				320,890,774
Direct debt of the District				552,479,032
Total direct and overlapping debt				<u>\$ 873,369,806</u>

This chart includes a summary of the estimated overlapping general obligation debt, as of December 31, 2019, 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)

	2011	2012	2013	2014
Debt Limit	\$ 472,060,055	\$ 471,961,545	\$ 492,142,370	\$ 484,070,694
Total net debt applicable to limit	451,865,000	438,795,000	424,925,000	411,565,000
Legal debt margin	<u>\$ 20,195,055</u>	<u>\$ 33,166,545</u>	<u>\$ 67,217,370</u>	<u>\$ 72,505,694</u>
Total net debt applicable to the limit as a percentage of debt limit	95.7%	93.0%	86.3%	85.0%

Fiscal Year 2020 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	\$ 4,176,299,241 (1)	\$ 33,547,527,471
Debt Limit Percentage **	<u>20.00% (2)</u>	<u>6.00%</u>
Legal debt limit	835,259,848	2,012,851,648
Amount of debt applicable to debt limit:		
Total bonded debt as of June 30, 2020	<u>514,915,000</u>	<u>514,915,000</u>
Legal debt margin	<u>\$ 320,344,848</u>	<u>\$ 1,497,936,648</u>

** 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 \$139,342,601 of assessed valuation attributable to tax increment financing districts (including, but not limited to, Longmont Downtown Development Authority, Broomfield URA, Erie URA, Firestone URA and Mead URA) located within the District. An additional slight difference is due to adjustment to the various County Assessors' compilations of the above information.

Note 2: Although the District has qualified 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

2015	2016	2017	2018	2019	2020
\$ 477,792,210	\$ 727,084,991	\$ 597,344,359	\$ 645,992,330	\$ 688,010,167	\$ 835,259,848
391,800,000	375,995,000	555,565,000	531,080,000	548,690,000	514,915,000
<u>\$ 85,992,210</u>	<u>\$ 351,089,991</u>	<u>\$ 41,779,359</u>	<u>\$ 114,912,330</u>	<u>\$ 139,320,167</u>	<u>\$ 320,344,848</u>
82.0%	51.7%	93.0%	82.2%	79.8%	61.6%

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

Population District-wide

	2011	2012	2013	2014
	157,047	159,000	162,579	163,400

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

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

Source: United States Department of Commerce, Bureau of Economic Analysis
Data subject to revision; not available for 2019 and beyond.

Annual Per Capita Personal Income by County

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

Source: United States Department of Commerce, Bureau of Economic Analysis
Data subject to revision; not available for 2019 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.

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
164,205	167,182	169,500	172,614	175,366	181,048

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 19,232,516	\$ 20,528,122	\$ 21,939,604	\$ 23,932,182
4,756,725	4,865,203	4,346,242	4,600,020
15,116,879	16,019,414	17,384,075	18,993,920
12,201,617	12,593,779	13,428,252	14,512,128
<u>\$ 12,826,934</u>	<u>\$ 13,501,630</u>	<u>\$ 14,274,543</u>	<u>\$ 15,509,563</u>

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 60,220	\$ 63,707	\$ 68,027	\$ 73,394
73,107	73,129	63,596	66,410
45,318	47,117	50,539	54,188
42,787	42,701	44,080	46,172
<u>\$ 55,358</u>	<u>\$ 56,664</u>	<u>\$ 56,561</u>	<u>\$ 60,041</u>

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

Median Age by County

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

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

Annual Unemployment Rate by County (1)

		2011	2012	2013	2014	2015
Boulder	(2)	6.6%	6.1%	6.1%	4.1%	3.2%
Broomfield	(3)	7.7%	7.1%	7.1%	4.3%	3.3%
Larimer	(4)	6.9%	6.4%	6.2%	4.3%	3.3%
Weld	(5)	9.7%	8.7%	8.3%	4.5%	3.8%

Note 1: Figures for the Counties are not seasonally adjusted

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

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

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

Note 5: Weld County includes the Greeley MSA

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

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

2016	2017	2018	2019	2020
37.7	38.0	38.3	38.5	38.2
37.6	37.4	37.4	37.5	36.7
36.8	36.9	37.1	37.2	37.8
33.8	33.9	33.9	33.9	34.1

