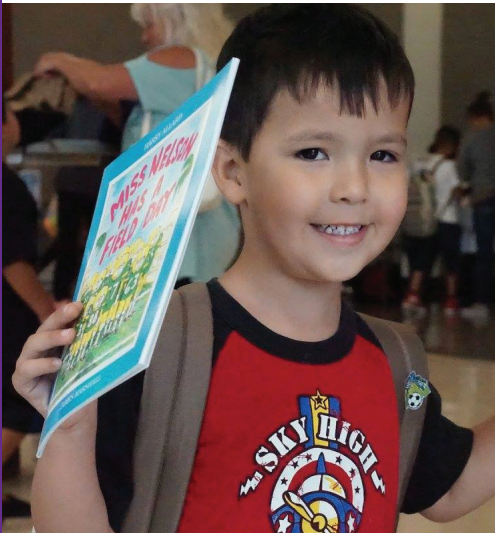




#IAmMapleton



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2016

MAPLETON PUBLIC SCHOOLS
Adams County School District No. 1
Adams County, Colorado
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For The Fiscal Year Ended June 30, 2016

Prepared by: Department of Business Services

Shae Martinez, Chief Financial Officer
Michael Everest, Assistant Finance Director
Deb Braa, Payroll Supervisor
Sarah Martinez, Grant Accountant

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INTRODUCTORY SECTION



November 29, 2016

To the Citizens and Members of the Board of Education
Mapleton Public Schools
(Adams County School District No. 1)
Thornton, Colorado

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Mapleton Public Schools for the year ended June 30, 2016.

Colorado State law requires all public school districts to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Mapleton Public Schools, Adams County, Colorado, for the fiscal year ended June 30, 2016.

This report consists of Mapleton Public Schools administration's representations concerning the finances of the District. Consequently, the District's administration assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the entity's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Mapleton continues to maintain an efficient and streamlined system. As an organization, we believe the cost of internal controls should not outweigh their benefit. As a result, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds.

The District's financial statements have been audited by RubinBrown, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in the compliance section of this document.

The District’s Comprehensive Annual Financial Report incorporates the reporting model prescribed by the Governmental Accounting Standards Board (GASB) Statement 34. This approach emphasizes the use of District-wide financial statements, in addition to fund financial statements, enabling the reader to obtain an overview of the District’s financial position and results of operations.

The notes to the financial statements, including a summary of significant accounting policies of the District, are considered to be an integral part of the financial statements and contain certain information not shown on the face of the financial statements that is required to be disclosed under generally accepted accounting principles. Readers of the financial statements are encouraged to thoroughly review the information contained in the notes in connection with their overall review of the financial statements.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement Management’s Discussion and Analysis and should be read in conjunction with it. This discussion and analysis can be found immediately following the Independent Auditor’s Report on pages 1 through 3.

Profile of the School District

Mapleton Public Schools is one of seven school districts in Adams County, Colorado. At 25 square miles, it is one of the smallest districts in Adams County and is located in the southern section of the county. Ninety-five percent of the land within the District boundaries is considered fully developed.

The District is bordered on the east by Adams County School District No. 14 (Commerce City), on the west by Adams County School District No. 50 (Westminster), on the north by Adams County School District No. 12 (Northglenn-Thornton), and on the south by Denver Public Schools. The District is centrally located in the Denver metropolitan area with major transportation routes bisecting the district. The northern third of Mapleton Public Schools is within the boundary of the City of Thornton, while the southern two-thirds are located in unincorporated Adams County. The portion located in Thornton is primarily residential, while the southern portion of the District is comprised of light to heavy industry.

The District is governed by a five-member Board of Education (the Board), whose members are elected by the qualified electors within the District’s boundaries. Board of Education members have general duties that empower them to employ a Superintendent of Schools and approve the compensation of all personnel necessary to maintain the operations and carry out the educational programs of the District, to identify attendance boundaries, to establish annual budgets, to determine the educational programs to be carried on in the schools of the District, and to prescribe and approve the textbooks of any course of instruction or study in such

educational programs. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding sources.

The District has reviewed its reporting entity definition in accordance with the GASB, which defines the governmental reporting entity. This report includes all funds, organizations and activities for which the Board has oversight responsibility as further described in Note 1 in the Notes to Financial Statements.

Mapleton Public Schools provides a full range of traditional and non-traditional education programs and services. These programs and services include preschool, elementary and secondary curriculum offerings at the college preparatory level, as well as a broad range of co-curricular and extra-curricular activities; special education programs; gifted and talented programs; and student support services. In school year 2006-07, the District completed its implementation of the *Small by Design/Choices for Learning* strategic reform plan, which eliminated internal attendance boundaries and allowed parents to choose from a variety of schools across the District. Today, choices include International Baccalaureate schools, a University Partnership school, Expeditionary Learning schools, Coalition of Essential Schools, Early College, Big Picture, Science, Technology, Engineering, and Math, and other choices. The District eliminated stand-alone middle school in favor of a combination of K-6, K-8 and K-12 schools. Transportation is provided to students living more than one mile from their school of choice.

The majority of the school buildings in Mapleton were built between 1954 and 1962 with major renovations to the Welby school building in 2005 and to York International in 2011. The Skyview campus was completely renovated in 2011 with new buildings that house Academy High and Clayton Partnership, Mapleton Early College (MEC) and Mapleton Expeditionary School of the Arts (MESA), as well as North Valley School for Young Adults (NVYAS) and a community library.

During the 2015-2016 school year, the District served 8,738 students in 14 District schools and one online contract school.

Major Initiatives

Mission:

The mission of Mapleton Public Schools, a community that embraces its children through high performing schools of choice, is to ensure that each student is empowered to achieve his or her dreams and contribute to his or her community and world through an education system distinguished by:

- A resourceful community working together to ensure that no obstacles impede student success;
- A tenacious pursuit of rigorous academics and personal development;
- An effective, student-focused and compassionate staff;
- Small family-like environments where relationships inspire achievement;
- Practices that honor the deeply-rooted history and diversity of our community.

School District Objectives

Mapleton Public Schools, through an exhaustive strategic planning process that included teachers, administrators, board members, parents and business leaders, developed the following objectives and strategies for FY 2015-16

- **One hundred percent** of Mapleton students will meet or exceed established expectations on any assessment approved by the District.
- **One hundred percent** of our students are experiencing success in the pursuit of their personal goals during and beyond their years in Mapleton Public Schools.
- **All students** will possess the character and personal attributes necessary to be responsibly contributing citizens.

School District Strategies

Strategy I: We will ensure the personal and academic achievement of all students.

Strategy II: We will ensure all staff are exceptional, caring, and capable of meeting our mission and objectives.

Strategy III: We will ensure all students possess the character and personal attributes necessary to realize their personal goals and potential.

Strategy IV: We will ensure motivating, supportive, and safe learning environments for all students.

Strategy V: We will establish and maintain effective internal and external communication.

Strategy VI: We will obtain and make maximum use of community support and involvement.

Strategy VII: We will enhance and align facilities to fulfill the mission of Mapleton Public Schools.

Strategy VIII: We will create and maintain an exemplary image of Mapleton Public Schools both internally and externally.

Factors Affecting Financial Condition

According to the Colorado Legislative Council's economic and revenue forecast for September 2016, the U.S. and Colorado economies continue to expand amid weakness in some areas. Ongoing growth has been sustained by healthy increases in consumer spending, as many households are reaping the benefits of a labor market at full employment. Meanwhile, investment by businesses has declined, as business owners struggle to combat a fragile global economy, low energy and agriculture prices, and rising competition for employees.

Colorado's economy is now in line with the national economy by most measures. The state is still feeling the effects of the oil price crash at the end of 2014 as energy companies and related businesses adjust to a new business environment. Caution among households and a shift toward consumption of services is constraining retail purchases and sales tax revenue. Separately, in-migration and household formation are supercharging demand for housing, boosting the state's construction industry, bolstering home values, and driving inflation.

The Denver area, which accounts for about 56 percent of the Colorado's population and 62 percent of its jobs, drives the state economy. Job growth in 2015 was slowed by the pull-back in oil and gas activity, but has since regained momentum. The unemployment rate in the metro Denver region averaged 3.1 percent in the first six months of 2016 and reflects consistent improvements in employment opportunities, which allow the regional economy to absorb the

growing population of workers migrating to the area. The north metro Denver area real estate market is booming. The rising cost of housing in the inner city and downtown areas is driving residents towards more affordable housing. Residential building activity has reached pre-recessionary highs. Yet, demand continues to outpace supply. Supply constraints, including a shortage of buildable lots and skilled labor, are holding back new construction and contributing to higher prices.

Revenue in Colorado's state general fund that is subject to TABOR, is expected to fall short of the Referendum C cap by \$209.4 million which would trigger a TABOR refund obligation. However, the current budget model estimates a refund obligation of \$82.3 million will be triggered in FY 2017-18 which is contributing to a K-12 funding shortfall in the newly released Governor's budget for FY 2017-18.

The Consumer Price Index for all Urban Consumers (CPI-U) for the Denver-Boulder-Greeley, Colorado metropolitan area is projected to increase for 2017 to 2.7 as estimated by the Colorado Legislative Council.

According to the Adams County Assessor, Mapleton's 2016 property values increased 13 percent, primarily due to the reassessment of Xcel Energy. The formally all coal powered plant was recently converted to mostly natural gas.

Mapleton continues to see growth in the number of students enrolled. In 2015-16 Mapleton Public Schools grew by a headcount of 68 students and in 2016-17, the unofficial October count shows growth in headcount of 79, all of which are attributed to the core district. According to Adams County Economic Development Inc., Adams County will be one of the fastest growing counties in Colorado for the next 20 years. Adams County currently has four major projects impacting Adams County with FasTracks directly impacting Mapleton specifically. Construction of the North Metro Rail Line, an 18.5-mile-long commuter rail line, is well under way and is expected to run from Denver's Union Station, through other communities into Thornton along 88th Avenue with a major stop adjacent to Mapleton Public Schools' Skyview Campus. Along with the rail extension into the community, an 88th Avenue station stop is proposed which is expected to include landscaping, plaza/walkway and a parking structure. Plans have also been proposed to build a mixed-use community adjacent to the rail station to include single-family homes, restaurants, and shopping. The redevelopment of this area and the properties east of the rail line will further reinvigorate the area. An additional stop is being developed near 104th and Steele which is also within the Mapleton boundaries and within walking distance of the proposed future home of Explore K-8. McStain Neighborhoods is planning a development of both multi and single family homes in the area.

Midtown, a new residential development, continues to be developed along West 68th Avenue and Pecos Street within the Mapleton Public Schools boundary. The 184-acre parcel, located 5 miles from downtown Denver, was vacant in unincorporated Adams County for many years. A new neighborhood of 850 energy efficient homes, priced from the low \$300,000s to \$700,000 plus, is partially occupied with new homes and businesses steadily being added. The neighborhood plans include a 47-acre park, a community center, community gardens, and an off-leash dog park. The development boasts that it is within walking distance to the future Light Rail Gold Line and Northwest Line that are expected to be completed in 2018. The development is expected by Adams County to deed or provide land to Mapleton Public Schools for a school site to serve the anticipated influx of students.

At the community's request, Mapleton Public Schools Board of Education placed a mill levy override and a \$150 million bond measure on the November 8, 2016 ballot. The mill levy, which

will raise \$1 million the first year, \$2 million the second, and \$3 million each year after that, will be used to enhance classroom materials and equipment; create a high school career technology program; help maintain both existing and new school buildings and grounds; and attract and retain highly-qualified staff to work with Mapleton students. The bond proposal is a facilities reinvestment plan that will pay for replacements, renovations and/or repairs to nearly every school in Mapleton. The Building Excellent Schools Today (BEST) Board and Colorado Board of Education approved Mapleton for a matching grant that will help replace the Adventure Elementary building in the amount of \$6.6 million. Many of the District's schools are more than 60 years old and in dire need of repair. It will also fund the construction of new schools which are planned in the Midtown development and in the northern area of the District. District voters have approved both the mill levy override and the bond proposal. This means the District will be able to utilize the \$6.6 million it received from the BEST program.

District Funding

District funding is largely dependent upon enrollment. The table below outlines the school name, grade levels served, and enrollment as of the official count date in October 2015.

School	October 2012 Enrollment	October 2013 Enrollment	October 2014 Enrollment	October 2015 Enrollment	October 2016 Enrollment Projected
Achieve Academy (PK-8)	516	520	551	520	559
Adventure Elementary (PK-6)	417	415	452	399	405
Clayton Partnership School (K-8)	491	484	488	473	458
Explore Elementary (PK-6)	380	425	412	426	419
Welby Community School (PK-6)	280	284	259	266	254
Meadow Community School (PK-8)	486	514	529	508	510
Monterey Community School (PK-8)	461	471	471	488	485
Valley View (K-8)	514	483	485	452	438
Global Primary Academy (PK-3)	N/A	N/A	N/A	N/A	228
Global Intermediate Academy (4-8)	N/A	N/A	N/A	N/A	194
Global Leadership Academy (PK-12)	635	600	592	646	196
York International School (K-12)	750	748	765	734	755
Mapleton Early College (9-12)	204	220	253	273	245
Big Picture College and Career (9-12)	N/A	N/A	N/A	N/A	92
Mapleton Exp. School of the Arts (7-12)	557	616	583	650	636
Academy High School (9-12)	351	379	382	404	433
North Valley School	73	88	49	72	72
Connections Academy (K-12) Online	1,535	2,161	2,375	2,420	2,419
New America Charter School (9-12)	402	N/A	N/A	N/A	N/A
Totals*	8,052	8,408	8,646	8,731	8,798

From FY 2005-06 to FY 2015-16, District enrollment has increased by 58.4 percent. Much of this increase is due to the addition of Connections Online Academy with only 14.8 percent being attributed to Mapleton's core enrollment growth. From FY 2009-10 to FY 2010-11, enrollment increased by 1817.5 students due to the addition of Connections Academy and New America Charter School. From FY 2011-12 to FY 2013-14, Mapleton's core enrollment increased 382 FTE with Connections Academy growing 605 FTE. As of July 1, 2013, New America Charter School is no longer with the District. Fiscal year 2016-17 un-audited October count enrollments show a moderate amount of growth in Mapleton's core enrollment of about 80 FTE.

District Financial Rating

The District maintains an Aa2 rating through the Colorado State Intercept Program and underlying ratings of A+ from Standard and Poor's and Aa3 from Moody's.

District Budget Process

The District begins the budget development process in August of each year when state assessment results become available. Preliminary discussions are held to prioritize distribution of additional resources for sites in need. The budget process is continued in January by updating multi-year projections based on new assumptions including enrollment projections. February and March are used to review funding needs and prioritize allocation of resources. Budget information is then distributed to schools and departments.

In the meantime, District administration conducts negotiation sessions with recognized employee groups. Licensed staffs are covered under a Master Agreement, whose bargaining unit is the Mapleton Education Association. Other staff groups negotiate on a more informal "meet and confer" process. Once negotiations are finalized and ratified by members and approved by the Board of Education, budget figures are adjusted for the new salaries.

The proposed budget book is produced after the schools and departments have completed their budgets. The proposed budget is reviewed by the District Accountability Advisory Committee and in May the Board of Education receives a copy of the proposed budget book. Within ten days after submission of the proposed budget, a public hearing notice is posted. The public budget hearing takes place in June followed by adoption of the final budget by the Board of Education.

Capital expenditures must also align with District strategic plans and/or school improvement plans. Capital equipment and site improvement requests are submitted through a zero-based budget process. Schools must show alignment of capital purchases with school improvement plans. Other District capital improvements are managed through the maintenance and operations department.

Financial Policies

Detailed descriptions of the District's accounting policies are contained in the Notes to the Financial Statements on pages 24-53 of this report. These policies describe the basis of accounting, funds and accounts used, valuation policies for inventories and investments, capital assets, and other significant accounting information.

The District maintains a number of budgetary controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at year-end.

Awards and Acknowledgements

Mapleton Public Schools received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2015. This award certified that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2015, substantially conformed to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

The Government Finance Officers Association of the United States and Canada (GFOA) also awarded a Certificate of Achievement of Excellence in Financial Reporting to Mapleton Public Schools for its comprehensive annual financial report for the fiscal year ended June 30, 2015. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Excellence or a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. The CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

Certificates from both ASBO and GFOA are valid for a period of one year only. We believe our current report continues to conform to program requirements and we will submit to both ASBO and GFOA for review.

We want to thank the Board of Education for their leadership and support to the students, staff, and community of Mapleton Public Schools.

We extend special thanks to our independent certified public accountants, RubinBrown LLP, and their staff for their professional approach in the performance of the audit, and their assistance in the preparation of the CAFR.

Finally, we would like to offer special thanks to Ms. Deb Braa, Mr. Michael Everest, Ms. Sarah Martinez and the individuals who are employed in the District's Business Services Department. Their efforts and contributions made completion of the audit and preparation of this CAFR a success.

Respectfully submitted,

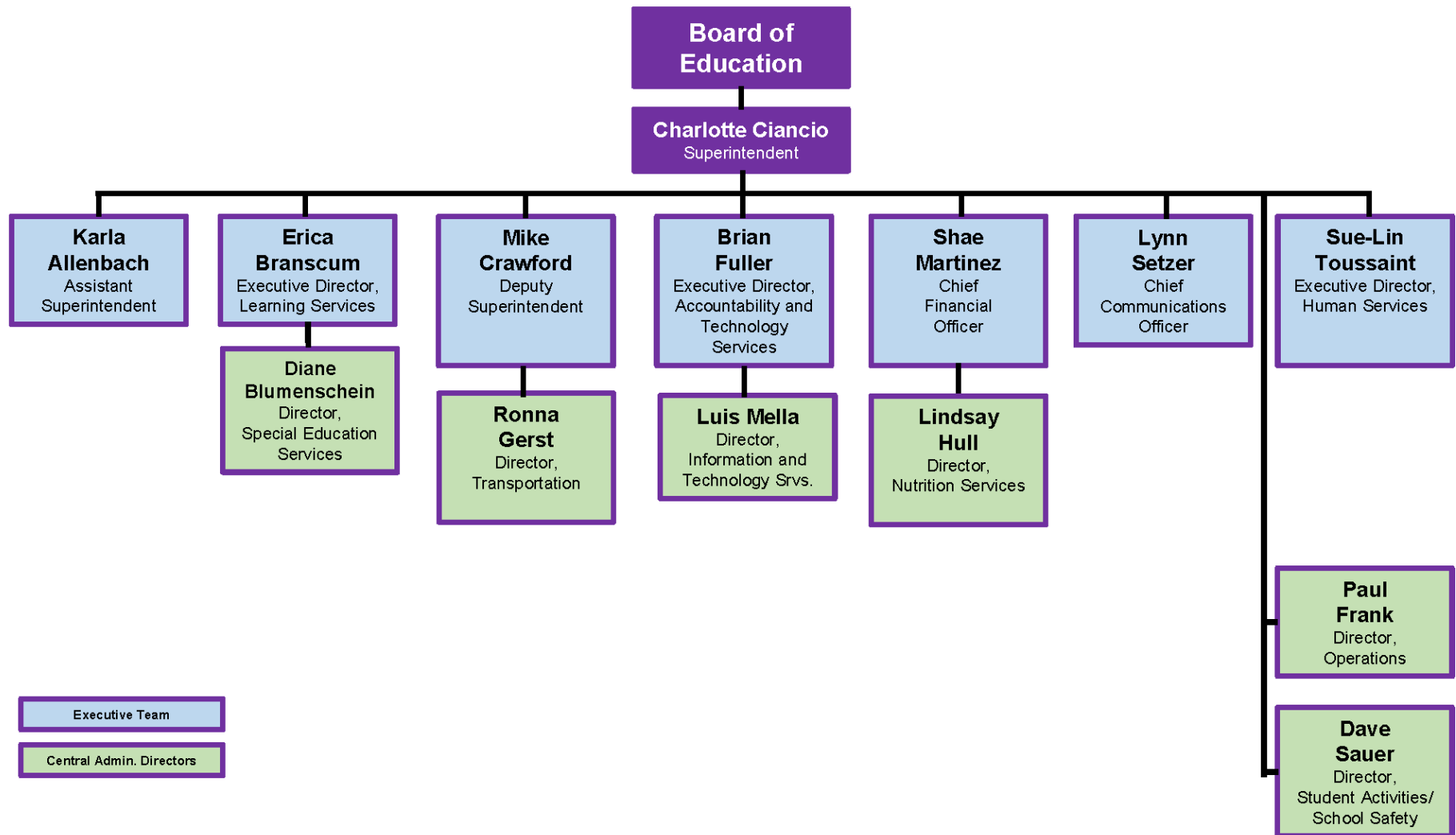
A handwritten signature in cursive script that reads "Charlotte Ciancio".

Charlotte Ciancio
Superintendent of Schools

A handwritten signature in cursive script that reads "Shae Martinez".