2016 (6)	2017 (6)	2018 (6)	2019 (6)	2020 (6)
3.4%	2.3%	2.7%	2.8%	2.3%
3.6%	2.4%	2.7%	2.9%	2.4%
3.4%	2.1%	2.5%	2.8%	2.2%
4.2%	2.5%	2.8%	3.0%	2.6%

THIS PAGE LEFT INTENTIONALLY BLANK

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

Employer	Product of Service	2011			2020		
		Estimated Number of Employees (3)	Rank	Percentage of Total Employment (3)	Estimated Number of Employees (2)	Rank	Percentage of Total Employment (3)
University of Colorado, Boulder	Public university	6,827	1	3.6%			
Boulder Valley School District	Public education	4,200	2	2.2%			
St. Vrain Valley School District	Public education	3,238	5	1.7%	3,543	1	1.6%
Vestas	Wind turbine manufacturing				2,890	2	1.3%
Medtronic PLC	Medical devices and products				2,470	3	1.1%
Boulder Community Hospital	Healthcare	2,190	7	1.2%	2,380	4	1.1%
Level 3 Communications Inc.	Communication/fiber optic network	2,016	8	1.1%			
CenturyLink	Communication and Internet Systems				1,850	5	0.8%
Covidien (parent of Valleylab)	Surgical solution products	1,750	9	0.9%			
Boulder County	County government	1,700	10	0.9%			
City of Longmont	City Government				1,624	6	0.7%
Oracle Corp.	Network computer systems/software	3,300	4	1.8%	1,620	7	0.7%
Ball Aerospace & Technologies Corp.	Aerospace instruments and data systems	3,100	6	1.7%	1,590	8	0.7%
IBM Corp.	Computer systems and services	3,400	3	1.8%	1,460	9	0.7%
Seagate Technology	Computer hard disc drives				1,430	10	0.7%
		<u>31,721</u>		<u>16.9%</u>	<u>20,857</u>		<u>9.5%</u>

Note 1: Data in prior year represents how it was presented at that time.

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

Note 3: Percentage of the employment is based on 187,248 and 219,440 employers in 2011 and 2020, respectively.

Source: 2020 data from Development Research Partners & Longmont Economic Development Partnership
2011 data from The Boulder County Business Report, "Book of Lists," January 2011

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	2011	2012	2013
Direct Instruction	Classroom teachers, special education and English as a Second Language teachers, teachers' aides, librarians, counselors	1,589	1,535	1,549
Classroom Support	Librarians, counselors, school principals and assistant principals, support staff including speech services, attendance, and extra-curricular activities	388	406	382
Building Support	Student transportation, utilities, maintenance, custodial services, printing, purchasing, technology services, etc.	338	354	374
Central Support/ Administration	Human resources, finance, payroll, budgeting, legal, clerical support, supervision of instruction, public information, superintendent's office, etc.	34	36	37
Subtotal, General Fund FTE		<u>2,349</u>	<u>2,331</u>	<u>2,342</u>

Subtotal, federal grants & other funds FTE (2)

Total FTE

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: Although the above table represents FTE for the General Fund only, additional FTE were supported by federally funded grants as follows: 49, 56 and 56 FTE for direct instruction; 44, 34 and 41 FTE for classroom support; and 2 for building support for fiscal years 2011, 2012, and 2013, respectively. In addition to grants funds, all other funds supported additional FTE as shown above from fiscal year 2014 and forward.

Source: District's Human Resources Department

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1,813	1,844	1,892	1,927	1,993	2,083	2,130
401	430	444	474	500	522	531
386	398	416	432	442	478	496
36	38	38	38	41	46	47
<u>2,636</u>	<u>2,710</u>	<u>2,790</u>	<u>2,871</u>	<u>2,976</u>	<u>3,129</u>	<u>3,204</u>
364	399	427	401	378	385	399
<u>3,000</u>	<u>3,109</u>	<u>3,217</u>	<u>3,272</u>	<u>3,354</u>	<u>3,514</u>	<u>3,603</u>

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

<u>Fiscal Year</u>	<u>Student Membership/ Enrollment (1)</u>	<u>Student Funded Pupil Count (FPC) As of October 1 (2)</u>
2011	27,379.0	25,493.3
2012	28,109.0	26,120.2
2013	29,382.0	27,207.8
2014	30,195.0	28,011.8
2015	31,076.0	28,740.5
2016	31,777.0	29,373.5
2017	32,171.0	29,821.6
2018	32,421.0	30,032.3
2019	32,639.0	30,188.5
2020	32,855.0	31,300.8

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 and full time are 1.0 FPC.

Note 3: Beginning FY20, kindergarten was funded at 1.0 FPC, instead of 0.58.

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 (3,5)	Number of Free and Reduced Students (4)	Percent of Free and Reduced Students in Lunch Program
2011	\$ 267,863,940	27,379.0	\$ 9,784	24.0:1	9,358	34.2%
2012	264,927,937	28,109.0	9,425	25.0:1	9,586	34.1%
2013	265,552,890	29,382.0	9,038	25.4:1	9,433	32.1%
2014	301,153,988	30,195.0	9,974	25.4:1	10,879	36.0%
2015	337,962,017	31,076.0	10,875	25.4:1	8,937	28.8%
2016	355,396,768	31,777.0	11,184	25.4:1	9,701	30.5%
2017	526,982,016	32,171.0	16,381	25.4:1	9,651	30.0%
2018	591,631,020	32,421.0	18,248	25.4:1	9,484	29.3%
2019	335,831,188	32,639.0	10,289	25.4:1	8,429	25.8%
2020	333,186,041	32,855.0	10,141	25.4:1	8,829	26.9%

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)

	2011	2012	2013	2014	2015
Elementary schools (2,4)	26	26	26	23	23
Total square feet	1,305,337	1,305,337	1,305,337	1,227,732	1,240,032
Total program capacity	12,291	12,336	12,065	11,068	11,068
Enrollment	11,996	12,045	12,256	11,335	11,507
Percent capacity	98%	98%	102%	102%	104%
(P)K-8 schools (3,4)				2	2
Total square feet				284,649	284,649
Total program capacity				2,150	2,150
Enrollment				1,760	1,810
Percent capacity				82%	84%
Middle schools	9	9	9	8	8
Total square feet	908,105	908,105	922,105	828,025	828,025
Total program capacity	6,392	5,740	6,200	5,558	5,640
Enrollment	5,081	5,122	5,365	5,075	5,241
Percent capacity	79%	89%	87%	91%	93%
High schools	8	9	8	8	8
Total square feet	1,301,849	1,492,200	1,372,591	1,379,891	1,379,891
Total program capacity	8,413	8,738	8,834	8,834	8,890
Enrollment	7,288	7,463	7,719	7,929	8,169
Percent capacity	87%	85%	87%	90%	92%
Alternative schools (1)	2	2	2	1	3
Total square feet	152,516	152,516	152,516	81,600	81,600
Enrollment	281	328	667	678	864
Charter schools	5	6	6	6	6
Enrollment	2,733	3,151	3,375	3,418	3,485
Other District Facilities (4)					
Total square feet	169,672	185,720	305,329	271,318	272,482

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.

Note 4 : Construction of an elementary school was completed by June 30, 2018, and included in the total number and square footage in FY18. A PK-8 and Innovation Center were completed after June 30, 2018, and were added in FY19. Capacity and enrollment numbers for the new schools are included in FY19.

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

2016	2017	2018	2019	2020
23	23	24	24	24
1,238,072	1,238,072	1,320,197	1,323,521	1,352,492
11,068	11,277	11,577	12,501	12,634
11,693	11,662	11,489	10,963	10,972
106%	103%	99%	88%	87%
2	2	2	3	3
284,649	284,649	284,649	417,649	417,649
2,150	2,150	2,150	3,250	3,250
1,844	1,829	1,859	2,897	2,936
86%	85%	86%	89%	90%
8	8	8	8	8
831,766	830,846	835,166	836,606	840,212
5,640	5,640	5,640	5,850	5,880
5,453	5,514	5,746	5,322	5,261
97%	98%	102%	91%	89%
8	8	8	8	8
1,381,331	1,382,771	1,477,331	1,474,451	1,479,427
8,890	8,890	8,890	11,306	11,166
8,381	8,790	8,895	9,318	9,461
94%	99%	100%	82%	85%
3	3	3	3	3
81,600	81,600	81,600	81,600	81,600
1,009	1,011	1,029	945	1,046
6	6	6	6	6
3,397	3,365	3,403	3,194	3,179
272,482	271,042	271,042	322,248	323,688