Shae Martinez
Chief Financial Officer

Mapleton Public Schools
Organization Chart
June 30, 2016



ADAMS COUNTY SCHOOL DISTRICT NO.1
ADAMS COUNTY, COLORADO

ROSTER OF SCHOOL OFFICIALS

BOARD OF EDUCATION

Ken Winslow – President

Cindy Croisant – Vice President

Steve Donnell – Secretary

Sheila Montoya – Treasurer

Theodore Rodriguez – Asst. Secretary/Treasurer

ADMINISTRATION

Charlotte Ciano, Superintendent

Mike Crawford, Deputy Superintendent

Karla Allenbach, Assistant Superintendent

Erica Branscum, Executive Director of Learning Services

Brian Fuller, Executive Director Accountability and Information Technology

Shae Martinez, Chief Financial Officer

Lynn Setzer, Chief Communications Officer

Sue-Lin Toussaint, Executive Director Human Resources

Mapleton Public Schools Board of Education



Ken Winslow, President

Mr. Winslow was elected to the Mapleton Board of Education in 2011, and is a supervisor for H & H Enterprises, Inc., a metal fabrication shop in Thornton. He and his wife Jaime have two children who attend Mapleton schools.



Cindy Croisant, Vice President

Ms. Croisant was elected to the Mapleton Board of Education in November 2015, after previously serving as a Mapleton School Board member from 2003-2011. She works as an IT Manager in the applications development department for Firstbank Data Corp. She has lived in the Mapleton community for more than 50 years. Cindy is a Mapleton graduate and her daughter, Nicole, graduated from Skyview High School.



Steve Donnell, Secretary

Mr. Donnell was elected to the Mapleton Board of Education in November 2013. He retired from the Civil Service after a thirty year career. He was the Deputy Director of Air Force military pay and a certified public accountant. Mr. Donnell and his wife have lived in the Mapleton community for more than 38 years. They have two children who both attended Mapleton schools.



Sheila Montoya, Treasurer

Ms. Montoya was elected to the Mapleton Board of Education in November 2013. She works for the State of Colorado Judicial Branch. Ms. Montoya has lived in the Mapleton community for 30 years. She has two children who attend Mapleton schools. Ms. Montoya believes serving on the Mapleton Public Schools Board of Education will allow her the opportunity to give back to her community on a different level.

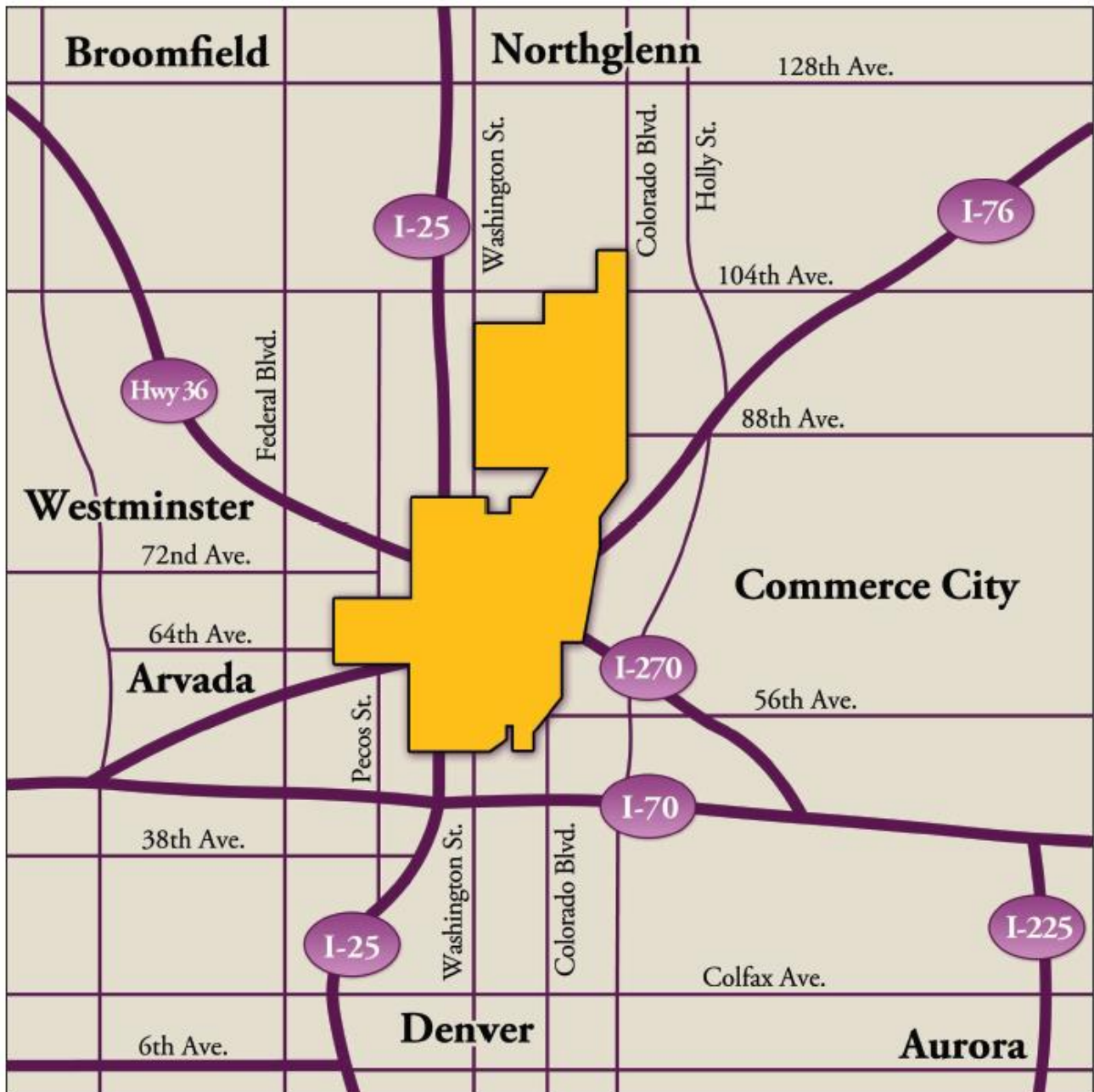


Theodore Rodriguez Asst. Secretary/Treasurer

Theodore Rodriguez was appointed to the Mapleton Public Schools Board of Education in the spring of 2016 after a seat on the Board was vacated. At the age of 22, Mr. Rodriguez is one of the youngest school board members in Colorado. He knows Mapleton well having been a student in the District since the age of six! Mr. Rodriguez graduated from Mapleton Expeditionary School of the Arts in 2012. Besides currently attending Metro State University in Denver, Mr. Rodriguez is a concert harpsichordist and music historian with a specialty in early English keyboard music. He seeks to serve his community to the best of his ability.

ADAMS COUNTY SCHOOL DISTRICT NO. 1
ADAMS COUNTY, COLORADO

MAP OF DISTRICT BOUNDARIES





Government Finance Officers Association

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

Presented to

**Mapleton Public Schools
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO



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

Mapleton Public Schools

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

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



A handwritten signature in black ink, reading 'Brenda Burkett', written over a horizontal line.

Brenda R. Burkett, CPA, CSBA, SFO
President

A handwritten signature in black ink, reading 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



FINANCIAL SECTION



Independent Auditors' Report

Board of Education
Adams County School District No. 1
Denver, Colorado

RubinBrown LLP
Certified Public Accountants
& Business Consultants

1900 Sixteenth Street
Suite 300
Denver, CO 80202

T 303.698.1883
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Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Adams County School District No. 1 (the District) as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2016, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17, the budgetary comparison information on pages 54 through 58, the Schedule of the District's Proportionate Share of the Net Pension Liability and the Schedule of the District's Contributions to the Pension Plan on pages 59 through 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, individual fund financial statements and schedules, statistical section, the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures report and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

RubinBrown LLP

November 28, 2016

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion and Analysis

As management of Mapleton Public Schools (District), we offer readers of the District's Comprehensive Annual Financial Report (CAFR) this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-ix of this report.

Financial Highlights

- The total assets of the Primary Government, including land, buildings, equipment and deferred outflows of resources, were less than its total liabilities and deferred inflows of resources, including long term bonds payable, at the close of FY 2015-16 by (\$45,016,541) (net position). The Primary Government's total net position increased by \$3,347,599. Overall assets increased by \$6,241,076.
- At the close of the current fiscal year, the District's governmental funds reported combined ending fund balance of \$22,733,616, an increase of \$8,396,740 from the prior year. The majority of this increase was in the Capital Reserve Fund and due to the sale of land by the District which was held until reinvestment was made in FY 2016-17. The General Fund balance also increased by \$1,608,724 in FY 2015-16 due to several planned expenditures being delayed until the new fiscal year.
- The governmental funds reported combined unassigned fund balance of \$3,266,600.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$3,266,600 or 6% of the total General Fund operating revenue not to include Self-Insurance or the Colorado Preschool Program Fund. Operating revenue consists of all District revenue minus the revenue passed through to Connections Academy (on-line school), which for FY 2015-16 totaled \$16,245,560. The total Restricted/Committed/Assigned fund balances for FY 2015-16 are \$5,504,338, inclusive of restrictions of \$51,676 for the Insurance Fund and \$46,910 for the Colorado Pre-School Program Fund. Other restricted fund balances in governmental funds include: \$6,765,592 in the Capital Reserve Fund, \$1,598,683 in the Food Service Fund and \$5,422,769 in the Bond Redemption Fund.
- At June 30, 2016, \$2,212,782 of the \$8,946,572 fund balance of the General Fund was restricted for the emergency contingency required by Article X, Section 20 of the Colorado Constitution.
- The governmental activities total long-term debt excluding net pension liability increased by \$1,073,366 (3.0%) in FY 2015-16.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Mapleton Public Schools' basic financial statements. The District's basic financial statements are made up of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Mapleton Public Schools' finances in a manner similar to a private-sector business. They consist of two statements:

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Mapleton Public Schools is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported on a full accrual basis; or in other words, as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Mapleton Public Schools that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Mapleton Public Schools include instruction and support services of the District. As of July 1, 2014, the business-type activities of Mapleton Public Schools no longer include Child Nutrition Services. The activities in this fund were relocated to fund 21 which is a special revenue fund.

The government-wide financial statements can be found on pages 18-19 of this report.

Fund Financial Statements. 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. Mapleton Public Schools uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental Funds. Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

Revenue, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Mapleton Public Schools maintains five individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balances for the General Fund, the Debt Service Fund, the Capital Reserve Fund, the Food Service Fund and the Grants Fund, because all are considered to be major funds.

The governmental fund financial statements can be found on pages 20-22 of this report.

Proprietary Funds. Mapleton Public Schools maintains one type of proprietary fund. *Internal service funds* are accounting devices used to accumulate and allocate costs internally among Mapleton's various functions. The District uses an internal service fund to account for its risk-related activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. For reporting purposes, these activities are included with the General Fund. Mapleton previously reported its Food Service fund in an enterprise fund; however, as of July 1, 2014, it accounts for these activities in a special revenue fund.

Fiduciary Funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Mapleton Public Schools' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Fiduciary Fund financial statement can be found on page 23 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the basic financial statements can be found on pages 24-53 of this report.

Other Information. Mapleton Public Schools adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The combining statements referred to earlier, in connection with non-major governmental funds, are presented after the notes to the financial statements.

ADAMS COUNTY SCHOOL DISTRICT NO. 1**Management's Discussion And Analysis (*Continued*)****Primary Government Condensed Statement of Net Position**

	Governmental Activities		Business-type Activities		Total	Total
	2016	2015	2016	2015	2016	2015
Current and Other Assets	29,800,991	21,383,539	0	0	29,800,991	21,383,539
Capital Assets, net of depreciation	84,043,322	86,219,698	0	0	84,043,322	86,219,698
Total Assets	113,844,313	107,603,237	0	0	113,844,313	107,603,237
Deferred Outflows of Resources	17,716,597	5,937,356	0	0	17,716,597	5,937,356
Long-term Liabilities Outstanding	36,304,912	35,231,546	0	0	36,304,912	35,231,546
Net Pension Liability	127,313,727	113,417,755	0	0	127,313,727	113,417,755
Other Liabilities	10,624,142	13,108,315	0	0	10,624,142	13,108,315
Total Liabilities	174,242,781	161,757,616	0	0	174,242,781	161,757,616
Deferred Inflows of Resources	2,334,670	147,117	0	0	2,334,670	147,117
Net Position						
Invested in Capital, net of related debt	46,648,465	45,604,092	0	0	46,648,465	45,604,092
Restricted For:						
Debt Service	5,422,769	4,583,490	0	0	5,422,769	4,583,490
Capital Purposes	6,765,592	1,135,124	0	0	6,765,592	1,135,124
Multi-Year Contracts	993,550	993,550	0	0	993,550	993,550
Insurance Sub-fund	51,676	110,595	0	0	51,676	110,595
Preschool Sub-fund	46,910	46,563	0	0	46,910	46,563
Emergencies	2,212,782	2,091,129	0	0	2,212,782	2,091,129
Unrestricted	(108,500,310)	(104,441,607)	0	0	(108,500,310)	(104,441,607)
Total Net Position	(45,016,541)	(48,364,140)	0	0	(45,016,541)	(48,364,140)

ADAMS COUNTY SCHOOL DISTRICT NO. 1**Management's Discussion And Analysis (*Continued*)****Primary Government Condensed Statement of Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	Total
	2016	2015	2016	2015	2016	2015
Program Revenues:						
Charges for Services	666,057	555,344	0	0	666,057	555,344
Operating Grants and Contributions	11,569,723	10,061,871	0	0	11,569,723	10,061,871
Capital Grants and Contributions	164,257	0	0	0	164,257	0
General Revenues:						
Local Property Taxes	23,145,989	21,870,499	0	0	23,145,989	21,870,499
Specific Ownership Taxes	1,908,133	1,502,015	0	0	1,908,133	1,502,015
State Equalization	46,215,333	44,457,398	0	0	46,215,333	44,457,398
Other Revenues	1,921,651	1,780,795	0	0	1,921,651	1,780,795
Gain on Sale of Assets	6,499,713	0	0	0	6,499,713	0
Investment Earnings	(84,371)	(96,229)	0	0	(84,371)	(96,229)
Capital Contributions:						
Contributed Capital from Govt.	0	0	0	0	0	0
Total Program, General, and Capital Revenue	92,006,485	80,131,693	0	0	92,006,485	80,131,693
Expenses:						
Instruction	50,474,098	48,951,658	0	0	50,474,098	48,951,658
Supporting Services	36,601,941	31,508,828	0	0	36,601,941	31,508,828
Interest Expense	1,582,847	1,725,634	0	0	1,582,847	1,725,634
Food Services	0	0	0	0	0	0
Total Expenses:	88,658,886	82,186,120	0	0	88,658,886	82,186,120
Increase/(Decrease) in Net Position Before Transfers	3,347,599	(2,054,427)	0	0	3,347,599	(2,054,427)
Transfers	0	0	0	0	0	0
Change in Net Position	3,347,599	(2,054,427)	0	0	3,347,599	(2,054,427)
Net Position - July 1 (prior)	(48,364,140)	(46,309,713)	0	0	(48,364,140)	(46,309,713)
Net Position - July 1 (current)	(45,016,541)	(48,364,140)	0	0	(45,016,541)	(48,364,140)

*FY 2015 beginning net position is restated due to implementation of GASB 68.

Government-wide Financial Analysis

As noted earlier, *net position* may serve over time as a useful indicator of the District's financial position. In FY 2015-16, the District's assets were less than its liabilities by \$45,016,541. In FY 2014-2015, the District had a net position of (\$48,364,140) an increase of \$3,347,599. Explanations for the change in net position are found below.

Governmental Activities. Governmental activities increased the District's net position by \$3,347,599. Key elements of governmental activity are as follows:

- Total Governmental Activities Program, General, and Capital Revenue increased by \$11,874,792 from FY 2014-15 to FY 2015-16.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

- This increase was primarily attributed to the sale of the Old Mapleton property, the increased collection of local property taxes, and a marked increase in specific ownership tax collections. The District saw an overall increase in assessed value of 8.9% in the 2016 collection year and an increase of over \$400k in specific ownership tax collections. The remainder of the increase is attributed to the increase in state equalization payments which is due to the inflationary increase in per pupil funding as well as the slight increase in pupil count for the core district and Connections Academy. The Adams County Assessor's Office reported an increase in assessed valuation for Mapleton of \$40,773,930 which is approximately 8.9%. The preliminary assessed valuation for calendar year 2017 shows an increase of \$65,343,710 or 13%.
- Primary government expenses for FY 2015-16 were \$88,658,886, an increase of \$6,472,766 or 8.2% from FY 2014-2015 which is partially attributed to the increased expenditures related to the increase in pupil count and the negotiated salary and benefit increases for staff.
- Instructional expenses increased by \$1,522,440 or 4.0%. Most of this increase was again due to the additional expenses related to enrollment growth as well as salary and benefit increases for instructional staff. In FY 2016, negotiations with the Mapleton Education Association ended with the District agreeing to a new salary schedule for certified staff to be fully implemented if the District were to successfully pass a mill-levy override in the November 2016 election.
- Primary government supporting services expenses increased by \$5,093,113 or 16.2%. Several planned capital projects as well as salary increases for District support staff made up the majority of this increase.
- The Governmental Grants fund expenditures vary from year to year based on award amounts. Expenditures in the Capital Reserve fund increased by \$1,268,903 due to several planned expenditures including the purchase of four new buses, a new roof at Meadow K-8, a district-wide technology refresh, and many other small projects.
- The amount the District charges for services was \$666,057, an increase of 19.9% from FY 2014-2015.
- The federal and state governments subsidized certain programs with operating grants and contributions totaling \$11,569,723 an increase of 15% from FY 2014-2015. The District began receiving funds from the Tiered Intervention Grant for Global Leadership Academy which contributed to this increase.
- Most of the District's governmental activities were financed by District and state taxpayers. General revenues for governmental activities consist of \$33,391,115 in local revenues including property taxes and \$46,215,333 of state revenues including unrestricted state equalization based on the statewide education aid formula.

Business-Type Activities. After the reclassification of the District's Food Service Fund to a Special Revenue Fund, the District no longer reports business-type activities.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

Financial Analysis of the Governmental Funds

Governmental Funds. The focus of Mapleton Public Schools' governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Mapleton's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of FY 2015-16, Mapleton Public Schools' governmental funds reported a combined ending fund balance of \$22,733,616, an increase of \$8,396,740 or 5.8%. Two major factors contributed to the increase in fund balance: First, the sale of the Old Mapleton property occurred in December of 2015 and the reinvestment of funds did not take place until September of 2016. Second, there were several planned expenditures in the General Fund that did not end up taking place until the new fiscal year thus increasing the fund balance. In the District's General Fund, only the restricted items are protected in un-expendable budget lines (Multi-Year Contracts, Emergency Reserves, etc.). The remaining unassigned fund balance is distributed throughout the District budget in accounts that are expendable or held as contingency.

General Fund

Revenues

The General Fund is the major operating fund of Mapleton Public Schools, providing the majority of the resources for educational and support programs. Revenues for the General Fund totaled \$73,380,396 before transfers in FY 2015-16. The following table reflects the amount of revenue from various sources:

General Fund Revenues:	FY 2016	FY 2015	Amount of Change	Percent of Change
Local Property Taxes	18,514,315	17,532,120	982,195	5.6
Specific Ownership Taxes	1,908,133	1,502,015	406,118	27.0
Other Local	2,035,103	1,787,642	247,461	13.8
State of Colorado				
Equalization	46,215,333	44,457,398	1,757,935	3.9
Other State	3,614,724	2,933,268	681,456	23.2
Federal- Title I	1,092,788	1,181,704	(88,916)	(7.5)
Totals	73,380,396	69,394,147	3,986,249	5.7

Property Taxes. The calendar year 2016 General Fund property tax revenues were based upon a levy of 36.518 mills applied against an assessed valuation of \$501,791,060. The 2015 mill levy was 37.880 mills applied against an assessed valuation of \$461,017,130. Collection amounts remained steady at 98.5%.

Specific Ownership Taxes. Specific ownership tax is applied to the fair value of vehicles registered in Colorado. The tax is collected when vehicle owners renew their vehicle registrations each year. Last year collections decreased by 7.6%; however, this year collections increased by \$406,118 or 27%.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

State Equalization. State equalization revenue for kindergarten through 12th grade education is the primary revenue source for the General Fund. Payments are received monthly at generally 1/12th of the annual state estimated revenue. Total state equalization payments increased by \$1,905,732 or 4.2% in FY 2015-16 due to the increased pupil enrollment as well as the inflation adjustment from the state. FY 2010-11 marked the end of the provision in Amendment 23 of the state constitution which required that base funding for K-12 education increase by the rate of inflation plus 1%. The base funding will continue to increase by the rate of inflation annually. Inflation for the Denver/Boulder metro area was estimated at 2.8% for CY 2015. However, FY 2015-16 marks the seventh year that the state has applied the "Negative Factor" to the funding formula. In 2015-16, these reductions amounted to approximately 11.83% of the amount the District was supposed to receive. This equates to more than an \$8 million reduction to Mapleton. For FY 2016-17, the Colorado Legislature increased base funding by 1.2 % inflation and agreed to keep the negative factor at a flat dollar amount.

Education of the Handicapped. The majority of the District's revenue for education of disabled students is received in the fall of each year. Revenue received in FY 2015-16 was \$1,579,631 which was an increase of \$136,190 over FY 2014-2015.

Other State Sources. Other state sources consist of state English Language Proficiency (ELPA) revenue and transportation reimbursement revenue. Revenue received in FY 2015-16 for ELPA was \$1,039,922. Revenue received for the transportation reimbursement was \$483,394 after an audit adjustment of \$18,484.

Expenditures

Expenditures in the General Fund, including the accrual for teacher salaries and benefits, totaled \$70,409,165 in FY 2015-16. This represents an increase of 4.8% from FY 2014-2015. Some of this increase is attributable to salary and benefit increases for staff, supplies, materials, and curriculum purchases for students, capital needs and other increases reflected in the increased costs of Connections Academy's growing pupil count.

General Fund Expenditures	FY 2016	FY 2015	Amount of Change	Percent of Change
Instruction	43,292,140	41,724,157	1,567,983	3.8%
Pupil Services	2,697,964	2,601,223	96,741	3.7%
Instructional Support	2,648,660	2,545,275	103,385	4.1%
General Administration	2,774,563	2,783,640	-9,077	(0.3%)
School Administration	4,934,685	4,808,046	126,639	2.6%
Business Services	2,314,947	2,271,839	43,108	1.9%
Operations and Maintenance	5,274,148	5,039,088	235,060	4.7%
Student Transportation	2,054,872	1,948,911	105,961	5.4%
Central Support	2,726,710	2,397,138	329,572	13.7%
Other Support	634,837	614,095	20,742	3.4%
Community Services	840,933	431,014	409,919	95.1%
Capital Outlay	177,556	0	177,556	100%
Debt Service	37,061	0	37,061	100%
Totals	70,409,165	67,164,426	3,244,739	4.8%

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

Transfers to Other Funds. During the year, the General Fund transferred \$21,140 to the Food Service Fund to cover uncollectable meal charges. The per pupil requirement for transfer to the Capital Reserve fund is no longer required; however, the General fund allocated \$1,390,000 of property tax revenues to the Capital Reserve Fund.

OTHER MAJOR FUNDS

Food Service Fund

The Food Service Fund's balance decreased by \$102,269 in FY 2015-16. The Food Service department has been working with LiveWell Colorado as well as the District to develop a production kitchen and is currently in the final phases of this plan. The department is anticipating a further spenddown of its reserves in the coming fiscal year.

Bond Fund

The Bond Redemption Fund's balance increased by \$1,259,817 in FY 2015-16. The mills were adjusted to compensate for the payment of the '10 Matching Money Bond principal payment which began in FY 2014. The revenue in this fund can also vary slightly due to percentage of property tax actually collected.

Governmental Grants Fund

The Grant Fund's balance has remained at \$0 for FY 2015-16. Activities from the Early Childhood Partnership of Adams County (ECPAC) were relocated from fund 73 to the Governmental Grant fund beginning in FY 2015.

Capital Reserve Fund

The Capital Reserve Fund's balance increased by \$5,630,468 in FY 2015-16. This was due to the sale of the Old Mapleton property in December of 2015. The funds from this sale were reinvested in new property in September of 2016. The General Fund allocated \$1,390,000 of Property Tax revenue to the Capital Reserve fund to address the capital needs of the District in FY 2015-16.

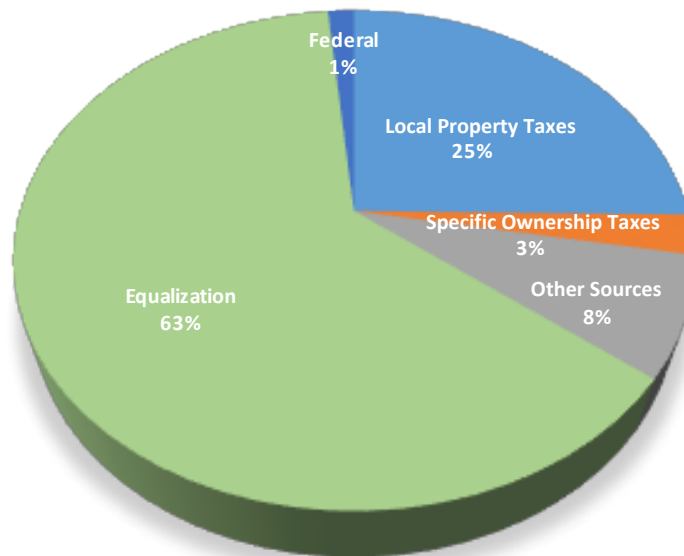
General Fund Budgetary Highlights

For audit purposes, the General Fund includes funds 10, 18, and 19. In the annual budget document, the funds are budgeted separately.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

Mapleton Public Schools General Fund Revenues FY 2015-16



The original FY 2015-16 budget adopted by the Board of Education for the District as a whole totaled appropriations of \$94,841,613 million, including General Fund appropriations of \$76,455,124.

The final General Fund supplemental budget appropriation of \$76,669,982, reflected an increase in revenue due to the increased October pupil count of the District and Connections Academy. Total appropriations include beginning fund balance of \$4,578,606.

FY 2015-16 budgeted Total Program Funding (including delinquent taxes from prior years) under the Public School Finance Act totaled \$66,129,540 while actual revenues totaled \$66,637,781.

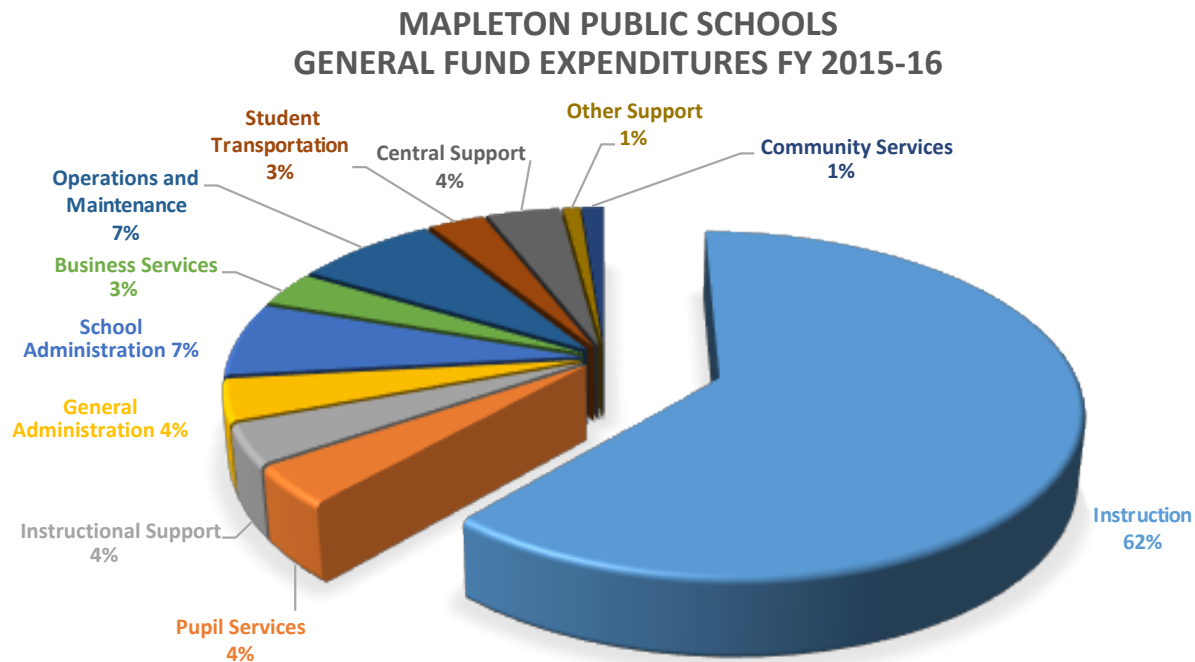
General Fund Budget vs. Actual Revenue

General Fund Revenues:	Original Budget	Final Budget	Actual	Variance to Final
Local Property Taxes	17,560,426	18,145,173	18,514,315	369,142
Specific Ownership Taxes	1,600,000	1,800,000	1,908,133	108,133
Other Local	1,826,915	1,936,655	2,035,103	98,448
State of Colorado				
Equalization	47,721,622	46,184,367	46,215,333	30,966
Other State	3,221,043	3,569,193	3,614,724	45,531
Federal- Title I	1,133,550	1,233,447	1,092,788	(140,659)
Totals	73,063,556	72,868,835	73,380,396	511,561

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

General Fund final budget to actual variance was \$511,561 or >1% over final budgeted revenues.



General Fund Budget vs. Actual Expenditures

General Fund Expenditures:	Original Budget	Final Budget	Actual	Variance to Final
Instruction	45,719,022	45,611,775	43,292,140	1,319,635
Pupil Services	3,338,981	2,670,821	2,697,964	(27,143)
Instructional Support	3,188,331	2,728,003	2,648,660	79,343
General Administration	2,781,970	2,721,111	2,774,563	(53,452)
School Administration	4,863,987	4,918,635	4,934,685	(16,050)
Business Services	2,573,446	2,444,153	2,314,947	129,206
Operations and Maintenance	4,838,258	5,369,758	5,274,148	95,610
Student Transportation	1,960,395	2,001,278	2,054,872	(53,594)
Central Support	2,471,237	2,815,039	2,726,710	88,329
Other Support	459,120	631,688	634,837	(3,149)
Community Services	521,118	678,907	840,933	(162,026)
Totals	72,715,865	72,085,376	70,409,165	1,676,211

General Fund final budget to actual variance was \$1,676,211 or 3.0% under final budgeted expenditures. The most significant variance was instructional expenditures which also contains the contingency for the General Fund. Some of the budget variance was due to changes submitted by Connections Academy contract school which are part of the overall budget appropriation, but not regulated by Mapleton's Board of Education.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

Capital Asset and Debt Administration

Capital Assets. Mapleton Public Schools' investment in capital assets for its governmental and business type activities as of June 30, 2016 amounts to \$84,043,322 (net of accumulated depreciation). This investment in capital assets includes land, buildings, service vehicles, buses, playgrounds, and office and instructional equipment.

	Governmental Activities	
	2016	2015
Land	864,824	1,048,399
Construction in Progress	342,282	198,900
Site Improvements	17,991,374	18,334,856
Buildings and Improvements	96,352,787	99,875,515
Equipment and vehicles	8,639,582	7,423,855
Depreciation	(40,147,527)	(40,661,827)
Total Capital Assets	84,043,322	86,219,698

Additional information on the District's capital assets can be found in Note 3 of this report.

Long-Term Debt. As of June 30, 2016 the district had outstanding debt of \$40,083,347. Of this amount, \$14,420,000 is general obligation bonded debt, which is backed by the full faith and credit of the District, \$20,147,274 in matching money bonds from the state of Colorado through the Building Excellent Schools Today program (BEST). In addition, the District maintains leases on lighting, technology and computer upgrades in the amount of \$553,798. These leases are collateralized with the upgraded equipment and the voter-approved mill levy override (technology equipment only). In FY 2004-05, the District secured \$5,567,202 in debt proceeds (less discount) through Certificates of Participation (COPS), which was refinanced in FY 2015-16 and now appear as the 2015 COPS debt with a balance of \$2,940,000. The District's remaining long-term debt is illustrated in the table below.

	Governmental Activities	
	2016	2015
Governmental Activities		
General Obligation Bonds	14,420,000	13,880,000
Matching Money Bonds	20,147,274	21,108,114
Capital Leases	553,798	1,153,214
Certificates of Participation	2,940,000	3,595,000
Bond Premiums	951,219	798,397
COPS Discount	0	(15,546)
COPS Refunding Premium	88,209	0
Compensated Absences	982,847	966,389
Total Governmental Activities	40,083,347	41,485,568

As of June 30, 2016, the District's total long-term debt was 12.5% of the assessed valuation of \$501,791,060.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

Mapleton Public Schools maintains an Aa2 rating through the Colorado State Intercept Program, and underlying ratings of A+ from Standard and Poor's and Aa3 from Moody's.

For more detailed information on debt administration, see Note 5 in the Notes to basic Financial Statements.

Economic Factors and Next Year's Budgets

Colorado's economy remains in expansion. The urban areas along the Front Range have among the lowest unemployment rates in the country, with the Denver metro area having the lowest unemployment rate among large U.S. metro areas. According to the Governor's Office of State Planning and Budgeting (OSPB), the oil and gas industry's contraction in 2015 that contributed to a slow-down in the state's overall economy appears to have reached a bottom. On a national level, although there are no clear indications of an economic downturn, there is heightened uncertainty related to developments on a global scale. The Governor's budget that was released on November 1st, showed an inflationary increase to base per pupil funding of 2.7% with an increase to the Negative Factor of \$45 million. This would result in an approximately \$188 per pupil increase for Mapleton.

Mapleton is experiencing growth as well. The District's pupil count has increased by nearly 1,050 students since FY 2011-12. Total growth was lessened by the departure of New America Charter School.

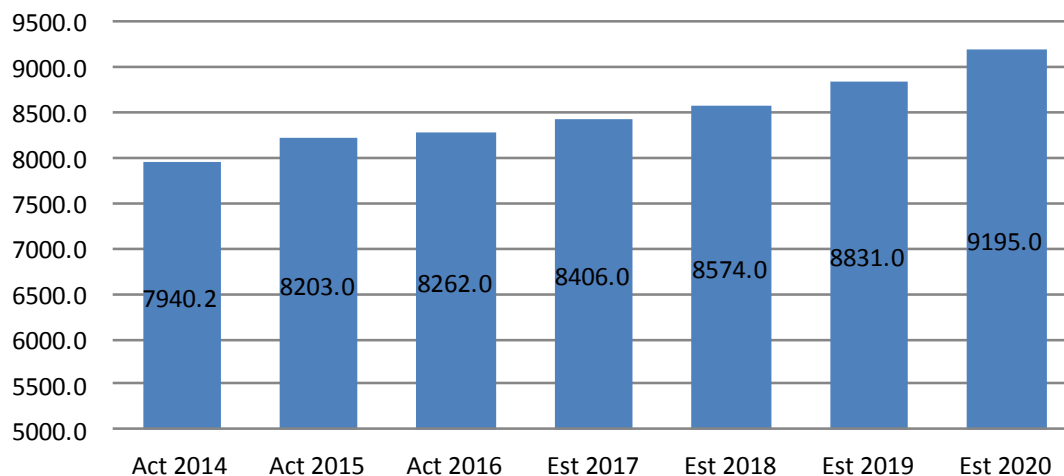
For calendar year 2016, the inflation rate is estimated at 1.2%. Early estimates indicate the inflation rate will increase to 2.7% in 2017.

At the close of the 2016-17 October count process, Mapleton Public Schools is anticipating an enrollment increase of approximately 80 students. All of the increase in enrollment is attributed to the core district with no growth anticipated for Connections Academy.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Management's Discussion And Analysis (*Continued*)

Funded Pupil Count Projections FY 2014-2020



Salary adjustments for staff are the result of salary and compensation negotiations and discussions. For budget development purposes, salary and benefit amounts are primarily based on salary schedule increases consistent with the rate of increase in per pupil funding.

For FY 2016-17, the District agreed to funding 70% of a new, more competitive salary schedule for certified staff as well as a step and a 1% increase for both classified and administrative staff. The District agreed to fund the remaining 30% of the scale retroactively with an additional 1% to classified staff upon the successful passage of a mill-levy override election.

On November 8, 2016, the District did successfully pass both a mill-levy override and a bond measure. The mill-levy override will raise \$1 million the first year, \$2 million the second year, and \$3 million for each year after that. The additional funds will be used to enhance classroom materials and equipment; create a high school career technology program; help maintain both existing and new school buildings and grounds; and attract and retain highly-qualified staff to work with Mapleton students. The bond proposal is a facilities reinvestment plan that will pay for replacements, renovations and/or repairs to nearly every school in Mapleton. The Building Excellent Schools Today (BEST) Board and Colorado Board of Education approved Mapleton for a matching grant that will help replace the Adventure Elementary building in the amount of \$6.6 million. Many of the District's schools are more than 60 years old and in dire need of repair. It will also fund the construction of new schools which are planned in the Midtown development and in the northern area of the District.

Requests for Information

This financial report is designed to provide a general overview of Mapleton Public Schools. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, 591 East 80th Avenue, Denver, CO 80229 or (303) 853-1000.



BASIC FINANCIAL STATEMENTS

ADAMS COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF NET POSITION

June 30, 2016

	Primary Government
	Governmental
	Activities
Assets	
Cash and investments (Note 2)	\$ 21,506,917
Restricted cash and investments (Note 2)	5,316,543
Deposit in insurance pool (Note 8)	175,634
Accounts receivable	179,653
Due from other government	2,697
Taxes receivable	746,644
Grants receivable	1,616,245
Inventories	256,658
Capital assets (Note 3)	
Not being depreciated	1,207,106
Depreciable	82,836,216
Total Assets	113,844,313
Deferred Outflows Of Resources	
Deferred loss on refunding	1,772,718
Deferred outflow pension (Note 9)	15,943,879
Total Deferred Outflows Of Resources	17,716,597
Liabilities	
Accounts payable	385,502
Accrued salaries and benefits	5,542,166
Unearned revenues	783,201
Accrued interest payable	134,838
Noncurrent liabilities (Note 5)	
Due within one year	3,778,435
Due in more than one year	163,618,639
Total Liabilities	174,242,781
Deferred Inflows Of Resources	
Deferred gain on refunding	67,075
Deferred inflow pension (Note 9)	2,267,595
Total Deferred Inflows Of Resources	2,334,670
Net Position	
Net investment in capital assets	46,648,465
Restricted	
Debt service	5,422,769
Capital purposes	6,765,592
Multi-year contracts	993,550
Insurance	51,676
Preschool	46,910
Emergencies (Note 12)	2,212,782
Food Nutrition Program	1,342,025
Unrestricted	(108,500,310)
Total Net Position	\$ (45,016,541)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF ACTIVITIES For The Year Ended June 30, 2016

	Program Revenues				Net Revenue (Expense) And Changes In Net Position
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Primary Government					
Governmental activities					
Instruction	\$ 50,595,710	\$ 124,064	\$ 7,236,216	\$ —	\$ (43,235,430)
Supporting services	36,480,329	541,993	4,333,507	164,257	(31,440,572)
Interest expense	1,582,847	—	—	—	(1,582,847)
Total Governmental Activities	88,658,886	666,057	11,569,723	164,257	(76,258,849)
 Total Primary Government	 \$ 88,658,886	 \$ 666,057	 \$ 11,569,723	 \$ 164,257	 (76,258,849)
 General Revenues					
Local property taxes					23,145,989
Specific ownership taxes					1,908,133
State equalization					46,215,333
Investment earnings					(84,371)
Other					1,921,651
Gain on sale of assets					6,499,713
Total General Revenues					79,606,448
 Change In Net Position					3,347,599
 Net Position - Beginning Of Year					(48,364,140)
 Net Position - End Of Year					\$ (45,016,541)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2016