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

	2011	2012	2013	2014
General Capital Assets Group / Governmental Activities				
Land/Sites	\$ 20,073,379	\$ 20,073,379	\$ 20,073,379	\$ 20,053,379
Projects in progress	70,274,929	23,008,224	46,882,404	6,542,968
Water rights	1,095,578	1,095,578	1,095,578	1,083,578
Capital assets not depreciated	<u>91,443,886</u>	<u>44,177,181</u>	<u>68,051,361</u>	<u>27,679,925</u>
Land Improvements	23,402,497	23,402,497	24,051,471	24,106,959
Buildings	249,187,029	300,679,143	301,587,741	301,936,554
Building Improvements	112,542,642	130,861,657	135,461,032	183,639,236
Equipment	30,357,183	24,868,107	25,752,447	27,311,492
Capital assets depreciated	<u>415,489,351</u>	<u>479,811,404</u>	<u>486,852,691</u>	<u>536,994,241</u>
Less: accumulated depreciation				
Land Improvements	10,271,324	11,308,292	12,366,859	13,412,046
Buildings	56,207,902	61,282,240	66,768,318	71,843,136
Building Improvements	39,379,006	43,833,351	48,617,140	54,690,125
Equipment	22,192,475	18,069,528	17,801,645	19,292,822
Total accumulated depreciation	<u>128,050,707</u>	<u>134,493,411</u>	<u>145,553,962</u>	<u>159,238,129</u>
Capital assets depreciated, net	<u>287,438,644</u>	<u>345,317,993</u>	<u>341,298,729</u>	<u>377,756,112</u>
Total capital assets, General Capital Assets Group / Governmental Activities	<u>\$ 378,882,530</u>	<u>\$ 389,495,174</u>	<u>\$ 409,350,090</u>	<u>\$ 405,436,037</u>
Enterprise Fund / Business-type Activities				
Equipment	\$ 2,823,299	\$ 3,291,862	\$ 3,377,603	\$ 3,402,259
Less: accumulated depreciation	1,914,487	2,089,989	2,239,803	2,355,922
Total	<u>\$ 908,812</u>	<u>\$ 1,201,873</u>	<u>\$ 1,137,800</u>	<u>\$ 1,046,337</u>

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

<u>2015 (1)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 20,053,379	\$ 20,846,495	\$ 20,846,495	\$ 20,846,495	\$ 20,846,495	\$ 20,846,495
12,080,092	554,037	24,831,369	87,477,669	31,016,164	58,178,686
1,083,578	1,083,578	1,083,578	1,083,578	1,091,078	1,091,078
<u>33,217,049</u>	<u>22,484,110</u>	<u>46,761,442</u>	<u>109,407,742</u>	<u>52,953,737</u>	<u>80,116,259</u>
24,106,959	24,106,959	24,217,045	28,667,562	29,300,771	30,100,063
302,473,799	303,749,153	304,012,383	326,780,045	388,186,141	389,752,790
185,061,854	198,300,747	198,300,747	205,261,080	231,543,514	249,990,722
32,364,256	34,863,265	40,602,430	53,819,973	61,160,619	60,106,762
<u>544,006,868</u>	<u>561,020,124</u>	<u>567,132,605</u>	<u>614,528,660</u>	<u>710,191,045</u>	<u>729,950,337</u>
14,460,119	15,501,629	16,544,368	17,644,786	18,866,625	20,018,883
77,325,154	83,118,454	88,610,850	94,209,877	101,179,304	108,231,782
61,727,094	68,838,373	76,468,106	84,380,456	93,378,945	102,687,133
22,781,556	24,558,788	26,272,425	27,602,918	31,511,302	32,390,563
<u>176,293,923</u>	<u>192,017,244</u>	<u>207,895,749</u>	<u>223,838,037</u>	<u>244,936,176</u>	<u>263,328,361</u>
<u>367,712,945</u>	<u>369,002,880</u>	<u>359,236,856</u>	<u>390,690,623</u>	<u>465,254,869</u>	<u>466,621,976</u>
<u>\$ 400,929,994</u>	<u>\$ 391,486,990</u>	<u>\$ 405,998,298</u>	<u>\$ 500,098,365</u>	<u>\$ 518,208,606</u>	<u>\$ 546,738,235</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