Assets								
	General Fund	Grants Fund	Food Nutrition Fund	Capital Reserve Fund	Bond Redemption Fund	Total		
Cash and investments	\$ 13,135,383	\$ 146,835	\$ 1,442,899	\$ 6,781,800	\$ —	\$	21,506,917	
Restricted cash and investments	—	—	—	—	5,316,543		5,316,543	
Deposit in insurance pool	175,634	—	—	—	—		175,634	
Accounts receivable	139,123	—	7,991	4,498	28,041		179,653	
Due from other funds	852,730	—	—	—	—		852,730	
Due from other governments	2,697	—	—	—	—		2,697	
Taxes receivable	597,349	—	—	—	149,295		746,644	
Grants receivable	318,503	1,266,290	31,452	—	—		1,616,245	
Inventories	—	—	256,658	—	—		256,658	
Total Assets	\$ 15,221,419	\$ 1,413,125	\$ 1,739,000	\$ 6,786,298	\$ 5,493,879	\$	30,653,721	
Liabilities, Deferred Inflows Of Resources And Fund Balances								
Liabilities								
Accounts payable	\$ 320,686	\$ 56,120	\$ 893	\$ 7,803	\$ —	\$	385,502	
Accrued salaries and benefits	5,542,166	—	—	—	—		5,542,166	
Due to other funds	—	713,306	139,424	—	—		852,730	
Unearned revenues	126,599	643,699	—	12,903	—		783,201	
Total Liabilities	5,989,451	1,413,125	140,317	20,706	—		7,563,599	
Deferred inflows of resources								
Unavailable property tax - revenue	285,396	—	—	—	71,110		356,506	
Fund balances								
Nonspendable								
Inventories	—	—	256,658	—	—		256,658	
Deposit in insurance pool	175,634	—	—	—	—		175,634	
Restricted for debt service	—	—	—	—	5,422,769		5,422,769	
Restricted for capital purposes	—	—	—	6,765,592	—		6,765,592	
Restricted for multi-year contracts	993,550	—	—	—	—		993,550	
Restricted for insurance	51,676	—	—	—	—		51,676	
Restricted for preschool	46,910	—	—	—	—		46,910	
Restricted for TABOR	2,212,782	—	—	—	—		2,212,782	
Restricted for Food Nutrition Program	—	—	1,342,025	—	—		1,342,025	
Committed - Board of Education Reserve	2,199,420	—	—	—	—		2,199,420	
Unassigned	3,266,600	—	—	—	—		3,266,600	
Total Fund Balances	8,946,572	—	1,598,683	6,765,592	5,422,769		22,733,616	
Total Liabilities And Fund Balances	\$ 15,221,419	\$ 1,413,125	\$ 1,739,000	\$ 6,786,298	\$ 5,493,879	\$	30,653,721	
Fund Balance Of Governmental Funds						\$	22,733,616	
Amounts reported for governmental activities in the statement of net position are different because:								
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.							84,043,322	
Other long-term assets are not available to pay for current-year expenditures and, therefore, are unavailable in the funds.							356,506	
Pension plan accounts, such as deferred inflows/outflows and net pension liability, are not receivable or payable in the current period and, therefore, are not reported in the funds.								
Net pension liability							(127,313,727)	
Deferred outflow of resources							15,943,879	
Deferred inflow of resources							(2,267,595)	
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.								
The details of this difference are as follows:								
General obligations bonds payable							(34,567,274)	
COP payable							(2,940,000)	
Capital leases payable							(553,798)	
Premiums							(1,039,428)	
Deferred loss on refunding							1,772,718	
Deferred gain on refunding							(67,075)	
Accrued interest payable							(134,838)	
Compensated absences							(982,847)	
Net Position Of Governmental Activities						\$	(45,016,541)	

ADAMS COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For The Year Ended June 30, 2016

	General Fund	Grants Fund	Food Nutrition Fund	Capital Reserve Fund	Bond Redemption Fund	Total
Revenues						
Local sources	\$ 22,457,551	\$ 789,112	\$ 347,050	\$ 73,712	\$ 4,622,459	\$ 28,289,884
State sources	49,830,057	1,539,966	55,551	164,257	—	51,589,831
Federal sources	1,092,788	2,375,479	2,150,555	—	—	5,618,822
Total Revenues	73,380,396	4,704,557	2,553,156	237,969	4,622,459	85,498,537
Expenditures						
Current						
Instruction	43,292,140	2,021,139	—	—	—	45,313,279
Supporting services	26,902,319	2,204,901	2,676,565	282,696	—	32,066,481
Capital outlay	177,556	478,517	—	1,331,279	—	1,987,352
Debt service						
Principal	33,061	—	—	939,988	2,025,840	2,998,889
Interest and fiscal charges	4,089	—	—	112,974	1,336,802	1,453,865
Debt issuance costs	—	—	—	110,670	138,078	248,748
Total Expenditures	70,409,165	4,704,557	2,676,565	2,777,607	3,500,720	84,068,614
Excess (Deficiency) Of Revenues Over (Under) Expenditures	2,971,231	—	(123,409)	(2,539,638)	1,121,739	1,429,923
Other Financing Sources (Uses)						
Refunding bonds and COP issued	—	—	—	3,265,000	11,275,000	14,540,000
Premium on refunding bonds and COP issued	—	—	—	98,010	826,232	924,242
Payment to refunded bond and COP escrow	—	—	—	(3,672,878)	(11,963,154)	(15,636,032)
Issuance of capital lease	48,633	—	—	—	—	48,633
Transfers in	—	—	21,140	1,390,000	—	1,411,140
Transfers out	(1,411,140)	—	—	—	—	(1,411,140)
Sale of general capital assets	—	—	—	7,089,974	—	7,089,974
Total Other Financing Sources (Uses)	(1,362,507)	—	21,140	8,170,106	138,078	6,966,817
Net Change In Fund Balances	1,608,724	—	(102,269)	5,630,468	1,259,817	8,396,740
Fund Balances - Beginning Of Year	7,337,848	—	1,700,952	1,135,124	4,162,952	14,336,876
Fund Balances - End Of Year	\$ 8,946,572	\$ —	\$ 1,598,683	\$ 6,765,592	\$ 5,422,769	\$ 22,733,616

ADAMS COUNTY SCHOOL DISTRICT NO. 1

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For The Year Ended June 30, 2016

Net Change In Fund Balances - Governmental Funds	\$ 8,396,740
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures.

However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

This is the amount by which capital outlay of \$1,841,482 exceeded depreciation expense of \$3,427,597.	(1,586,115)
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase net position.

	(590,261)
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Revenues that do not provide current financial resources are deferred in the governmental funds. This amount represents the change in unavailable property taxes.

	8,235
--	-------

Pension expense does not use current financial resources and, therefore, is not reported as an expense in the governmental funds.

	(6,106,354)
--	-------------

The issuance of and repayments on long-term debt (e.g., bonds, leases, certificates of participation) provides and consumes current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums and discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of these items are as follows:

General obligation bonds principal payments	2,025,840
Refunding bonds and COP issued	(14,540,000)
Payment to refunded bond and COP escrow	15,636,032
Premium on refunding bonds and COP issued	(924,242)
COP principal payment	325,000
Capital lease principal payments	648,049
Capital lease issuance	(48,633)
Amortization of debt premiums	101,208
Amortization of deferred loss on refunding bonds	(31,857)
Amortization of deferred gain on refunding bonds	29,352
Change in accrued interest payable	21,063
Change in compensated absences	(16,458)

Change In Net Position Of Governmental Activities	\$ 3,347,599
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ADAMS COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUND
June 30, 2016

	<u>Agency Fund</u>
Assets	
Cash and investments	\$ 276,891
Accounts receivable	<u>50</u>
Total Assets	<u><u>\$ 276,941</u></u>
 Liabilities	
Accounts payable	\$ 1,317
Due to others	<u>275,624</u>
Total Liabilities	<u><u>\$ 276,941</u></u>

ADAMS COUNTY SCHOOL DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

1. Summary Of Significant Accounting Policies

The accounting policies of the Adams County School District No. 1 (the District) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies:

Reporting Entity

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All funds, organizations, institutions, agencies, departments and offices 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 exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization or if the organization provides benefits to or imposes financial burdens upon the District.

Government-Wide And Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment 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 included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter 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 government-wide financial statements and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds utilize the accrual basis of accounting.

In the fund financial statements, the District reports the following major governmental funds:

General Fund:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Special Revenue Funds:

The Grants Fund accounts for revenues and expenditures of specific local, state and federal grant awards. The District is considered the fiscal agent for the Early Childhood Partnership of Adams County (the Partnership) that receives grants and donations to support a collaborative effort in Adams County to provide services and support for families with young children.

The Food Nutrition Fund accounts for the financial activities associated with the District's breakfast and lunch programs.

Capital Projects Funds:

The Capital Reserve Capital Projects Fund accounts for purchases of equipment for the District.

Debt Service Fund:

The Bond Redemption Fund accounts for resources accumulated for, and payments made on, long-term debt obligations of the District.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Additionally, the District reports the following fund type:

Agency Fund:

The Student Activity Fund is used to account for resources used to support each school's student activities. The District holds all resources in a purely custodial capacity.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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 year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current year.

Property taxes, specific ownership taxes, grants and interest associated with the current year are considered to be susceptible to accrual. Therefore, they have been recognized as revenues of the current year in the government-wide presentation. All other revenues are considered to be measurable and available only when cash is received by the District.

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.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Assets, Liabilities And Net Position/Fund Balance

Cash And Cash Equivalents - Cash on hand, demand deposits and highly liquid investments with maturities of three months or less from date of purchase are considered to be cash equivalents.

Investments - Investments are measured at net asset value, which approximates fair value, or at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

Receivables - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied but not received at year end are recorded as property taxes receivable. Any taxes not collected within 60 days after year end are recorded as unavailable revenue in the fund financial statements.

Inventories - Food Nutrition Fund inventories consist of purchased and donated commodities. Purchased inventories are stated at average cost. Donated inventories, received at no cost under a program supported by the federal government, are valued based upon the cost furnished by the federal government, which approximates fair value. Inventory is recorded as an asset when individual items are purchased and as an expenditure when consumed.

Capital Assets - Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Site improvements	20 to 25 years
Buildings and improvements	15 to 50 years
Equipment	5 to 20 years

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Accrued Salaries And Benefits - Salaries and benefits of certain contractually employed personnel are paid over a 12-month period from September to August, but are earned during a school year of approximately 9 to 10 months. The accrued salaries and benefits earned but unpaid are reported as a liability of the General, Grants and Food Nutrition Funds.

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 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 within SCHDTF are reported at fair value.

Unearned Revenues - Unearned revenues include grant funds that have been collected but corresponding expenditures have not been incurred.

Compensated Absences - The District's policy allows certain classes of employees to accumulate sick and vacation leave. Classified employees may accumulate up to 150 sick days. A classified employee who has completed at least 7 years of service in the District shall be compensated for all unused sick leave at 60% of the employee's daily rate to a maximum of 90 days upon separation by voluntary resignation, retirement or disability. The District shall not pay for unused vacation time except upon termination of employment. An employee who resigns or whose employment is terminated shall receive full compensation for earned unused vacation time for which he/she is entitled at the time of severance to the nearest ½ day.

Certified employees may accrue a maximum of 150 sick days. Employees who retire from the District under favorable conditions (i.e., under conditions other than discharge or constructive discharge), after 20 years of experience within the District, will be compensated at the rate of 100% of the substitute teacher rate in effect on the employee's date of retirement for all unused cumulative leave.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Administrative employees may maintain a maximum of 50 days of cumulative leave or may request payment for any or all of their cumulative leave during the year. Any leave in excess of 50 days will result in a payment, annually in July, for administrators with 7 or more years of continuous, full-time employment as an administrator. Payment for unused days of cumulative leave will also occur when an administrator leaves District employment, if he/she has at least 7 years of service to the District as an administrator. All payments for cumulative leave days are subject to the following formula: 7 - 10 years, payment will be made at the rate of 50% of the administrator's latest regular daily salary for each unused day; 10 - 15 years, payment will be 65%; 15 - 20 years, payment will be 85%; and over 20 years, payment will be 100%.

These compensated absences are recognized as current salary costs when due in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences.

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

In the fund financial statements, governmental funds recognize debt premiums and discounts during the current year. The face amount of debt issued is reported as another financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

Net Position/Fund Balance - In the government-wide financial statements, net position is restricted when constraints placed on net position are externally imposed.

In the fund financial statements, fund balances of the governmental funds are classified as follows:

- Nonspendable fund balance - Cannot ever be spent, cannot currently be spent or legally required to be maintained intact.
- Restricted fund balance - Amounts subject to externally enforceable legal restrictions.
- Committed fund balance - Amounts whose use is constrained by limitations that the government imposes on itself. Decisions are made by the Board of Education.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

- Assigned fund balance - Intended use of resources established by the government itself.
- Unassigned fund balance - Excess of total fund balance over all other designations.

The District's fund balance policy requires Board of Education's, the highest level of decision-making authority for the District, approval via resolution to commit fund balance. Board resolution is also required to modify or rescind the commitment. The Board delegated the authority to authorize the assignment of fund balances to the Superintendent. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, if expenditures incurred for specific purposes exceed restricted, committed and assigned amounts for those purposes, a negative unassigned fund balance may be reported.

Property Taxes

Property taxes are levied on January 1, based on the assessed value of property as certified by the County Assessor. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the following day. The tax sale date is the first Thursday of November.

Property taxes are recorded initially at the budgeted collection rate as deferred revenue in the year levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected in the governmental funds and in the period in which the tax is levied in the government-wide financial statements. The District reports deferred inflows of resources in the governmental funds for property tax collection not yet available at year end.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

**Deferred Outflows Of Resources And Deferred Inflows Of Resources
(Related To Debt)**

In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. For refunding of debt resulting in defeasance, deferred outflow of resources is the difference where net carrying value of the old debt is less than the reacquisition price. A deferred inflow of resources is the difference where net carrying value of the old debt is more than the reacquisition price in a refunding of debt resulting in defeasance.

**Deferred Outflows Of Resources And Deferred Inflows Of Resources
(Related To Pensions)**

In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources related to pensions. These deferrals 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 share of the net pension liability and 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.

2. Cash And Investments

At June 30, 2016, the District had the following cash and investments:

Cash on hand	\$ 13,054
Deposits	13,059,196
Investments	<u>14,028,101</u>
Total	<u>\$ 27,100,351</u>

Cash and investments are reported in the financial statements as follows:

Cash and investments	\$ 21,506,917
Restricted cash and investments	5,316,543
Fiduciary fund cash and investments	<u>276,891</u>
Total	<u>\$ 27,100,351</u>

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements *(Continued)*

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. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by PDPA. PDPA allows the financial 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 market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2016, the District had bank deposits of \$14,312,972 collateralized with securities held by the financial institution's agent, but not in the District's name.

Investments

The District is required to comply with state statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following:

- Obligations of the United States and certain U.S. agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

At June 30, 2016, the District had the following fair value investments:

Investment	Valuation Inputs			Total
	Level 1	Level 2	Level 3	
COLOTRUST	\$ —	\$ 8,711,558	\$ —	\$ 8,711,558
Money market fund	4,299,232	—	—	4,299,232
FMNA	482,222	535,089	—	1,017,311
Total Investments At Fair Value	\$ 4,781,454	\$ 9,246,647	\$ —	\$ 14,028,101

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Interest Rate Risk - State statutes limit investments in U.S. agency securities to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - It is the District's policy to follow state statute. Colorado state statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of \$1 billion or the highest rating issued by a nationally recognized statistical rating organization.

Concentration Of Credit Risk - State statutes do not limit the amount the District may invest in one issuer.

Local Government Investment Pools - At June 30, 2016, the District had \$8,711,558 invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating COLOTRUST. COLOTRUST operates similarly to a money market fund with each share equal in value to \$1.00. Investments of COLOTRUST are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially, all securities owned 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 participating governments. To obtain more information, log on to COLOTRUST at www.colotrust.com.

COLOTRUST is routinely monitored by the Colorado Division of Securities with regard to its operations and investments, which are also subject to provisions of Colorado Revised Statutes (C.R.S.) Title 24, Article 75, Section 6. The fair value of the investments in COLOTRUST is the same as the value of the pool shares. None of these types of investments are categorized because they are not evidenced by securities that exist in physical or book entry form.

Restricted Cash And Investments

Cash and investments of \$5,316,543, comprised completely of General Obligation Bond reserves, are restricted for use in accordance with applicable debt covenants.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

3. Capital Assets

Activity for capital assets of the District is summarized below:

	Balance June 30, 2015	Additions	Deletions	Transfers	Balance June 30, 2016
Governmental Activities					
Capital assets, not being depreciated					
Construction in progress	\$ 198,900	\$ 342,282	\$ —	\$ (198,900)	\$ 342,282
Land	1,048,399	—	(183,575)	—	864,824
Total Capital Assets, Not Being Depreciated	1,247,299	342,282	(183,575)	(198,900)	1,207,106
Capital assets, being depreciated					
Site improvements	18,334,856	57,366	(400,848)	—	17,991,374
Buildings and improvements	99,875,515	—	(3,522,728)	—	96,352,787
Equipment	7,423,855	1,441,834	(425,007)	198,900	8,639,582
Total Assets Being Depreciated	125,634,226	1,499,200	(4,348,583)	198,900	122,983,743
Less: Accumulated depreciation					
Site improvements	(4,718,167)	(731,095)	308,305	—	(5,140,957)
Buildings and improvements	(31,811,358)	(2,104,246)	3,264,400	—	(30,651,204)
Equipment	(4,132,302)	(592,256)	369,192	—	(4,355,366)
Total Accumulated Depreciation	(40,661,827)	(3,427,597)	3,941,897	—	(40,147,527)
Total Capital Assets Being Depreciated, Net	84,972,399	(1,928,397)	(406,686)	198,900	82,836,216
Governmental Activities, Capital Assets, Net	\$ 86,219,698	\$ (1,586,115)	\$ (590,261)	\$ —	\$ 84,043,322

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

Governmental Activities	
Instruction	\$ 3,188,837
Supporting services	238,760
Total	\$ 3,427,597

4. Short-Term Debt

During the year ended June 30, 2016, the District approved a resolution allowing, but did not utilize, a loan from the state-sponsored interest-free loan program to provide cash flow throughout the fiscal year.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

5. Long-Term Debt

Following is a summary of long-term debt transactions of the District for the year ended June 30, 2016:

	Balance			Balance	Due Within
	June 30, 2015	Additions	Payments	June 30, 2016	One Year
Governmental Activities					
Matching Money Bonds 2010	\$ 21,108,114	\$ —	\$ 960,840	\$ 20,147,274	\$ 1,000,062
General Obligation Bonds 2011	9,670,000	—	9,670,000	—	—
General Obligation Refunding Bonds 2013	4,210,000	—	1,065,000	3,145,000	1,550,000
General Obligation Refunding Bonds 2016	—	11,275,000	—	11,275,000	305,000
Bond Premium 2011	602,157	—	602,157	—	—
Bond Premium 2013	196,240	—	60,382	135,858	—
Bond Premium 2016	—	826,232	10,871	815,361	—
Certificates of Participation 2005	3,595,000	—	3,595,000	—	—
Certificates of Participation Refunding 2015	—	3,265,000	325,000	2,940,000	260,000
COP Discount 2005	(15,546)	—	(15,546)	—	—
COP Refunding Premium 2015	—	98,010	9,801	88,209	—
Capital leases	1,153,214	48,633	648,049	553,798	233,373
Compensated absences	966,389	448,042	431,584	982,847	430,000
Net pension liability	113,417,755	13,895,972	—	127,313,727	—
Total	\$ 154,903,323	\$ 29,856,889	\$ 17,363,138	\$ 167,397,074	\$ 3,778,435

Compensated absences of the governmental activities are expected to be liquidated with revenues of the General and Food Nutrition Funds.

General Obligation Refunding Bonds 2016

In March 2016, the District issued \$11,275,000 of General Obligation Refunding Bonds, Series 2016, with interest rates ranging from 2.00% to 4.00%, for the purpose of advance refunding the General Obligation Bonds, Series 2011, with an interest rate of 6.25%. The proceeds of the 2016 General Obligation Refunding Bonds were deposited with the escrow bank and invested in government obligations maturing at such time and in such amounts as required to provide funds sufficient to pay the principal and interest on the refunded bonds as they become due. As a result, the 2011 General Obligation Refunding Bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's liabilities. The refunding resulted in a present value savings from cash flow of \$1,582,217 and an economic gain on the refunding of \$2,041,621.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

The proceeds from the refunding bonds were placed into an irrevocable trust to provide all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the District's financial statements. At June 30, 2016, the outstanding balance of the defeased bonds was \$11,837,235.

Principal payments are due annually starting December 1, 2017, with final payment due on December 1, 2035. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2017	\$ 305,000	\$ 506,092	\$ 811,092
2018	—	422,150	422,150
2019	—	422,150	422,150
2020	—	422,150	422,150
2021	90,000	421,250	511,250
2022 - 2026	475,000	2,078,400	2,553,400
2027 - 2031	535,000	2,015,175	2,550,175
2032 - 2036	9,870,000	1,018,200	10,888,200
Total	\$ 11,275,000	\$ 7,305,567	\$ 18,580,567

General Obligation Refunding Bonds 2013

In September 2013, the District issued its General Obligation Refunding Bonds, Series 2013, in the par amount of \$5,650,000, with an average interest rate of 3% for the purpose of advance refunding the General Obligation Refunding Bonds, Series 2003, with an interest rate of 5.0%. The proceeds of the 2013 General Obligation Refunding Bonds were deposited with the escrow bank and invested in government obligations maturing at such time and in such amounts as required to provide funds sufficient to pay the principal and interest on the refunded bonds as they become due. As a result, the 2003 General Obligation Refunding Bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's liabilities.

Principal payments are due annually on December 1, with final payment due on December 1, 2017. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2017	\$ 1,550,000	\$ 71,100	\$ 1,621,100
2018	1,595,000	23,925	1,618,925
Total	\$ 3,145,000	\$ 95,025	\$ 3,240,025

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Matching Money Bonds

In November 2010, the District authorized issuance of General Obligation Bond, Series 2010, to the State of Colorado in the aggregate principal amount of \$22,031,271 to meet the 41% required match for the Colorado Building Excellent Schools Today (BEST) grant. The BEST grant included two new buildings on the Skyview site to house Skyview Academy, Clayton Partnership School, Mapleton Expeditionary School of the Arts and Mapleton Early College. The grant also requested funds for an addition to the existing Skyview building to house a media center and the North Valley School for Young Adults. The grant paid for demolition of the classroom sections of the Skyview building, as well as a limited amount of renovation to the remaining structure. Interest payments are due semi-annually on June 1 and December 1, commencing on June 1, 2011 at a rate of 4.082%. Principal payments are due annually on December 1, commencing December 1, 2014, with final payment due on December 1, 2030. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2017	\$ 1,000,062	\$ 802,000	\$ 1,802,062
2018	1,040,884	760,345	1,801,229
2019	1,083,373	716,989	1,800,362
2020	1,127,596	671,863	1,799,459
2021	1,173,625	624,895	1,798,520
2022 - 2026	6,627,062	2,350,045	8,977,107
2027 - 2031	8,094,672	852,483	8,947,155
Total	\$ 20,147,274	\$ 6,778,620	\$ 26,925,894

Refunding Certificates of Participation 2015

In July 2015, the District issued \$3,265,000 of Refunding Certificates of Participation, Series 2015, with interest rates ranging from 2.00% to 3.00%, as a current refunding of the Certificates of Participation, Series 2005, with interest rates ranging between 3.00% and 5.00%. As a result, the 2005 Certificates of Participation are considered to be defeased, and the related liability for the bonds has been removed from the District's liabilities. The refunding resulted in a present value savings from cash flow of \$201,136 and an economic gain on the refunding of \$713,247.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Principal payments are due annually on December 1, with final payment due on December 1, 2025. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2017	\$ 260,000	\$ 83,000	\$ 343,000
2018	265,000	76,425	341,425
2019	275,000	72,450	347,450
2020	275,000	64,200	339,200
2021	290,000	55,950	345,950
2022 - 2026	1,575,000	144,750	1,719,750
Total	\$ 2,940,000	\$ 496,775	\$ 3,436,775

Capital Leases

During the year ended June 30, 2003, the District entered into a lease agreement in the amount of \$4,181,537 for energy-efficient equipment. The lease carries an interest rate of 4.9%. Lease payments of \$35,828 are due monthly. Capital assets of \$4,167,486 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$2,500,491 at June 30, 2016. The final lease payment was made in fiscal 2016.

The District entered into a lease agreement on July 1, 2013 in the amount of \$339,607 for technology equipment. The lease carries an interest rate of 4.368%. Lease payments of \$71,561 are due annually on July 1 through 2017. Capital assets of \$339,607 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$145,546 at June 30, 2016.

The District entered into a lease agreement on July 10, 2013 in the amount of \$140,500 for technology equipment. The lease carries an interest rate of 2.87%. Lease payments of \$36,629 are due annually on July 10 through 2016. Capital assets of \$140,500 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$84,300 at June 30, 2016.

The District entered into a lease agreement on September 19, 2013 in the amount of \$103,280 for busses. The lease carries an interest rate of 2.95%. Lease payments of \$36,058 are due annually in April through 2016. Capital assets of \$103,280 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$43,033 at June 30, 2016.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

The District entered into a lease agreement on November 1, 2013 in the amount of \$398,093 for laptops and computer equipment. The lease carries an interest rate of 1.905%. Lease payments of \$82,238 are due annually on November 1, 2013, and each subsequent July 1 through 2017. Capital assets of \$397,893 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$212,210 at June 30, 2016.

The District entered into a lease agreement on March 3, 2014 in the amount of \$201,645 for a lighting system. The lease carries an interest rate of 4.95%. Lease payments of \$26,195 are due annually on March 3 through 2024. Capital assets of \$201,545 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$21,834 at June 30, 2016.

The District entered into a lease agreement on May 30, 2014 in the amount of \$66,868 for copiers. Lease payments of \$1,857 are due monthly on the 30th of each month through June 2017. Capital assets of \$54,583 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$20,294 at June 30, 2016.

The District entered into a lease agreement on July 8, 2015 in the amount of \$48,633 for copiers. Lease payments of \$1,351 are due monthly on the 30th of each month through June 2017. Capital assets of \$54,756 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$8,917 at June 30, 2016.

Minimum lease payments, to maturity, are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2017	\$ 255,125
2018	196,205
2019	27,546
2020	26,195
2021	26,195
<u>2022 - 2024</u>	<u>78,480</u>
Minimum lease payments	609,746
Less: Interest portion	55,948
<u>Total</u>	<u>\$ 553,798</u>

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

6. Interfund Transactions

Interfund balances, all of which are with major funds, for the year ended June 30, 2016, were comprised of the following:

Funds	Due From Other Funds	Due To Other Funds
General Fund	\$ 852,730	\$ —
Grants Fund	—	713,306
Food Nutrition Fund	—	139,424
Total	\$ 852,730	\$ 852,730

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Interfund transfers, all of which are among major funds, for the year ended June 30, 2016, were comprised of the following:

Transfers In	Transfers Out	Amount
Capital Reserve	General Fund	\$ 1,390,000
Food Nutrition Fund	General Fund	21,140
Total		\$ 1,411,140

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

7. Forward Delivery Agreement

In June 2001, the District entered into a forward delivery agreement with U.S. Bank in exchange for a payment of \$400,000. The District agreed to deposit Bond Redemption Fund revenues into a trust account to be used by U.S. Bank for purchases of investment securities from a third party. The securities will mature at future dates to meet the District's debt service obligations over a 16-year period, ending in June 2017. If the District terminates the agreement, it would be obligated to repay a portion of the \$400,000 to compensate U.S. Bank for the loss of economic benefits based on market conditions at the time the agreement is terminated. The amount received is being amortized over the term of the agreement and is reported in the financial statements as unearned revenue. During the year ended June 30, 2016, revenue of \$25,951 was recognized in the Capital Reserve Capital Projects Fund, leaving an unearned revenue balance of \$12,903 at June 30, 2016.

8. Risk Management

Adams County BOCES Self-Insurance Pool

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; injuries to employees and natural disasters. The District plans to provide for or restore the economic damages of those losses through risk transfer. The District participates in the Adams County Board of Cooperative Educational Services (BOCES) Self-Insurance Pool (the Pool) for property, liability and workers' compensation insurance coverage.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

The BOCES consists of five school districts in Adams County including Adams 1 - Mapleton, Adams 12 - Northglenn-Thornton, Adams 14 - Commerce City, Adams 50 - Westminster and School District 27J. The Pool provides property and liability, workers' compensation, boiler and machinery, errors and omissions and school board legal liability insurances for its member districts. Annually, each district provides funding for the Pool based on a pre-established amount that covers the cost of insurance, claims and operation of the Pool. Also, each district receives annual financial information on the equity interest and gains or losses. For the year ended June 30, 2016, the District recorded an investment of \$175,634 and a loss of \$129,673. Pool members and percentage shares are as follows:

<u>Adams County School Districts</u>	<u>% Shares In Pool</u>
No. 1	9.39
No. 12	51.08
No. 14	0.00
No. 27J	19.43
No. 50	20.10
	<u>100.00</u>

Following is an unaudited summary of financial information for the Pool as of and for the year ended June 30, 2016:

	<u>District's Share</u>	<u>Total</u>
Assets	\$ 686,268	\$ 7,435,742
Liabilities	510,634	5,775,686
Equity	\$ 175,634	\$ 1,660,056
Revenues	\$ 440,582	\$ 4,690,324
Expenditures	568,445	6,051,519
Net income (loss)	(127,863)	(1,361,195)
Surplus, Beginning	303,497	2,933,231
Surplus, Ending	\$ 175,634	\$ 1,572,036

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Percentage shares are as of June 30, 2016. Percentages will vary slightly from year to year, depending upon premium allocation factors. The Pool's Board of Directors consists of one member appointed by the Board of Education of each participating school district. All members of the Pool's Board of Directors have an equal vote in the administration of the Pool's activities, are responsible for selection of management and have complete responsibility for all fiscal matters in the operation of the Pool. Separate financial statements for the Pool are available from the Adams County BOCES, 1400 W. 122nd Avenue, Suite 110, Westminster, Colorado 80234.

The District pays annual premiums for property, liability and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from Pool members. Any excess funds that the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula. The Pool, which is subjected to actuarial review and annual audit, has various levels of self-insured retentions and purchases excess insurance for amounts above the retentions for liability, property and workers' compensation coverage.

The District continues to carry commercial insurance coverage for errors and omissions, risks of loss and employee health. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Dental Self-Insurance Plan

The District maintains a dental self-insurance plan (the Plan) for employees who elect to participate in the Plan. The District pays monthly premiums on behalf of the employees of \$24 per month. Dependent coverage is also available. The Plan limits participant claims to \$1,000 per year and a lifetime \$1,000 per person orthodontic claim. The District consults with Segal Company to annually evaluate the plan. Liabilities and related claims expense as reported were estimated based on analysis of the dental providers claims data as of June 30, 2016. Claims due and payable at year-end are reported in the General Fund and statement of net position under current liabilities.

Balance	Claims	Claims	Balance
June 30, 2015	Incurred	Paid	June 30, 2016
\$ 11,553	\$ 243,989	\$ (248,397)	\$ 7,145

9. Defined Benefit Pension Plan

Plan Description

Eligible employees of the District are provided with pensions through SCHDTF. Plan benefits are specified in Title 24, Article 51 of C.R.S., administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

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

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

- 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.

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

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit
- An amount of \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

In all cases, the service retirement benefit is limited to 100% of the 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 five years of service credit has been obtained and the benefit structure under which contributions were made.

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

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

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Contributions

Eligible employees and the District are required to contribute to SCHDTF at a rate set by Colorado statute. The contribution requirements are established and may be amended under C.R.S. § 24-51-401, et seq. Eligible employees are required to contribute 8% of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	2015	2016
Employer Contribution Rate ¹	10.15%	10.15%
Amount of employer contribution apportioned to the Health Care Trust Fund (HCTF) as specified in C.R.S. § 24-51-208(1)(f) ¹	1.02%	1.02%
Amount apportioned to SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	4.20%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	4.00%	4.50%
Total Employer Contribution Rate To SCHDTF¹	17.33%	18.13%

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

Employer contributions are recognized by SCHDTF in the period in which the compensation becomes payable to the member, and the District is statutorily committed to pay the contributions to SCHDTF. Employer contributions recognized by SCHDTF from the District were \$6,569,899 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions

At June 30, 2016, the District reported a liability of \$127,313,727 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. Standard update procedures were used to roll forward the total pension liability to December 31, 2015. The District proportion of the net pension liability was based on District contributions to SCHDTF for the calendar year 2015 relative to the total contributions of participating employers to SCHDTF.

At December 31, 2015, the District's portion was 0.8324%, which was a decrease of 0.0044% from its portion measured as of December 31, 2014.

ADAMS COUNTY SCHOOL DISTRICT NO. 1**Notes To Financial Statements (Continued)**

For the year ended June 30, 2016, the District recognized pension expense of \$6,106,354. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 1,681,193	\$ 5,332
Net difference between projected and actual earnings on pension plan investments	10,835,516	—
Changes of assumptions or other inputs	—	1,799,169
Changes in portion and differences between District contributions and proportionate share of contributions	—	463,094
District's contributions subsequent to the measurement date	3,427,170	—
Total	\$ 15,943,879	\$ 2,267,595

The amount of \$3,427,170 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For The Year Ended June 30,	Amounts Reported As Collective Deferred Outflows And Collective Deferred Inflows Of Resources Recognized In Collective Pension Expense
2017	\$ 2,642,202
2018	2,648,582
2019	2,738,498
2020	2,219,832
2021	—
Thereafter	—
Total	\$ 10,249,114

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Actuarial Assumptions

The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.80%
Real wage growth	1.10%
Wage inflation	3.90%
Salary increases, including wage inflation	3.90% - 10.10%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.50%
Future post-retirement benefit increases:	
PERA benefit structure hired prior to January 1, 2007, and DPS benefit structure (automatic)	2.00%
PERA benefit structure hired after December 31, 2006 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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

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

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

The following programming changes were made:

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

The following methodology changes were made:

- Recognition of merit salary increases in the first projection year
- Elimination of the assumption that 35% of future disabled members elect to receive a refund

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

- Removal of the negative value adjustment for liabilities associated with refunds of future terminating members
- Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year

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

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

Asset Class	Target Allocation	Geometric Real Rate Of Return
U.S. equity - large cap	26.76%	5.00%
U.S. equity - small cap	4.40%	5.19%
Non-U.S. equity - developed	22.06%	5.29%
Non-U.S. equity - emerging	6.24%	6.76%
Core fixed income	24.05%	0.98%
High yield	1.53%	2.64%
Long duration government/credit	0.53%	1.57%
Emerging market bonds	0.43%	3.04%
Real estate	7.00%	5.09%
Private equity	7.00%	7.15%
Total	100.00%	

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

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, AED and SAED will each drop 0.50% every year until they are zero. Based on those assumptions, SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity Of The District's Proportionate Share Of The Net Pension Liability To Changes In The Discount Rate.

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.50%) or one-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$ 165,035,800	\$ 127,313,727	\$ 95,936,000

Pension Plan Fiduciary Net Position

Detailed information about 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.

10. Post-Employment Health Care Benefits

Plan Description

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

Funding Policy

The District is required to contribute at a rate of 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4, of C.R.S., as amended. The apportionment of the contributions to HCTF is established under Title 24, Article 51, Section 208, of C.R.S., as amended. The District's contributions to HCTF for the years ended June 30, 2016, 2015 and 2014 were \$377,785, \$363,254 and \$351,727, respectively, equal to the required contributions for each year.

11. Defined Contribution Pension Plan

Plan Description

Employees of the District who are also members of 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 up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of C.R.S., as amended. There is no employer match. For the year ended June 30, 2016, program members contributed \$267,325 to the Voluntary Investment Program.

12. 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 entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2016, significant amounts of grant expenditures have not been audited, 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.

TABOR Amendment

In November 1992, Colorado voters passed Article X, Section 20 (the 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.

In November 2002, voters within the District authorized the District to collect, retain and expend all excess revenues and other funds received from every source, without limitation, effective July 1, 2001, and each fiscal year thereafter without future voter approval, notwithstanding the limitations of the TABOR Amendment. The TABOR Amendment is subject to many interpretations, but the District believes it is substantially in compliance with the Amendment.

The TABOR Amendment requires the District to restrict an amount for emergencies. At June 30, 2016, the District reported a restricted fund balance of \$2,212,782 in the General Fund.

Litigation

The District is involved in various lawsuits. In the opinion of management, any liability from claims or proceedings in excess of the amount covered by insurance will not have a material adverse effect on the District's net position, changes in net position or cash flows.

Environmental Remediation Loss Contingency

The District has several schools buildings that contain asbestos and is a potentially responsible party regarding environmental impacts. Although a loss is probable at some point in the future, due to the uncertainty surrounding the timing and method of settlement, it is not possible to reasonably estimate the amount of any obligation for remediation that may be incurred at a future date.

Commitments

During 2016, the District made an escrow payment of \$100,000 for purchase of land for a future building site. The District also has open commitments for technology upgrades and an HVAC system of \$298,125, of which \$242,282 was incurred as of June 30, 2016.

13. Subsequent Events

In the November 2016 election, the voters in the District passed Ballot Issue 3A. The passed mill levy will increase the District's revenues by a budgeted \$3,000,000 annually. These funds will be used for, but not limited to, enhancing classroom material and equipment, creating technology programs, maintaining schools and attracting and retaining highly qualified staff.

In the November 2016 election, the voters in the District passed Ballot Issue 3B. The passed bond will increase the District's debt by \$150,000,000. These funds will be used for, but not limited to, building new schools and enlarging, improving and repairing existing schools.

On August 2, 2016, the District entered into an agreement to purchase 7350 Broadway, a building to be used for administration offices and additional school space. The expected cost of the building is \$2,000,000.



REQUIRED SUPPLEMENTARY INFORMATION

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

Page 1 Of 3
For The Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Property taxes	\$ 17,445,426	\$ 18,055,173	\$ 18,432,058	\$ 376,885
Specific ownership taxes	1,600,000	1,800,000	1,908,133	108,133
Delinquent taxes, penalties and interest	115,000	90,000	82,257	(7,743)
Other tuition	222,100	223,100	274,117	51,017
Other	1,604,825	1,713,555	1,760,986	47,431
Total Local Sources	20,987,351	21,881,828	22,457,551	575,723
State sources				
State equalization	47,721,622	46,382,416	46,363,130	(19,286)
Equalization adjustment	—	(198,049)	(147,797)	50,252
Special education	1,478,271	1,524,864	1,579,631	54,767
English language learner	749,847	1,112,645	1,039,922	(72,723)
Transportation	485,000	491,813	483,394	(8,419)
Full-day kindergarten	83,423	92,015	92,015	—
At Risk	—	—	71,906	71,906
Read Act	424,502	347,856	347,856	—
Total State Sources	50,942,665	49,753,560	49,830,057	76,497
Federal sources				
Title I	1,133,550	1,233,447	1,092,788	(140,659)
Total Revenues	73,063,566	72,868,835	73,380,396	511,561
Expenditures				
Instruction				
Salaries	23,374,503	22,747,734	22,481,649	266,085
Employee benefits	6,635,380	7,332,419	6,625,689	706,730
Purchased services	5,374,739	4,899,692	4,802,298	97,394
Supplies and materials	10,284,246	9,475,911	9,233,195	242,716
Property	27,000	133,265	133,399	(134)
Other	23,154	22,754	15,910	6,844
Total Instruction	45,719,022	44,611,775	43,292,140	1,319,635
Supporting services				
Students				
Salaries	2,009,683	1,489,602	1,530,265	(40,663)
Employee benefits	598,950	450,088	434,500	15,588
Purchased services	704,048	700,008	703,458	(3,450)
Supplies and materials	22,800	26,813	25,642	1,171
Property	3,500	4,310	4,099	211
Total Students	3,338,981	2,670,821	2,697,964	(27,143)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

Page 2 Of 3

For The Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued)				
Supporting services (Continued)				
Instructional staff				
Salaries	\$ 1,953,696	\$ 1,672,707	\$ 1,708,127	\$ (35,420)
Employee benefits	492,216	425,778	438,495	(12,717)
Purchased services	660,439	543,465	435,668	107,797
Supplies and materials	65,731	71,868	52,190	19,678
Property	16,199	14,135	14,135	—
Other	50	50	45	5
Total Instructional Staff	3,188,331	2,728,003	2,648,660	79,343
General administration				
Salaries	341,374	452,674	466,353	(13,679)
Employee benefits	84,359	91,124	91,900	(776)
Purchased services	2,258,442	2,071,122	2,061,417	9,705
Supplies and materials	65,701	70,581	64,574	6,007
Property	—	—	54,756	(54,756)
Other	32,094	35,610	35,563	47
Total General Administration	2,781,970	2,721,111	2,774,563	(53,452)
School administration				
Salaries	3,568,711	3,542,049	3,591,754	(49,705)
Employee benefits	914,089	1,024,954	1,018,333	6,621
Purchased services	17,200	16,208	15,688	520
Supplies and materials	301,587	278,634	254,005	24,629
Other	62,400	56,790	54,905	1,885
Total School Administration	4,863,987	4,918,635	4,934,685	(16,050)
Business services				
Salaries	559,489	580,399	580,200	199
Employee benefits	128,270	141,216	142,847	(1,631)
Purchased services	1,862,887	1,699,645	1,575,816	123,829
Supplies and materials	14,350	14,350	8,968	5,382
Property	3,000	3,000	2,023	977
Other	5,450	5,543	5,093	450
Total Business Services	2,573,446	2,444,153	2,314,947	129,206
Operations and maintenance				
Salaries	2,318,095	2,458,847	2,421,241	37,606
Employee benefits	683,966	785,605	771,513	14,092
Purchased services	933,920	964,748	919,008	45,740
Supplies and materials	898,827	1,151,108	1,147,334	3,774
Property	2,300	7,300	12,913	(5,613)
Other	1,150	2,150	2,139	11
Total Operations And Maintenance	4,838,258	5,369,758	5,274,148	95,610