COMPLIANCE SECTION

THIS PAGE LEFT INTENTIONALLY BLANK

**INSERT
COLORADO DEPARTMENT OF EDUCATION
AUDITORS' INTEGRITY REPORT
DISTRICT 0470
FISCAL YEAR 2019-20
HERE!**



MEMORANDUM

DATE: October 28, 2020

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Amendment to Construction Manager/General Contractor (CMGC) Contract for Lyons Middle/Senior High School Auditorium Addition & Renovation Project
Strategic Priority – Portfolio of 21st-Century Instructional Focus Schools and Robust Co-Curricular Opportunities

RECOMMENDATION

That the Board of Education approve the Amendment to the Construction Manager/General Contractor (CMGC) contract with Golden Triangle Construction, Inc., for the Lyons Middle/Senior High School Auditorium Addition & Renovation Project for a maximum amount of \$8,300,000, and an initial contract award of \$893,818. Further, authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents and initiate scope changes up to the approved amounts in accordance with Board of Education policy.

BACKGROUND

This project includes a 16,000 square foot Auditorium addition and various building preservation items. This amendment is for the early release of materials for foundation and utilities.

The CMGC review committee reviewed responses to RFQ 2017 – 027 for Construction Manager/General Contractor services. Golden Triangle Construction was selected as the most qualified for this project based on the interview and their experience in the District.

The budget for this project has been established at \$8,300,000 as part of 2016 Bond funds. This item is being brought forth to comply with Board policy FEG stating any items over \$100,000 must have Board approval.

MEMORANDUM

DATE: October 28, 2020

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Fee Adjustment 5 to Architect Agreement for the Niwot High School Renovation Project
Strategic Priority – Portfolio of 21st-Century Instructional Focus Schools and Robust Co-Curricular Opportunities

RECOMMENDATION

That the Board of Education approve Fee Adjustment 5 for \$69,490 to the Architect Services Agreement with Anderson Mason Dale Architects PC for the Niwot High School Renovation Project for a total contract value of \$1,182,817. Further, that the Board authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents and initiate scope changes in accordance with Board of Education policy.

BACKGROUND

This Fee Adjustment includes the design development and architectural services associated with the Building Identity Package for Niwot High School.

The budget for the project has been established at \$1,195,000 as part of the 2016 Bond program. This item is being brought forth to comply with Board policy FEH stating any items over \$99,999 must have Board approval.

Original Agreement Amount	\$ 84,466
Previous change orders	\$ 1,028,861
Current change order	\$ 69,490
Total changes (previous + current)	\$ 1,098,351
New contract amount	\$ 1,182,817

MEMORANDUM

DATE: October 28, 2020

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: First Reading, Repeal of Board Policy EEAEG* – Use of Wireless Communication Devices by School Transportation Vehicle Operators; and Adoption of Revisions to Board Policies JEB – Entrance Age Requirements and JHB – Truancy
Strategic Priority – Student and Staff Well-Being

RECOMMENDATION

For the Board of Education to repeal Board Policy EEAEG* – Use of Wireless Communication Devices by School Transportation Vehicle Operators; and to adopt the revisions of Board Policies JEB – Entrance Age Requirements and JHB – Truancy.

BACKGROUND

These Board policies have revisions to reflect changes to current laws of the Colorado legislature. These revisions are recommended by the Colorado Association of School Boards, District administration, and outside legal counsel.

Board Policy BG – School Board Policy Process states, “Policy revision shall be accomplished in the same manner as policy adoption, except that revisions mandated by changes in law shall not require a second reading and may be adopted upon majority vote of the Board.”

~~Use of Wireless Communication Devices by School Transportation Vehicle Operators~~

~~While the Board of Education believes the use of wireless communication devices by district transportation vehicle operators is important to provide instant communication regarding emergencies as well as to convey other important information, vehicle operators shall be subject to the following restrictions to ensure safe use.~~

~~For purposes of this policy, wireless communication device is defined as any device intended to facilitate communication, including but not limited to cell phones, smart phones, two-way radios, walkie talkies, palm pilots, beepers, pagers, etc.~~

~~Vehicle operators shall not place or receive communications on any district or personally owned wireless communication device while passengers are loading or unloading from the vehicle or while the vehicle is in motion.~~

~~Under normal circumstances, use of district owned two-way radios shall be allowed when used to assist a vehicle operator and/or dispatcher in the necessary communications periodically needed to safely deliver children — home to school, school to school, school to home and on activity trips. Use of such devices while the vehicle is in motion shall be limited whenever possible.~~