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

Page 3 Of 3

For The Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued)				
Supporting services (Continued)				
Student transportation				
Salaries	\$ 1,149,318	\$ 1,181,239	\$ 1,285,048	\$ (103,809)
Employee benefits	388,932	422,752	419,956	2,796
Purchased services	89,284	93,412	111,527	(18,115)
Supplies and materials	326,475	302,475	234,709	67,766
Property	4,986	—	3,074	(3,074)
Other	1,400	1,400	558	842
Total Student Transportation	1,960,395	2,001,278	2,054,872	(53,594)
Central support				
Salaries	1,290,508	1,479,191	1,407,644	71,547
Employee benefits	336,957	424,478	392,859	31,619
Purchased services	729,532	754,746	742,650	12,096
Supplies and materials	34,200	49,682	45,175	4,507
Property	106,700	129,218	129,564	(346)
Other	(26,660)	(22,276)	8,818	(31,094)
Total Central Support	2,471,237	2,815,039	2,726,710	88,329
Other support				
Salaries	381,512	505,085	540,354	(35,269)
Benefits	29,290	71,606	51,412	20,194
Purchased services	38,500	3,500	2,238	1,262
Supplies and materials	7,818	31,497	22,060	9,437
Other	2,000	20,000	18,773	1,227
Total Other Support	459,120	631,688	634,837	(3,149)
Community services				
Salaries	140,410	273,426	292,134	(18,708)
Benefits	37,707	81,793	77,299	4,494
Purchased services	320,351	303,200	464,007	(160,807)
Supplies and materials	21,644	20,413	7,419	12,994
Other	1,006	75	74	1
Total Community Services	521,118	678,907	840,933	(162,026)
Total Supporting Services	26,996,843	26,979,393	26,902,319	77,074
Debt service				
Principal	—	—	33,061	(33,061)
Interest and fiscal charges	—	—	4,089	(4,089)
Capital outlay	—	180,816	177,556	3,260
Contingency reserve	—	313,392	—	313,392
Total Expenditures	72,715,865	72,085,376	70,409,165	1,676,211
Excess Of Revenues Over (Under)				
Expenditures	347,701	783,459	2,971,231	2,187,772
Other Financing Sources (Uses)				
Issuance of capital lease	—	—	48,633	(48,633)
Transfers out	(1,430,000)	(1,430,000)	(1,411,140)	18,860
Total Other Financing Uses	(1,430,000)	(1,430,000)	(1,362,507)	67,493
Net Change In Fund Balance	\$ (1,082,299)	\$ (646,541)	\$ 1,608,724	\$ 2,255,265

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GRANTS FUND For The Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Grants	\$ —	\$ 813,963	\$ 789,112	\$ (24,851)
State sources				
Grants	—	2,909,451	1,539,966	(1,369,485)
Federal sources				
Grants	1,730,812	2,621,095	2,375,479	(245,616)
Total Revenues	1,730,812	6,344,509	4,704,557	(1,639,952)
Expenditures				
Current				
Local grants	—	2,224,118	1,131,159	1,092,959
State grants	—	998,208	719,194	279,014
Federal entitlement grants	1,730,812	2,622,291	2,375,687	246,604
Capital outlay	—	499,892	478,517	21,375
Total Expenditures	1,730,812	6,344,509	4,704,557	1,639,952
Net Change In Fund Balance	\$ —	\$ —	\$ —	\$ —

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET TO ACTUAL - FOOD NUTRITION FUND
For The Year Ended June 30, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Student and adult meals	\$ 257,170	\$ 263,185	\$ 322,186	\$ 59,001
Investment earnings	2,000	2,000	2,057	57
Other	35,041	39,385	22,807	(16,578)
State sources				
State match	51,607	52,557	55,551	2,994
Federal sources				
School lunch and breakfast program	1,793,326	1,840,892	1,963,111	122,219
Donated commodities	176,648	176,648	187,444	10,796
Total Revenues	2,315,792	2,374,667	2,553,156	178,489
Expenditures				
Supporting services				
Salaries	1,038,916	1,054,472	1,016,305	38,167
Benefits	291,395	282,189	300,443	(18,254)
Purchased services	60,750	74,250	45,125	29,125
Supplies and materials	1,195,948	1,331,248	1,119,918	211,330
Repair and maintenance	61,000	209,000	194,774	14,226
Contingency reserve	100,000	500,000	—	500,000
Total Expenditures	2,748,009	3,451,159	2,676,565	774,594
Deficiency Of Revenues Under Expenditures	(432,217)	(1,076,492)	(123,409)	953,083
Other Financing Sources				
Transfers in	40,000	40,000	21,140	(18,860)
Net Change In Fund Balance	\$ (392,217)	\$ (1,036,492)	\$ (102,269)	\$ 934,223

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

For The Year Ended December 31, 2015 (Measurement Date)

Employee Pension Plan

Year Two⁽¹⁾

	2015	2014
District's portion of the net pension liability (asset)	0.83242631120%	0.8368239563%
District's proportionate share of the net pension liability (asset)	\$ 127,313,727	\$ 113,417,755
District's covered-employee payroll	\$ 36,276,775	\$ 35,056,996
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	351%	324%
Plan fiduciary net position as a percentage of the total pension liability	59.20%	62.84%

⁽¹⁾ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS TO THE PENSION PLAN

For The Fiscal Year Ended June 30, 2016

Employee Pension Plan

Year Two⁽¹⁾

	2016	2015
Contractually required contribution	\$ 6,569,899	\$ 6,014,516
Contributions in relation to the contractually required contribution	6,569,899	6,014,516
Contribution deficiency (excess)	\$ —	\$ —
District's covered-employee payroll	\$ 37,037,755	\$ 35,613,107
Contributions as a percentage of covered-employee payroll	17.74%	16.89%

⁽¹⁾ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2016

1. Stewardship, Compliance And Accountability

Budgets And Budgetary Accounting

Budgets are required by state statutes for all of the District's funds. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles. Capital outlay and debt principal payments are budgeted as expenditures.

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. The Colorado Department of Education also requires a Budget Summary report to be filed with the adopted budget beginning July 1, 2012.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education. All annual appropriations lapse at fiscal year end.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.



SUPPLEMENTARY INFORMATION

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - CAPITAL RESERVE FUND For The Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Investment earnings	\$ 300	\$ 1,200	\$ 39,062	\$ 37,862
Other	41,000	53,000	34,650	(18,350)
Total Local Sources	41,300	54,200	73,712	19,512
State source	164,850	164,850	164,257	(593)
Total Revenues	206,150	219,050	237,969	18,919
Expenditures				
Support services				
Operations and maintenance	—	323,552	282,696	40,856
Capital outlay				
Land and site improvements	1,289,709	1,134,175	1,110,717	23,458
Equipment	—	96,824	96,824	—
Other	—	121,742	123,738	(1,996)
Debt service				
Principal	841,988	939,988	939,988	—
Interest and fiscal charges	188,703	112,974	112,974	—
Debt issuance costs	—	—	110,670	(110,670)
Contingency reserve	250,000	6,789,216	—	6,789,216
Total Expenditures	2,570,400	9,518,471	2,777,607	6,740,864
Deficiency Of Revenues Over Expenditures	(2,364,250)	(9,299,421)	(2,539,638)	6,759,783
Other Financing Sources				
Proceeds from COP refunding	—	3,265,000	3,265,000	—
Issuance of premium from COP refunding	—	98,010	98,010	—
Payment to refunded bond escrow	—	(3,672,878)	(3,672,878)	—
Transfers in	1,390,000	1,390,000	1,390,000	—
Proceeds from sale of assets	—	7,084,164	7,089,974	5,810
Total Other Financing Sources	1,390,000	8,164,296	8,170,106	5,810
Net Change In Fund Balance	\$ (974,250)	\$ (1,135,125)	\$ 5,630,468	\$ 6,765,593

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET TO ACTUAL - BOND REDEMPTION FUND
For The Year Ended June 30, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Property taxes	\$ 4,042,769	\$ 4,515,241	\$ 4,623,439	\$ 108,198
Investment earnings	300	1,000	(980)	(1,980)
Total Revenues	4,043,069	4,516,241	4,622,459	106,218
Expenditures				
Debt service				
Principal	2,025,840	2,025,840	2,025,840	—
Interest and fiscal charges	1,562,222	1,340,952	1,336,802	4,150
Debt issuance cost	—	138,078	138,078	—
Contingency reserve	500,000	500,000	—	500,000
Total Expenditures	4,088,062	4,004,870	3,500,720	504,150
Excess (Deficiency) Of Revenues Over Expenditures	(44,993)	511,371	1,121,739	610,368
Other Financing Sources (Uses)				
Proceeds of refunding bonds	—	11,275,000	11,275,000	—
Refunding bond issuance premium	—	826,232	826,232	—
Payment to refunded bond escrow	—	(11,963,154)	(11,963,154)	—
Total Other Financing Sources	—	138,078	138,078	—
Net Change In Fund Balance	\$ (44,993)	\$ 649,449	\$ 1,259,817	\$ 610,368

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUND
For The Year Ended June 30, 2016**

	Balance				Balance
	June 30, 2015	Additions	Deletions		June 30, 2016
Assets					
Cash and investments	\$ 264,169	\$ 482,235	\$ (469,513)	\$	276,891
Accounts receivable	—	50	—		50
Total Assets	\$ 264,169	\$ 482,285	\$ (469,513)	\$	276,941
Liabilities					
Accounts payable	\$ 7,963	\$ 307,100	\$ (313,746)	\$	1,317
Due to others	256,206	275,623	(256,205)		275,624
Total Liabilities	\$ 264,169	\$ 582,723	\$ (569,951)	\$	276,941



STATISTICAL SECTION

STATISTICAL SECTION (Unaudited)

Financial Trends Information

These tables contain trend information to help the reader understand how the District's financial condition has changed over time.

Revenue Capacity Information

These tables contain information to help the reader assess the District's largest revenue sources, state equalization and property taxes.

Debt Capacity Information

These tables 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.

Demographic And Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These tables contain service data to help the reader understand how the information in the financial report relates to the services the District provides and the activities it performs.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 1
FINANCIAL TRENDS INFORMATION
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental activities										
Invested in capital assets, net of related debt	\$ 46,648,465	\$ 45,604,092	\$ 44,415,402	\$ 45,701,054	\$ 27,954,269	\$ 5,555,270	\$ 11,850,684	\$ 11,094,653	\$ 10,126,511	\$ 9,813,909
Restricted	16,835,304	10,473,375	7,454,509	5,199,727	27,808,529	14,268,895	4,424,339	2,665,931	3,856,473	3,548,042
Unrestricted	(108,500,310)	(104,441,607)	2,973,457	5,109,023	2,504,531	5,268,470	5,071,781	3,552,095	2,334,921	2,981,195
Total governmental activities net position	<u>(45,016,541)</u>	<u>(48,364,140)</u>	<u>54,843,368</u>	<u>56,009,804</u>	<u>58,267,329</u>	<u>25,092,635</u>	<u>21,346,804</u>	<u>17,312,679</u>	<u>16,317,905</u>	<u>16,343,146</u>
Business-type activities *										
Invested in capital assets, net of related debt	\$ -	\$ -	\$ 449,806	\$ 459,841	\$ 219,536	\$ 225,654	\$ 198,384	\$ 122,479	\$ 95,872	\$ 95,028
Unrestricted	-	-	1,703,289	1,838,679	1,909,596	1,666,621	1,469,462	1,139,166	761,700	652,775
Total business-type activities net position	<u>-</u>	<u>-</u>	<u>2,153,095</u>	<u>2,298,520</u>	<u>2,129,132</u>	<u>1,892,275</u>	<u>1,667,846</u>	<u>1,261,645</u>	<u>857,572</u>	<u>747,803</u>
Primary government										
Invested in capital assets, net of related debt	\$ 46,648,465	\$ 45,604,092	\$ 44,865,208	\$ 46,160,895	\$ 28,173,805	\$ 5,780,924	\$ 12,049,068	\$ 11,217,132	\$ 10,222,383	\$ 9,908,937
Restricted	16,835,304	10,473,375	7,454,509	5,199,727	27,808,529	14,268,895	4,424,339	2,665,931	3,856,473	3,548,042
Unrestricted	(108,500,310)	(104,441,607)	4,676,746	6,947,702	4,414,127	6,935,091	6,541,243	4,691,261	3,096,621	3,633,970
Total primary government net position	<u>\$ (45,016,541)</u>	<u>\$ (48,364,140)</u>	<u>\$ 56,996,463</u>	<u>\$ 58,308,324</u>	<u>\$ 60,396,461</u>	<u>\$ 26,984,910</u>	<u>\$ 23,014,650</u>	<u>\$ 18,574,324</u>	<u>\$ 17,175,477</u>	<u>\$ 17,090,949</u>

* In FY2015 Food Services was reclassified as a Special Revenue Fund and those activities are included in the Governmental Activities section.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 2 FINANCIAL TRENDS INFORMATION CHANGE IN NET POSITION Last Ten Fiscal Years (Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
EXPENSES										
Governmental activities										
Instruction	\$ 50,474,098	\$ 48,951,658	\$ 44,896,378	\$ 38,754,152	\$ 40,274,131	\$ 39,930,886	\$ 29,594,379	\$ 27,123,016	\$ 25,581,215	\$ 25,243,487
Support Services	36,601,941	31,508,828	24,692,561	25,080,848	22,051,318	21,968,000	19,427,967	19,982,005	19,081,344	17,816,933
Interest and finance charges	1,582,847	1,725,634	2,078,174	2,121,114	2,281,419	1,545,860	987,181	947,677	1,032,912	1,156,493
Total governmental activities expenses	<u>88,658,886</u>	<u>82,186,120</u>	<u>71,667,113</u>	<u>65,956,114</u>	<u>64,606,868</u>	<u>63,444,746</u>	<u>50,009,527</u>	<u>48,052,698</u>	<u>45,695,471</u>	<u>44,216,913</u>
Business-type activities*										
Food Services	-	-	2,578,674	2,555,978	2,103,366	2,162,960	1,791,626	1,733,535	1,735,717	1,692,163
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>2,578,674</u>	<u>2,555,978</u>	<u>2,103,366</u>	<u>2,162,960</u>	<u>1,791,626</u>	<u>1,733,535</u>	<u>1,735,717</u>	<u>1,692,163</u>
Total primary government expenses	<u>88,658,886</u>	<u>82,186,120</u>	<u>74,245,787</u>	<u>68,512,092</u>	<u>66,710,234</u>	<u>65,607,706</u>	<u>51,801,153</u>	<u>49,786,233</u>	<u>47,431,188</u>	<u>45,909,076</u>
PROGRAM REVENUES										
Governmental activities										
Charges for services - tuition and other fees	666,057	555,344	212,317	155,048	156,030	143,608	32,241	70,923	101,667	93,006
Operating and capital grants and contributions	11,733,980	10,061,871	6,200,651	6,326,820	40,278,006	10,262,482	6,964,660	5,196,366	4,822,546	5,008,129
Total governmental activities revenues	<u>12,400,037</u>	<u>10,617,215</u>	<u>6,412,968</u>	<u>6,481,868</u>	<u>40,434,036</u>	<u>10,406,090</u>	<u>6,996,901</u>	<u>5,267,289</u>	<u>4,924,213</u>	<u>5,101,135</u>
Business-type activities										
Charges for services	-	-	311,958	310,532	425,303	422,788	325,573	428,929	371,127	470,481
Operating grants, Capital grants and contributions - food services	-	-	2,108,975	2,401,582	1,902,055	1,953,851	1,861,512	1,697,929	1,463,609	1,227,367
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>2,420,933</u>	<u>2,712,114</u>	<u>2,327,358</u>	<u>2,376,639</u>	<u>2,187,085</u>	<u>2,126,858</u>	<u>1,834,736</u>	<u>1,697,848</u>
Net (expense) / revenue										
Governmental Activities	(76,258,849)	(71,568,905)	(65,254,145)	(59,474,246)	(24,172,832)	(53,038,656)	(43,012,624)	(42,785,409)	(40,771,258)	(39,115,778)
Business-type Activities	-	-	(157,741)	156,136	223,992	213,679	395,459	393,323	99,019	5,685
Total primary government net (expense) / revenue	<u>(76,258,849)</u>	<u>(71,568,905)</u>	<u>(65,411,886)</u>	<u>(59,318,110)</u>	<u>(23,948,840)</u>	<u>(52,824,977)</u>	<u>(42,617,165)</u>	<u>(42,392,086)</u>	<u>(40,672,239)</u>	<u>(39,110,093)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Local Property Taxes	23,145,989	21,870,499	21,160,470	19,572,699	19,392,086	19,444,193	18,956,654	16,904,387	16,238,559	16,239,470
Specific Ownership Taxes	1,908,133	1,502,015	1,626,191	1,433,644	1,435,894	1,339,392	1,263,777	1,380,960	1,431,022	1,648,398
State Equalization	46,215,333	44,457,398	40,196,378	34,502,795	34,939,835	34,404,313	25,485,071	24,330,678	22,611,911	21,005,012
Other Revenues	1,921,651	1,780,795	1,627,746	1,700,328	2,251,776	1,584,880	(1,167)	1,152,363	314,492	328,444
Investment Earnings	(84,371)	(96,229)	28,092	18,005	10,604	22,456	1,353,165	22,545	160,782	284,373
Transfers in (out)/Loss on Asset	6,499,713	-	(10,750)	(10,750)	(682,669)	(10,750)	(10,750)	(10,750)	(10,750)	(10,750)
Total governmental activities	<u>79,606,448</u>	<u>69,514,478</u>	<u>64,628,127</u>	<u>57,216,721</u>	<u>57,347,526</u>	<u>56,784,484</u>	<u>47,046,750</u>	<u>43,780,183</u>	<u>40,746,016</u>	<u>39,494,947</u>
Business-type activities										
Investment earnings	-	-	1,566	2,502	2,115	-	-	-	-	18,938
Transfers in (out)	-	-	10,750	10,750	10,750	10,750	10,750	10,750	10,750	10,750
Total business-type activities	<u>-</u>	<u>-</u>	<u>12,316</u>	<u>13,252</u>	<u>12,865</u>	<u>10,750</u>	<u>10,750</u>	<u>10,750</u>	<u>10,750</u>	<u>29,688</u>
Total primary government general revenues	<u>79,606,448</u>	<u>69,514,478</u>	<u>64,640,443</u>	<u>57,229,973</u>	<u>57,360,391</u>	<u>56,795,234</u>	<u>47,057,500</u>	<u>43,790,933</u>	<u>40,756,766</u>	<u>39,524,635</u>
CHANGE IN NET POSITION										
Governmental activities	3,347,599	(2,054,427)	(626,018)	(2,257,525)	33,174,694	3,745,828	4,034,125	994,774	(25,241)	379,169
Business-type activities	-	-	(145,425)	169,388	236,857	224,429	406,209	404,073	109,769	35,373
Total primary government	<u>\$ 3,347,599</u>	<u>\$ (2,054,427)</u>	<u>\$ (771,443)</u>	<u>\$ (2,088,137)</u>	<u>\$ 33,411,551</u>	<u>\$ 3,970,257</u>	<u>\$ 4,440,334</u>	<u>\$ 1,398,847</u>	<u>\$ 84,528</u>	<u>\$ 414,542</u>

* In FY2015 Food Services was reclassified as a Special Revenue Fund and those activities are included in the Governmental Activities section.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 3
FINANCIAL TRENDS INFORMATION
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Unaudited)