~~To the degree possible, vehicle operators shall limit the placing or receiving of communications unrelated to district business while on duty.~~

~~Violation of this policy may subject the vehicle operator to disciplinary action.~~

~~Adopted: January 12, 2005~~

~~Revised: February 8, 2012~~

~~Revised: November 11, 2015~~

~~LEGAL REFS.: C.R.S. 42-4-239 (using a wireless device for text messaging while driving is prohibited)~~

~~1 CCR 301-26, Rule 4204-R-232.00 (cell phones/two-way radio)~~

~~CROSS REF.: EEAE, Bus Safety Program~~

Entrance Age Requirements

A child may enter kindergarten or enroll in the first grade if they are five years old on or before October 1 of the year of enrollment. Younger students who do not meet the district's entrance age requirement for kindergarten may be accepted if transferring from another kindergarten program, if the principal or designee determines that placement of the student in kindergarten is appropriate. A child who is four years old on or before the district's start date for kindergarten and has been identified as a highly advanced gifted student in accordance with applicable state law may enroll in kindergarten, if through the district's early access screening process it is determined that placement of the student in kindergarten is appropriate.

~~Students enrolling in the first grade may enter if they are six years old on or before October 1 of the year of enrollment. A student who is at least five years old on or before October 1 may be permitted to enroll in first grade if the student attended at least 120 days of kindergarten in another state. A child who is five years old on or before the district's start date for first grade and has been identified as a highly advanced gifted student in accordance with applicable state law may enroll in first grade, if through the district's early access screening process it is determined that placement of the student in first grade is appropriate.~~

A legal birth certificate or other acceptable record ~~shall be~~ required for enrollment age certification. The principal or designee will make exceptions to these entrance age requirements in accordance with state law pertaining to the education of military children.

Adopted: February 28, 1968

Revised: February 8, 1984

Revised: January 12, 2005

Revised: January 14, 2009

Revised: June 24, 2015

LEGAL REFS.: C.R.S. 22-1-115 (school age)
C.R.S. 22-20-204 (program plan requirements regarding highly advanced gifted children)
C.R.S. 22-32-119 (kindergarten)
C.R.S. 22-54-103 (10) (sets October 1 date for funding)
C.R.S. 22-54-103 (10.5) (defines pupil enrollment count day)
C.R.S. 24-60-3402 (Interstate Compact on Educational Opportunity for Military Children)
1 CCR 301-8, 2220-R-12.00 (highly advanced gifted children)

CROSS REF.: JEA, Compulsory Attendance Ages

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

Truancy

If a student is absent without an excuse signed by the parent/guardian ~~excuse~~ or if the student leaves school or a class without permission of the teacher or administrator in charge, the student shall be considered truant. A “habitually truant” student shall be defined as a student of compulsory attendance age who has four total days of unexcused absences from school or from class in any one month or 10 total days of unexcused absences during any school year. Absences due to suspension or expulsion shall not be counted in the total of unexcused absences for purposes of defining a student as “habitually truant.”

In order to reduce the incidents of truancy, parents/guardians of all students shall be notified in writing at the beginning of each school year of their obligation to ensure that all children of compulsory attendance age attend school. Parents/guardians shall be required to acknowledge in writing awareness of their obligations and to furnish the school with a telephone number or other means of contacting them during the school day.

The school shall establish a system of monitoring individual unexcused absences. When a student fails to report on a regularly scheduled school day and school personnel have received no indication that the parent/guardian is aware of the absence, school personnel or volunteers under the direction of school personnel shall make a reasonable effort to notify the parent/guardian by telephone.

When a student is declared habitually truant, the principal shall require a meeting between the student’s parent/guardian and appropriate school personnel to review and evaluate the reasons for the student being habitually truant.

A plan shall be developed for a student who is at risk of being declared habitually truant with the goal of assisting the ~~child~~student to remain in school. The plan shall also include strategies to address the reasons for the truancy. When feasible, the ~~child~~student’s parent, guardian or legal custodian shall participate with district personnel during the development of the plan. Appropriate school personnel shall make ~~all~~ reasonable efforts to meet with the parent, guardian or legal custodian to review and evaluate the reasons for the ~~child~~student’s truancy.