	2016*	2015*	2014*	2013*	2012*	2011*	2010	2009	2008	2007
General Fund										
Reserved	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 2,473,229	\$ 1,515,463	\$ 2,095,923	\$ 1,522,764
Nonspendable	175,634	305,467	2,858	-	-	-	-	-	-	-
Restricted for Debt Service	-	420,538	420,538	-	-	-	-	-	-	-
Restricted for Multi-Year Contracts	993,550	993,550	1,093,550	1,093,550	1,193,550	800,000	-	-	-	-
Restricted for Pre-School	46,910	46,563	91,690	54,798	53,449	15,078	-	-	-	-
Restricted for Insurance	51,676	110,595	59,816	163,077	60,614	53,775	-	-	-	-
Restricted for TABOR	2,212,782	2,091,129	1,895,195	1,699,040	1,599,619	1,564,487	-	-	-	-
Committed for Board Reserve	2,199,420	1,371,100	1,314,173	1,149,640	1,120,970	1,508,277	-	-	-	-
Assigned for Property Tax	-	-	-	307,200	307,200	307,200	-	-	-	-
Unreserved/Unassigned	3,266,600	1,998,906	2,165,245	2,751,660	2,118,730	2,875,841	4,359,615	2,785,765	2,337,904	3,292,286
Total general fund	<u>8,946,572</u>	<u>7,337,848</u>	<u>7,043,065</u>	<u>7,218,965</u>	<u>6,454,132</u>	<u>7,124,658</u>	<u>6,832,844</u>	<u>4,301,228</u>	<u>4,433,827</u>	<u>4,815,050</u>
All Other Governmental Funds										
Reserved	-	-	-	-	-	-	2,258,309	1,822,045	1,760,550	1,982,784
Nonspendable	256,658	188,028	-	-	-	-	-	-	-	-
Restricted for Debt Service	5,422,769	4,162,952	3,653,732	2,190,260	2,130,495	2,175,563	-	-	-	-
Restricted for Capital Purposes	6,765,592	1,135,124	239,988	2,215,629	21,342,632	31,691,263	-	-	-	-
Restricted for Food Nutrition Program	1,342,025	1,512,924	-	-	-	-	-	-	-	-
Unreserved/Unassigned, reported in:										
Special Revenue Funds	-	-	-	-	-	310,286	329,677	294,257	282,445	277,888
Total all other governmental funds	<u>13,787,044</u>	<u>6,999,028</u>	<u>3,893,720</u>	<u>4,405,889</u>	<u>23,473,127</u>	<u>34,177,112</u>	<u>2,587,986</u>	<u>2,116,302</u>	<u>2,042,995</u>	<u>2,260,672</u>
Governmental funds										
Reserved	-	-	-	-	-	-	4,731,538	3,337,508	3,856,473	3,505,548
Nonspendable Prepaid Items	432,292	493,495	2,858	-	-	-	-	-	-	-
Restricted for Multi-Year Contracts	993,550	993,550	1,093,550	1,093,550	1,193,550	800,000	-	-	-	-
Restricted for Pre-School	46,910	46,563	91,690	54,798	53,449	15,078	-	-	-	-
Restricted for Insurance	51,676	110,595	59,816	163,077	60,614	53,775	-	-	-	-
Restricted for TABOR	2,212,782	2,091,129	1,895,195	1,699,040	1,599,619	1,564,487	-	-	-	-
Restricted for Debt Service	5,422,769	4,583,490	4,074,270	2,190,260	2,130,495	2,175,563	-	-	-	-
Restricted for Capital Purposes	6,765,592	1,135,124	239,988	2,215,629	21,342,632	31,691,263	-	-	-	-
Restricted for Food Nutrition Program	1,342,025	1,512,924	-	-	-	-	-	-	-	-
Committed for Board Reserve	2,199,420	1,371,100	1,314,173	1,149,640	1,120,970	1,508,277	-	-	-	-
Assigned for Property Tax	-	-	-	307,200	307,200	307,200	-	-	-	-
Unreserved/Unassigned	3,266,600	1,998,906	2,165,245	2,751,660	2,118,730	3,186,127	4,689,292	3,080,022	2,620,349	3,570,174
Total governmental funds	<u>\$ 22,733,616</u>	<u>\$ 14,336,876</u>	<u>\$ 10,936,785</u>	<u>\$ 11,624,854</u>	<u>\$ 29,927,259</u>	<u>\$ 41,301,770</u>	<u>\$ 9,420,830</u>	<u>\$ 6,417,530</u>	<u>\$ 6,476,822</u>	<u>\$ 7,075,722</u>

* Fund balance classification changed in reporting periods after June 15, 2011 due to implementation of GASB statement No. 54

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 4
FINANCIAL TRENDS INFORMATION
CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
REVENUES										
Local sources	\$ 28,289,884	\$ 26,775,575	\$ 25,039,511	\$ 23,936,037	\$ 24,216,975	\$ 22,539,851	\$ 21,502,857	\$ 19,920,552	\$ 19,202,402	\$ 19,900,137
State sources	51,589,831	48,428,042	42,778,251	36,649,663	70,399,554	37,839,279	27,504,514	26,201,243	24,293,252	22,494,452
Federal sources	5,618,822	5,099,399	3,203,409	3,524,317	3,900,334	6,510,633	4,932,847	2,813,665	2,212,517	2,085,592
Total Revenues	85,498,537	80,303,016	71,021,171	64,110,017	98,516,863	66,889,763	53,940,218	48,935,460	45,708,171	44,480,181
EXPENDITURES										
Current										
Instruction	45,313,279	43,561,154	41,197,719	36,026,121	35,713,291	36,741,052	28,230,060	26,477,947	24,859,903	23,340,357
Supporting services	32,066,481	29,556,747	24,349,415	21,473,386	21,884,859	19,993,502	18,909,013	18,951,701	17,760,315	17,436,366
Capital Outlay	1,987,352	897,077	3,012,656	20,795,774	45,035,525	3,127,535	1,407,218	501,714	650,269	1,570,297
Debt Service										
Principal retirement	2,998,889	3,263,398	2,268,458	1,975,392	2,224,942	2,193,631	2,108,301	2,093,542	1,987,598	1,744,230
Interest and fiscal charges	1,453,865	1,857,558	2,055,014	2,154,150	2,260,672	1,581,489	940,824	959,100	1,038,236	1,095,604
Bond issuance costs	248,748	-	131,908	-	-	-	-	-	-	-
Other	-	-	-	-	-	301,854	-	-	-	-
Total Expenditures	84,068,614	79,135,934	73,015,170	82,424,823	107,119,289	63,939,063	51,595,416	48,984,004	46,296,321	45,186,854
OTHER FINANCING SOURCES (USES)										
Proceeds from refunding bonds	14,540,000	-	5,650,000	-	-	-	-	-	-	-
Capital lease issued	48,633	54,583	1,183,024	-	-	-	668,950	-	-	-
Certificates of Participation issued	-	-	-	-	-	-	-	-	-	-
Bonds Issued	-	-	-	-	-	31,701,271	-	-	-	-
Debt discount/Premium	924,242	-	301,908	-	-	318,166	-	-	-	-
Payment to refunded bond escrow	(15,636,032)	-	(5,820,000)	-	-	-	-	-	-	-
Proceeds from asset sale	7,089,974	197	1,748	23,151	-	-	-	-	-	-
Transfers in	1,411,140	2,420,600	1,030,062	2,019,720	2,465,628	2,090,590	2,169,175	1,350,000	1,732,350	2,222,550
Transfers out	(1,411,140)	(2,420,600)	(1,040,812)	(2,030,470)	(5,237,713)	(5,179,788)	(2,179,925)	(1,360,750)	(1,743,100)	(2,233,300)
Total other financing sources (uses)	6,966,817	54,780	1,305,930	12,401	(2,772,085)	28,930,239	658,200	(10,750)	(10,750)	(10,750)
NET CHANGE IN FUND BALANCES	8,396,740	1,221,862	(688,069)	(18,302,405)	(11,374,511)	31,880,939	3,003,002	(59,294)	(598,900)	(717,423)
Debt service as a percentage of non-capital expenditures	5.73%	6.55%	6.36%	6.70%	7.23%	6.21%	6.08%	6.30%	6.63%	6.51%

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 5.1
FINANCIAL TRENDS INFORMATION
SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES - GENERAL FUND
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instruction	\$ 43,292,140	\$ 41,724,157	\$ 39,105,415	\$ 33,769,562	\$ 33,141,979	\$ 33,109,351	\$ 25,661,866	\$ 24,254,757	\$ 22,704,809	\$ 21,138,316
Support Services										
Pupil Services	2,697,964	2,601,223	2,588,597	2,588,597	2,077,621	2,009,832	2,071,907	1,831,137	2,186,707	1,737,749
Instructional Staff	2,648,660	2,545,275	2,374,854	2,374,854	2,283,781	2,236,278	1,883,042	2,175,735	2,188,079	2,085,651
General Administration	2,774,563	2,783,640	1,410,476	1,410,476	1,295,903	1,686,965	766,222	768,268	1,076,229	811,908
School Administration	4,934,685	4,808,046	4,662,244	4,662,244	4,208,783	4,005,553	3,676,383	3,708,436	3,660,321	3,219,145
Business Services	2,314,947	2,271,839	2,222,060	2,222,060	1,669,734	1,629,692	650,891	597,027	638,707	535,874
Operations & Maintenance	5,274,148	5,039,088	5,235,307	5,235,307	4,378,389	4,806,062	4,674,396	4,465,927	4,465,532	4,588,444
Student Transportation	2,054,872	1,948,911	1,884,824	1,884,824	1,680,480	1,917,628	1,950,188	1,855,186	1,654,066	1,601,388
Central Support	2,726,710	2,397,138	2,129,422	2,129,422	2,214,104	1,271,109	2,044,915	1,618,323	1,473,095	1,530,418
Other Support	634,837	566,113	436,421	436,421	457,481	23,997	752,008	394,960	348,739	372,413
Community Services	840,933	431,014	338,860	338,860	292,297	1,133,121	237,705	142,468	74,765	103,541
Other Uses	214,706	47,982	73,697	73,697	38,510	41,330	30,000	32,500	-	-
Total Support Services	\$ 27,117,025	\$ 25,440,269	\$ 23,356,762	\$ 23,356,762	\$ 20,597,083	\$ 20,761,567	\$ 18,737,657	\$ 17,589,967	\$ 17,766,240	\$ 16,586,531
Facilities Acquisition						-	-	-	-	-
Other Financing Uses	(1,362,507)	(2,366,017)	(1,040,812)	(1,970,422)	(1,858,302)	(5,179,788)	(2,179,925)	(1,360,750)	(1,743,100)	(2,233,300)
Total Expenditures and Other Financing Uses	\$ 69,046,658	\$ 64,798,409	\$ 61,421,365	\$ 55,155,902	\$ 51,880,760	\$ 48,691,130	\$ 42,219,598	\$ 40,483,974	\$ 38,727,949	\$ 35,491,547

Source: School District Financial Records/Financial Audits

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 5.2
FINANCIAL TRENDS INFORMATION
SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES PER PUPIL - GENERAL FUND
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instruction	\$ 5,266	\$ 5,112	\$ 4,952	\$ 4,472	\$ 4,554	\$ 4,631	\$ 4,813	\$ 4,545	\$ 4,449	\$ 4,067
Support Services										
Pupil Services	328	319	328	343	286	281	389	343	429	334
Instructional Staff	322	312	301	314	314	313	353	408	429	401
General Administration	337	341	179	187	178	236	144	144	211	156
School Administration	600	589	590	617	578	560	689	695	717	619
Business Services	282	278	281	294	229	228	122	112	125	103
Operations & Maintenance	642	617	663	693	602	672	877	837	875	883
Student Transportation	250	239	239	250	231	268	366	348	324	308
Central Support	332	294	270	282	304	178	384	303	289	294
Other Support	77	69	55	58	63	3	141	74	68	72
Community Services	102	53	43	45	40	158	45	27	15	20
Other Uses	26	6	9	10	5	6	6	6	-	-
Total Support Services	\$ 3,298	\$ 3,117	\$ 2,958	\$ 3,093	\$ 2,830	\$ 2,904	\$ 3,514	\$ 3,296	\$ 3,482	\$ 3,191
Facilities Acquisition	-	-	-	-	-	-	-	-	-	-
Other Financing Uses	(166)	(290)	(132)	(261)	(255)	(724)	(409)	(255)	(342)	(430)
Total Expenditures and Other Financing Uses	\$ 8,398	\$ 7,940	\$ 7,778	\$ 7,304	\$ 7,129	\$ 6,810	\$ 7,918	\$ 7,586	\$ 7,589	\$ 6,829
Funded Pupil Count	8,221.5	8,161.5	7,897.0	7,551.5	7,277.0	7,149.5	5,332.0	5,336.5	5,103.0	5,197.5

Source: School District Financial Records/Financial Audits

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.1
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS
Last Ten Fiscal Years
(Unaudited)

	Asset Sufficiency Ratio	Debt Burden Ratio	Operating Reserve Ratio	Operating Margin Ratio	Deficit Fund Balance Ratio	Fund Balance Ratio
2016	2.5414	1.5782	0.1246	0.0213	0.0000	0.1798
2015	2.3842	1.3572	0.1055	-0.0020	0.0000	-0.0186
2014	2.5047	1.4009	0.1109	-0.0028	0.0000	-0.0244
2013	2.3691	1.3745	0.1282	0.0134	0.0000	0.1185
2012	2.0929	1.2211	0.1197	-0.0116	0.0000	-0.0941
2011	2.2439	1.9333	0.1374	0.0051	0.0000	0.0427
2010	2.2823	1.6245	0.1504	0.0528	0.0000	0.5885
2009	1.9073	1.1905	0.0991	-0.0031	0.0000	-0.0299
2008	2.0675	1.1415	0.1081	-0.0094	0.0000	-0.0792
2007	2.0800	1.4154	0.1224	-0.0086	0.0000	-0.0650

The Fiscal Health Program was developed by the Office of the State Auditor to help identify negative financial trends in local governments. The program is ratio-based and the financial data is derived from the audited financial report. The ratios are based on governmental funds balance sheet information, revenues, expenditures, fund balance information, and debt information. The ratios are calculated and analyzed for trends over three-year periods. Defined benchmarks are used to determine the threshold for negative indicators in these trends.

The following 6 pages present details and explanations for each ratio.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.2
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS - ASSET SUFFICIENCY RATIO (ASR)
Last Ten Fiscal Years
(Unaudited)

2016	$\frac{15,221,419}{5,989,451} = 2.5414$
2015	$\frac{13,118,988}{5,502,574} = 2.3842$
2014	$\frac{12,403,963}{4,952,293} = 2.5047$
2013	$\frac{12,491,571}{5,272,606} = 2.3691$
2012	$\frac{12,359,721}{5,905,589} = 2.0929$
2011	$\frac{12,852,415}{5,727,757} = 2.2439$
2010	$\frac{12,161,245}{5,328,400} = 2.2823$
2009	$\frac{9,841,274}{5,159,899} = 1.9073$
2008	$\frac{8,587,197}{4,153,370} = 2.0675$
2007	$\frac{9,270,977}{4,457,169} = 2.0800$

Formula:
$$\frac{\text{General Fund Total Assets}}{\text{General Fund Total Liabilities}}$$

Description: Indicates the coverage of general fund assets to general fund liabilities

Benchmark: An ASR of 1 would indicate that total assets equals total liabilities

Negative Indicators: ASR < 1 (liabilities exceed assets)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.3
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS - DEBT BURDEN RATIO (DBR)
Last Ten Fiscal Years
(Unaudited)

2016	$\frac{13,168,612}{8,344,302} = 1.5782$
2015	$\frac{6,913,573}{5,094,060} = 1.3572$
2014	$\frac{7,016,181}{5,008,404} = 1.4009$
2013	$\frac{5,640,084}{4,103,235} = 1.3745$
2012	$\frac{5,477,339}{4,485,614} = 1.2211$
2011	$\frac{5,879,380}{3,041,064} = 1.9333$
2010	$\frac{4,860,106}{2,991,716} = 1.6245$
2009	$\frac{3,615,849}{3,037,342} = 1.1905$
2008	$\frac{3,453,871}{3,025,834} = 1.1415$
2007	$\frac{4,019,554}{2,839,834} = 1.4154$

Formula:
$$\frac{\text{Revenue of Funds Paying Debt Service}}{\text{Total Governmental Debt Service Payments}}$$

Description: Indicates the coverage of revenue of fund(s) paying debt service to the annual principal and interest payments, including leases.

Benchmark: A DBR of 1 would indicate that debt service equals the annual revenue of the fund supporting the debt.

Negative Indicators: DBR < 1 (debt service exceeds revenue)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.4
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS - OPERATING RESERVE RATIO (ORR)
Last Ten Fiscal Year
(Unaudited)

2016	$\frac{8,946,572}{71,820,305} =$	0.1246
2015	$\frac{7,337,848}{69,530,443} =$	0.1055
2014	$\frac{7,043,065}{63,502,989} =$	0.1109
2013	$\frac{7,218,965}{56,307,067} =$	0.1282
2012	$\frac{6,454,132}{53,903,546} =$	0.1197
2011	$\frac{7,124,658}{51,847,008} =$	0.1374
2010	$\frac{6,832,845}{45,431,760} =$	0.1504
2009	$\frac{4,301,228}{43,381,747} =$	0.0991
2008	$\frac{4,433,827}{41,034,439} =$	0.1081
2007	$\frac{4,813,808}{39,336,415} =$	0.1224

Formula:
$$\frac{\text{General Fund Fund Balance}}{\text{Total General Fund Expenditures +/- Transfers}}$$

Description: Indicates the amount the general fund ending balance will cover the current year general fund expenditures, including transfers

Benchmark: An ORR of 0.0192 (1/52, or one week) equates to one week of reserves for current expenditures and transfers.

Negative Indicators: ORR < .0192

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.5
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS - OPERATING MARGIN RATIO (OMR)
Last Ten Fiscal Years
(Unaudited)

2016	$\frac{1,560,091}{73,380,396} = 0.0213$
2015	$\frac{(136,296)}{69,394,147} = -0.0020$
2014	$\frac{(175,900)}{63,327,089} = -0.0028$
2013	$\frac{764,833}{57,101,900} = 0.0134$
2012	$\frac{(670,526)}{57,852,657} = -0.0116$
2011	$\frac{291,813}{57,318,609} = 0.0051$
2010	$\frac{2,531,318}{47,963,078} = 0.0528$
2009	$\frac{(132,599)}{43,249,148} = -0.0031$
2008	$\frac{(381,223)}{40,653,217} = -0.0094$
2007	$\frac{(334,615)}{39,001,800} = -0.0086$

Formula:
$$\frac{\text{General Fund Total Revenues} - (\text{General Fund Total Expenditures} +/- \text{Transfers})}{\text{General Fund Total Revenues}}$$

Description: Indicates for every dollar produced in total general fund gross revenue the amount that results in net income.

Benchmark: An OMR of 0.01 would indicate that \$.01 would result in net income for every \$1 produced in gross revenue.

Negative Indicators: OMR < 0.0

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.6
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS -
DEFICIT FUND BALANCE RATIO (DFBR)
Last Ten Fiscal Years
(Unaudited)

2016	<u>None</u>	=
2015	<u>None</u>	=
2014	<u>None</u>	=
2013	<u>None</u>	=
2012	<u>None</u>	=
2011	<u>None</u>	=
2010	<u>None</u>	=
2009	<u>None</u>	=
2008	<u>None</u>	=
2007	<u>None</u>	=

Formula:
$$\frac{-(\text{Total Deficit Fund Balances} - \text{Positive General Fund Balance})}{\text{Total Revenue in Deficit Fund Balances}}$$

Description: Indicates how many months or partial months of revenue in the next year are required to cover the deficit fund balance (in excess of the deficit covered by the existing general fund balance).

Benchmark: A DFBR of .25 (1/4) would equate to three months of revenue in the subsequent year to cover the deficit fund balance(s).

Negative Indicators: Deficit fund balances.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.7
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS -
CHANGE IN FUND BALANCE RATIO (CFBR)
Last Ten Fiscal Years
(Unaudited)

2016	$\frac{1,608,724}{8,946,572}$	0.1798
2015	$\frac{(136,296)}{7,337,848}$	-0.0186
2014	$\frac{(175,900)}{7,218,965}$	-0.0244
2013	$\frac{764,833}{6,454,132}$	0.1185
2012	$\frac{(670,526)}{7,124,658}$	-0.0941
2011	$\frac{291,813}{6,832,845} =$	0.0427
2010	$\frac{2,531,316}{4,301,526} =$	0.5885
2009	$\frac{(132,599)}{4,433,827} =$	-0.0299
2008	$\frac{(381,223)}{4,815,050} =$	-0.0792
2007	$\frac{(334,615)}{5,148,423} =$	-0.0650

Formula:
$$\frac{\text{Current Year Change in General Fund Balance}}{\text{Prior Year General Fund Balance}}$$

Description: Indicates the change in the general fund balance from one year to the next in relationship to the prior year fund balance.