In accordance with law, the district may impose appropriate penalties that relate directly to classes missed while truant. Penalties may include a warning, school detention or in-school suspension. Academic penalties, out-of-school suspensions or expulsion shall not be imposed for any truancy.

The administration shall develop regulations to implement appropriate penalties for truancy. The school administration shall consider the correlation between course failure, truancy and a student dropping out of school in developing these regulations and shall implement research-based strategies to re-engage students with a high number of truanties.

Adopted: October 27, 1993
Revised: September 25, 1996
Revised: September 28, 2005
Revised: June 24, 2015

LEGAL REFS.: C.R.S. 22-14-101 *et seq.* (dropout prevention and student re-engagement)

C.R.S. 22-33-104 (compulsory school attendance)
C.R.S. 22-33-105 (suspension/expulsion)
C.R.S. 22-33-107 (enforcement of compulsory school attendance)
C.R.S. 22-33-108 (judicial proceedings to enforce school attendance laws)
1 CCR 301-78 Rules 1.00 *et seq.* (standardized calculation for counting student attendance and truancy)

CROSS REFS.: IHBG, Home Schooling
JEA, Compulsory Attendance Ages
JFC, Student Withdrawal from School/Dropouts
JH, Student Absences and Excuses

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

MEMORANDUM

DATE: October 28, 2020

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Contract – The Wild Plum (WP) Center for Young Children and Families
Strategic Priority – Outstanding Communication and Community Collaboration

RECOMMENDATION

That the Board of Education approve the service agreement between the District and Wild Plum Center for the 2020-2021 school year. The District pays for these slots through the Colorado Preschool Program grant funds that are provided through the State of Colorado.

BACKGROUND

The District, through its Early Childhood Department and District Advisory Council, enter into this agreement with WP Center in order to provide preschool services to eligible four-year-old children. The District will pay a monthly tuition rate of \$290.00 per each child placed (not to exceed 90 children).

Dr. Diane Lauer, Assistant Superintendent of Priority Programs and Academic Support, will be present to answer questions.

2020-2021
COOPERATIVE SERVICES AGREEMENT
Colorado Preschool Program (CPP)

1. **PARTIES.** The parties to this Agreement are **The Wild Plum Center for Young Children and Families** ("WP Center") and the St. Vrain Valley School District RE-1J ("District").
2. **ADDENDUM: COMPENSATION AND PAYMENT:** In consideration of the preschool program provided to children authorized by the District within WP Center under this Agreement, the District shall pay a monthly tuition rate of \$320.00 per each child placed (not to exceed 90 children). The District shall be invoiced monthly for such services. All billing invoices will be directed to the CPP office (Early Childhood Department) by the 5th of the month (September due date 9/27/20).

The Wild Plum Center for Young Children and Families

By: Amy Ogilvie
Signature

Amy Ogilvie, Executive Director

10/5/2020
Date

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J

By: Shela Blankinship
Signature

Shela Blankinship
Early Childhood Coordinator

October 5, 2020
Date

**2020-2021
COOPERATIVE SERVICES AGREEMENT
Colorado Preschool Program (CPP)**

1. **PARTIES.** The parties to this Agreement are **The Wild Plum Center for Young Children and Families** ("WP Center") and the **St. Vrain Valley School District RE-1J** ("District").
2. **RECITALS AND PURPOSES.** This Agreement is entered into for the purposes of implementation of the Colorado Preschool Program (herein, "Program"), as authorized by Sec. 22-28-101, C.R.S. The Program is the result of the recognition by the legislature and the Colorado Department of Education that without the benefit of early care and education support, some children may be at risk of early school failure. The Program recognizes that such support services often may be implemented in partnerships between school districts and other community resources that serve families with preschoolers, including licensed child care facilities. The District through its Early Childhood Department and its District Advisory Council enter into this Agreement with WP Center in order to provide preschool services to eligible, four-year-old children. The parties desire to set forth the terms and conditions of such provision of services and accordingly, the parties acknowledge and agree to each of the following terms and conditions.
3. **TERM.** The term of this Agreement is for the 2020-2021 school year as determined by the District.
4. **COMPENSATION AND PAYMENT.** In consideration of the preschool program provided to children authorized by the District within WP Center under this Agreement, the District shall pay a monthly tuition rate of \$290.00 per each child placed (not to exceed 90 children). The District shall be invoiced monthly for such services. All billing invoices will be directed to the CPP office (Early Childhood Department) by the 5th of the month (September due date 9/27/20).
5. **SERVICES.** In consideration of the payment by SVVSD as provided above, WP Center shall provide the following services (collectively referred to as "Services"):
 - 5.1 An assessment of each student (fall, winter, and spring finalized checkpoints) pursuant to the Teaching Strategies GOLD assessment.
 - 5.2 Develop an Individualized Learning Plan (ILP)/School Readiness Plan in collaboration with parents, for each child placed in the program.
 - 5.3 A minimum of 360 hours of educational classroom instruction during the WP Center school year. Such classroom instruction shall be limited to classes with a maximum of 16 children and a student-instructor ratio of 1 instructor per 8 students.
 - 5.4 Conduct two progress reports/updates per child during the school year, utilizing each child's ILP/School Readiness Plan.
 - 5.5 Provide appropriate opportunities for parental involvement in the educational component of the Program, including conducting at least two parent conferences during the school year to communicate and share such progress reports.
 - 5.6 Complete attendance documentation for the October 1 and November 1 annual student counts.
 - 5.7 Distribute Colorado Department of Education parental survey information and forms as provided by the District.
 - 5.8 Participate in site visits by District personnel for program evaluation.
 - 5.9 Assist in the transitioning of the students into kindergarten.

- 5.10 Obtain and maintain on file parental signatures on all required documents and forms under the Program, including the parent agreement.
 - 5.11 Access to TS GOLD database information on students identified as eligible for CPP-Colorado Preschool Program support. Viewing access for child assessment data following the Fall, Winter and Spring checkpoints and End of Year reports will be available for authorized District staff. Access to the child assessment data will be for purpose of verifying both completion of the checkpoint and development of the ILP/School Readiness Plan. Individual student assessment data will not be shared with unauthorized parties.
 - 5.12 Provide the District regular and timely communication regarding establishment and maintenance of CPP slots (a checklist of required documents and deadlines for submission will be provided by the District).
6. **LICENSING.** At all times during the term of this Agreement, WP Center shall maintain its child care license issued by the Colorado Department of Human Services. In the event of revocation or lapse of license, this Agreement shall automatically be terminated.
7. **DISTRICT OBLIGATIONS.** The District shall provide the following services:
- 7.1 Disseminate applications for participation in the Program, verify child eligibility and oversee placement of students within WP Center.
 - 7.2 Provide applications for participation in the Program
 - 7.3 Provide parental agreement/consent forms for participation in the Program.
 - 7.4 Provide sample ILP/School Readiness Plan forms.
 - 7.5 Provide training for conducting the required assessments and payment of subscription costs for the assessment.
 - 7.6 Provide parent survey forms or instructions on accessing such forms on-line.
 - 7.7 Conduct at least two on-site visits during the school year.
8. **GENERAL PROVISIONS:**
- 8.1 The parties agree to execute any additional documents and to take any additional action necessary to carry out this Agreement.
 - 8.2 This Agreement supersedes and replaces all other previous Agreements between the parties.
 - 8.3 The employees of WP Center preschool shall not be deemed to be the employees of the District for any purpose whatsoever, including payroll, workers' compensation, or insurance issues.
 - 8.4 In the event of any dispute or claim arising under or related to this Agreement, the parties shall use their best efforts to settle such dispute or claim through good faith negotiations with each other. If such dispute or claim is not settled through negotiations within 30 days after the earliest date on which one party notifies the other party in writing of its desire to attempt to resolve such dispute or claim through negotiations, then the parties agree to attempt in good faith to settle such dispute or claim by mediation conducted under the auspices of the Judicial Arbitrator Group (JAG) of Denver, Colorado or, if JAG is no longer in existence, or if the parties agree otherwise, then under the auspices of a recognized established mediation service within the State of Colorado. Such mediation shall be conducted within 60 days following either party's written request therefore. If such dispute or claim is not settled

through mediation, then either party may initiate a civil action in the District Court for Boulder County.

The Wild Plum Center for Young Children and Families

By: Amy Ogilvie
Signature

Amy Ogilvie, Executive Director

7-1-2020
Date

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J

By: Shela Blankinship
Signature

Shela Blankinship
Early Childhood Coordinator

7-1-2020
Date