Benchmark: A CFBR of 0 would indicate that the fund balance had not changed from the prior year

Negative Indicators: CFBR < 0 (this would be a negative fund)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 7
REVENUE CAPACITY INFORMATION
SUMMARY OF REVENUES BY SOURCE AND OTHER FINANCING SOURCES - GENERAL FUND
Page 1 Of 2
Last Ten Fiscal Years
(Unaudited)

	2016		2015		2014		2013		2012	
Revenue from Local Sources										
Property Taxes	\$ 18,432,058	25.1%	\$ 17,481,575	25.2%	\$ 16,341,404	25.8%	\$ 16,534,619	29.0%	\$ 16,225,756	28.0%
Specific Ownership Taxes	1,908,133	2.6%	1,502,015	2.2%	1,626,191	2.6%	1,433,644	2.5%	1,435,894	2.5%
Delinquent Taxes, Penalties and Interest	82,257	0.1%	50,545	0.1%	289,290	0.5%	258,395	0.5%	142,297	0.2%
Full Day Kindergarten	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Other Tuition	274,117	0.4%	275,885	0.4%	248,197	0.4%	192,113	0.3%	188,600	0.3%
All Other Local Revenue	1,760,986	2.4%	1,511,757	2.2%	1,317,713	2.1%	1,240,215	2.2%	1,989,277	3.4%
Total Local Sources	22,457,551	30.6%	20,821,777	30.0%	19,822,795	31.3%	19,658,986	34.4%	19,981,824	34.5%
State Sources										
State Equalization	46,215,333	63.0%	44,457,398	64.1%	40,196,378	63.5%	34,502,795	60.4%	34,939,835	60.4%
Vocational Education	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Exceptional Children's Education Act	1,579,631	2.2%	1,702,202	2.5%	1,320,598	2.1%	1,051,773	1.8%	1,022,114	1.8%
English Language Proficiency Act	1,039,922	1.4%	248,207	0.4%	210,092	0.3%	204,016	0.4%	253,978	0.4%
Transportation	483,394	0.7%	473,508	0.7%	489,452	0.8%	492,995	0.9%	477,399	0.8%
All Other State Revenue	511,777	0.7%	509,351	0.7%	262,321	0.4%	100,035	0.2%	98,684	0.2%
Total State Sources	49,830,057	67.9%	47,390,666	68.3%	42,478,841	67.1%	36,351,614	63.7%	36,792,010	63.6%
Federal Sources	1,092,788	1.5%	1,181,704	1.7%	1,025,453	1.6%	1,091,300	1.9%	1,078,823	1.9%
Total Revenue	\$ 73,380,396	100.0%	\$ 69,394,147	100.0%	\$ 63,327,089	100.0%	\$ 57,101,900	100.0%	\$ 57,852,657	100.0%

Table 7 Continued

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 7
REVENUE CAPACITY INFORMATION
SUMMARY OF REVENUES BY SOURCE AND OTHER FINANCING SOURCES - GENERAL FUND
Page 2 Of 2
Last Ten Fiscal Years
(Unaudited)

	2011		2010		2009		2008		2007						
Revenue from Local Sources															
Property Taxes	\$	16,083,474	28.1%	\$	17,088,027	35.7%	\$	15,071,739	34.8%	\$	14,625,382	25.6%	\$	14,265,447	36.6%
Specific Ownership Taxes		1,339,393	2.3%		1,263,777	2.6%		1,380,960	3.2%		1,431,022	2.5%		1,648,398	4.2%
Delinquent Taxes, Penalties and Interest		108,629	0.2%		56,000	0.1%		8,425	0.0%		18,171	0.0%		191,649	0.5%
Full Day Kindergarten		-	0.0%		-	0.0%		62,929	0.1%		87,904	0.2%		62,233	0.2%
Other Tuition		143,608	0.3%		32,241	0.1%		7,994	0.0%		13,763	0.0%		30,773	0.1%
All Other Local Revenue		1,309,216	2.3%		941,725	2.0%		610,520	1.4%		375,945	0.7%		471,529	1.2%
Total Local Sources		18,984,320	33.1%		19,381,769	40.4%		17,142,567	39.6%		16,552,187	29.0%		16,670,029	42.8%
State Sources															
State Equalization		34,738,946	60.6%		25,485,071	53.2%		24,330,678	56.3%		22,611,911	55.7%		21,005,012	53.8%
Vocational Education		-	0.0%		-	0.0%		2,153	0.0%		0	0.0%		107,459	0.3%
Exceptional Children's Education Act		1,019,710	1.8%		972,924	2.0%		1,216,585	2.8%		951,421	1.7%		781,425	2.0%
English Language Proficiency Act		220,128	0.4%		230,745	0.5%		181,421	0.4%		170,550	0.3%		126,860	0.3%
Transportation		408,483	0.7%		402,715	0.8%		375,744	0.9%		367,141	0.6%		317,083	0.8%
All Other State Revenue		(231,781)	-0.4%		93,385	0.2%		-	0.0%		7	0.0%		7	0.0%
Total State Sources		36,155,486	63.1%		27,184,840	56.7%		26,106,581	60.4%		24,101,030	42.2%		22,337,846	57.2%
Federal Sources															
		2,178,803	3.8%		1,396,469	2.9%		-	0.0%		-	0.0%		-	0.0%
Total Revenue	\$	57,318,609	100.0%	\$	47,963,079	100.0%	\$	43,249,148	100.0%	\$	40,653,217	71.2%	\$	39,007,875	100.0%

Source: School District Financial Records/Financial Audits

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 8
REVENUE CAPACITY INFORMATION
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Collection Year	Assessed Valuation (1)	Tax Rate per 1,000 of Valuation	Estimated Actual Value (2)	Ratio of Total Assessed to Total Estimated Actual Value (2)
2015	2016	\$ 501,791,060	45.629	\$3,008,240,798	16.68%
2014	2015	461,017,130	47.787	2,597,937,191	17.75%
2013	2014	458,786,800	46.794	2,554,675,286	17.96%
2012	2013	452,371,640	43.906	2,572,602,240	17.58%
2011	2012	453,631,720	43.740	2,558,091,852	17.73%
2010	2011	454,043,440	43.605	2,586,117,461	17.56%
2009	2010	475,774,830	40.118	2,661,838,608	17.87%
2008	2009	477,132,910	35.852	2,844,401,158	16.77%
2007	2008	447,036,230	36.454	2,739,616,336	16.32%
2006	2007	431,971,220	37.107	2,713,389,992	15.92%

Notes:

- (1) Source: Adams County Assessor's Office
 (2) The assessment ratios for all taxable property in the State of Colorado are as follows:

Adams County Property Assessment Ratios

Collection Year	Residential	Commercial
2016	7.96%	29.00%
2015	7.96%	29.00%
2014	7.96%	29.00%
2013	7.96%	29.00%
2012	7.96%	29.00%
2011	7.96%	29.00%
2010	7.96%	29.00%
2009	7.96%	29.00%
2008	7.96%	29.00%
2007	7.96%	29.00%

The difference between estimated actual value and current market value of taxable property in the District is unknown.

- (3) The Estimated Actual Value is as calculated by Adams County Assessor's Office.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 9
REVENUE CAPACITY INFORMATION
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER \$1,000 OF ASSESSED VALUATION
Last Ten Calendar Years
(Unaudited)

Government Entity	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Mapleton Public Schools										
General Fund	36.518	37.880	36.798	36.946	36.861	36.915	36.508	32.214	32.816	33.323
Debt Service Fund	9.111	9.907	9.996	6.960	6.879	6.690	3.610	3.638	3.638	3.784
Total	45.629	47.787	46.794	43.906	43.740	43.605	40.118	35.852	36.454	37.107
Adams County	26.817	27.042	26.815	26.903	26.806	26.883	26.824	26.809	26.899	26.974
City of Thornton	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210
Crestview Water and Sanitation District	4.428	4.789	4.590	4.416	4.057	3.754	3.664	3.343	3.165	3.010
Crestview Sewer	0.477	0.497	0.478	0.464	0.960	0.899	0.857	0.813	0.770	0.681
Hyland Hills Recreation District	5.372	5.565	5.515	5.587	5.588	5.557	5.617	5.541	5.571	5.597
North Lincoln Water & Sanitation District	4.315	4.421	5.645	5.645	5.645	5.645	5.645	5.645	5.645	5.645
North Metro Fire Rescue	14.713	14.903	11.246	11.375	11.176	11.225	11.307	11.268	11.301	11.179
North Metro Pension	0.000	0.000	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Adams County Fire Protection District	16.892	17.276	17.274	17.344	17.318	17.403	13.335	13.451	13.562	13.595
North Washington Water & Sanitation District	0.924	0.924	0.933	0.943	0.943	0.949	0.949	1.095	1.174	1.188
Rangeview Library FKA Adams Library	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.504	3.659
Southwest Adams Fire District #2	16.892	18.800	17.800	17.800	18.800	18.800	18.800	13.190	13.190	13.190
Southwest Adams Fire Bond	0.000	1.000	1.000	1.000	1.000	1.000	1.000	1.780	0.890	0.000
Urban Drainage and Flood Control	0.553	0.632	0.608	0.599	0.566	0.523	0.508	0.528	0.507	0.542
Urban Drainage, South Platte	0.058	0.068	0.064	0.058	0.057	0.053	0.061	0.063	0.061	0.066

Notes:

- (1) Source: Adams County Assessor's Office and Adams County CAFR.
- (2) Totals are not shown since individual properties are not subject to all levies.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 10
REVENUE CAPACITY INFORMATION
PRINCIPAL TAXPAYERS (BASED ON PROPERTY VALUATIONS)
Current Collection Year And Nine Years Ago
(Unaudited)

Taxpayer	CY 2016				CY 2007			
	Assessed Valuation (1)	Rank	% of Total Valuation	Estimated Actual Value	Assessed Valuation (1)	Rank	% of Total Valuation	Estimated Actual Value
Xcel Energy Co (Public Service CO)	68,796,650	1	13.71%	237,229,817	62,193,200	1	14.40%	214,459,320
Denver Post, LLC (Denver Newspaper Agency)	7,777,920	2	1.55%	26,820,412	9,398,210	2	2.18%	32,407,630
GC Merchandise Mart	6,423,230	3	1.28%	22,149,095	5,486,290	3	1.27%	18,918,240
Indigo Creek Holdings LLC	3,774,950	4	0.75%	47,424,000	2,505,330	8	0.58%	31,474,000
5990 Washington Street LLC	3,540,350	5	0.71%	12,208,077				
Owens Corning Roofing and Asphalt LLC	3,326,150	6	0.66%	11,469,531				
North Washington Properties	3,178,830	7	0.63%	10,961,476	3,147,950	5	0.73%	10,855,010
Franklin Industrial Group LTD	2,921,320	8	0.58%	10,073,526				
Furniture Row Colo LLC	2,686,560	9	0.54%	9,263,992				
SRE Colorado LLC	2,550,880	10	0.51%	8,796,119				
7350 Broadway Associates LP					3,190,000	4	0.74%	11,000,000
WPC Corporate I LLC					2,736,640	6	0.63%	9,436,690
Clear Creek Business Center LLC					2,734,230	7	0.63%	9,428,370
Total	104,976,839		20.92%	396,396,045	91,391,850		21.16%	337,979,260

Source: Adams County Assessor's Office

Note: (1) Based on January 1, 2015 assessment for taxes due in 2016

(2) Total District assessed value = 501,791,060

Source: Adams County Assessor's Office

Note: (1) Based on January 1, 2006 assessment for taxes due in 2007

(2) Total District assessed value = 431,971,220

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 11
REVENUE CAPACITY INFORMATION
PROPERTY TAX LEVIES AND COLLECTIONS - GENERAL FUND
Last Ten Calendar Years
(Unaudited)

Calendar Year	Collection Year	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Levy
2015	2016	\$ 18,324,406	\$ 18,221,925	99.44%	\$ 69,917	\$ 18,291,842	99.82%
2014	2015	17,463,330	17,221,160	98.61%	50,546	17,271,706	98.90%
2013	2014	16,882,437	16,332,688	96.74%	253,378	16,586,066	98.24%
2012	2013	16,713,323	16,534,619	98.93%	150,206	16,684,825	99.83%
2011	2012	16,721,319	16,225,756	97.04%	162,716	16,388,472	98.01%
2010	2011	16,761,014	16,083,474	95.96%	55,720	16,139,194	96.29%
2009	2010	17,369,587	16,873,977	97.15%	36,835	16,910,812	97.36%
2008	2009	15,370,360	15,071,739	98.06%	6,119	15,077,858	98.10%
2007	2008	14,669,941	14,448,276	98.49%	15,604	14,463,880	98.60%
2006	2007	14,394,577	14,136,734	98.21%	162,279	14,299,013	99.34%

Source Adams County Assessor's Office and District financial records

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 12
DEBT CAPACITY INFORMATION
PERCENT OF NET GENERAL OBLIGATION BONDED DEBT TO
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA AND PER FUNDED PUPIL
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	District Population (1)	October Head Count	December Assessed Valuation	Estimated Real Property Value	Gross Bonded Debt	Less Debt Service Funds Available	Net Bonded Debt	Percent of Net Bonded Debt to Real Value	Net Bonded Debt Per Capita	Net Bonded Debt per Pupil
2016	33,136	8,738.0	501,791,060	3,008,240,798	35,518,493	5,316,543	30,201,950	1.0040%	911	3,456
2015	32,342	8,670.0	461,017,130	2,597,937,191	35,786,511	4,176,936	31,609,575	1.2167%	977	3,646
2014	32,801	8,408.0	458,786,800	2,574,291,470	38,396,332	3,656,973	34,739,359	1.3495%	1,059	4,132
2013	31,275	8,052.0	452,371,640	2,572,602,240	39,636,547	2,190,260	37,446,287	1.4556%	1,197	4,651
2012	31,275	7,760.0	453,631,720	2,583,361,765	40,949,514	2,130,495	38,819,019	1.5027%	1,241	5,002
2011	30,734	7,634.0	454,043,440	2,586,519,231	41,793,595	2,175,563	39,618,032	1.5317%	1,289	5,190
2010	30,589	5,775.0	475,774,830	2,661,838,608	9,978,026	1,474,160	8,503,866	0.3195%	278	1,473
2009	31,581	5,794.0	477,132,910	2,844,401,158	12,097,322	1,400,468	10,696,854	0.3761%	339	1,846
2008	30,823	5,493.0	447,036,230	2,739,616,336	11,951,018	1,325,747	10,625,271	0.3878%	345	1,934
2007	30,227	5,595.0	431,971,220	2,713,389,992	14,246,666	1,323,354	12,923,312	0.4763%	428	2,310

Source: Adams County Assessor's Office and District financial reports

Note: (1) District population data prior to 2010 has been restated using updated census estimates. Subsequent District population estimates are taken from the US Census Bureau's Small Area Income and Poverty Estimates available at <http://www.census.gov/did/www/saie/data/schools/data/index.html>. Retrieved 2015-09-27.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 13
DEBT CAPACITY INFORMATION
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

Governmental Activities

Fiscal Year	General Obligation/ Matching Money Bonds	Certificates of Participation	Other	Capital Leases	Total	Assessed Value	Population(1)	Percentage of Personal Income (3)	Per Capita
2016	\$ 34,567,274	\$ 2,940,000	\$ 1,039,428	\$ 553,798	\$ 39,100,500	\$ 501,791,060	33,136	3.33%	1,180
2015	34,988,114	3,595,000	782,851	1,153,214	40,519,179	461,017,130	32,342	3.46%	1,253
2014	37,351,271	3,850,000	1,027,749	1,743,971	43,972,991	458,786,800	32,801	3.86%	1,341
2013	38,821,271	4,095,000	796,198	1,284,306	44,996,775	452,371,640	31,275	4.35%	1,439
2012	40,066,271	4,330,000	862,399	1,779,698	47,038,368	453,631,720	31,275	4.60%	1,504
2011	41,251,271	4,560,000	519,714	2,589,639	48,920,624	454,043,440	30,734	4.98%	1,592
2010	9,978,026	4,780,000	245,774	3,418,269	18,422,069	475,774,830	30,589	1.82%	602
2009	11,795,000	4,995,000	276,180	3,530,925	20,597,105	477,132,910	31,581	2.00%	652
2008	11,951,018	5,205,000	306,586	3,899,624	21,362,228	447,036,230	30,823	2.21%	693
2007	14,246,666	5,405,000	336,992	4,641,722	24,630,380	431,971,220	30,227	2.67%	815

Source: Adams County Assessor's Office and District financial reports

Note: (1) District population data prior to 2010 has been restated using updated census estimates. Subsequent District population estimates are taken from the US Census Bureau's Small Area Income and Poverty Estimates available at <http://www.census.gov/did/www/saie/data/schools/data/index.html>. Retrieved 2015-09-27.

Note (2) Source: Bureau of Economic Analysis. Per capita figures for Adams County, CO multiplied by district estimated population

Note: (3) See Table 17 Demographic Data-Adams County

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 14
DEBT CAPACITY INFORMATION
COMPUTATION OF DIRECT AND OVERLAPPING DEBT -
GENERAL OBLIGATION BONDED DEBT
As Of June 30, 2016
(Unaudited)

	Direct Debt (1)	Percentage Applicable to Mapleton Public Schools (2)	Amount Applicable to Mapleton Public Schools
<u>Governmental Unit</u>			
Direct:			
Mapleton Public Schools	\$ 39,100,500	100.00%	\$ 39,100,500
Overlapping:			
Hyland Hills			
Parks and Recreation District	\$ 8,375,000	0.15%	12,563
Adams County Fire Protection District	3,115,000	67.03%	2,087,985
North Metro Fire Rescue District	39,535,000	0.77%	304,420
Total Overlapping Debt	<u>\$ 51,025,000</u>		<u>\$ 2,404,967</u>
Totals	<u><u>\$ 90,125,500</u></u>		<u><u>\$ 41,505,467</u></u>

(1) Revenue bonds and other self-supporting debt are not included. Overlapping governments without general obligation debt are not shown.

(2) The percentage in this column reflects the portion of the general obligation debt which is secured by taxable real estate located within the District.

Source: Adams County Finance Office and the individual governmental entities.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 15
DEBT CAPACITY INFORMATION
COMPUTATION OF LEGAL DEBT MARGIN
As Of June 30, 2016
Last Ten Fiscal Years
(Unaudited)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt limit	\$ 162,803,400	\$ 164,376,980	\$ 170,664,069	\$ 159,710,316	\$ 155,167,048	\$ 153,485,511	\$ 154,356,134	\$ 154,356,134	\$ 155,876,231	\$ 180,494,448
Total net debt applicable to limit	<u>14,246,666</u>	<u>11,951,018</u>	<u>12,097,322</u>	<u>9,978,026</u>	<u>41,251,271</u>	<u>47,838,003</u>	<u>44,996,775</u>	<u>43,972,991</u>	<u>40,519,179</u>	<u>39,100,500</u>
Legal debt margin	<u>\$ 148,556,734</u>	<u>\$ 152,425,962</u>	<u>\$ 158,566,747</u>	<u>\$ 149,732,290</u>	<u>\$ 113,915,777</u>	<u>\$ 105,647,508</u>	<u>\$ 109,359,359</u>	<u>\$ 110,383,143</u>	<u>\$ 115,357,052</u>	<u>\$ 141,393,948</u>
Total net debt applicable to the limit as a percentage of debt limit	8.75%	7.27%	7.09%	6.25%	26.59%	31.17%	29.15%	28.49%	25.99%	21.66%

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 16
DEBT CAPACITY INFORMATION
PERCENT OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT
TO GENERAL FUND EXPENDITURES
Last Ten Fiscal Years
(Unaudited)

	Principal	Interest and Fiscal Charges	Total Debt Service	General Fund Expenditures	Percent of Debt Service to General Fund Expenditures
2016	\$ 2,025,840	\$ 1,336,802	\$ 3,362,642	\$ 68,706,344	4.89%
2015	2,363,157	1,637,356	4,000,513	65,034,277	6.15%
2014	1,300,000	1,790,496	3,090,496	60,491,549	5.11%
2013	1,245,000	1,936,566	3,181,566	52,569,562	6.05%
2012	1,185,000	1,936,566	3,121,566	52,005,811	6.00%
2011	1,145,000	1,094,504	2,239,504	49,879,989	4.49%
2010	1,100,000	524,075	1,624,075	41,553,910	3.91%
2009	1,065,000	562,050	1,627,050	40,242,501	4.04%
2008	1,020,000	603,525	1,623,525	37,904,825	4.28%
2007	995,000	640,219	1,635,219	35,939,802	4.55%

Source: District financial records

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 17
DEMOGRAPHIC AND ECONOMIC INFORMATION
DEMOGRAPHIC DATA - ADAMS COUNTY
Last Ten Fiscal Years
(Unaudited)

Calendar Year (1)	Population (2)	Median Age (3)	Enrollment	Unemployment Rate (4)	Personal Income (5)	Per Capita Personal Income (6)
2016	33,136	34.2	8,738.0	3.80%	\$ 1,172,517,360	\$ 35,385
2015	32,342	34.0	8,670.0	4.30%	1,142,772,228	35,334
2014	32,801	33.7	8,408.0	5.50%	1,138,030,695	34,695
2013	31,275	33.4	8,052.0	8.00%	1,033,982,775	33,061
2012	31,275	33.0	7,760.0	9.20%	1,021,623,901	32,666
2011	30,734	32.7	7,634.0	9.40%	982,619,124	31,972
2010	30,589	32.5	5,775.0	10.00%	1,010,079,369	33,021
2009	31,581	32.3	5,794.0	8.70%	1,029,572,181	32,601
2008	30,823	32.1	5,493.0	5.40%	968,242,899	31,413
2007	30,227	32.1	5,595.0	4.20%	921,379,414	30,482
2006	29,645	31.9	5,554.0	5.00%	883,035,615	29,787

Note: (1) All data represents calendar year information, except school enrollment which is presented on a fiscal year basis

Note: (2) District population data prior to 2010 has been restated using updated census estimates. Subsequent District population estimates are taken from the US Census Bureau's Small Area Income and Poverty Estimates available at <http://www.census.gov/did/www/saipe/data/schools/data/index.html>. Retrieved 2013-10-02.

Note: (3) Source: State Demography Office. Retrieved: 2016-10-28.

Note: (4) Source Bureau of Labor Statistics for July 2016. Retrieved: 2016-10-28.

Note: (5) Personal Income for the District is calculated by multiplying the Population estimated by the Per Capita Personal Income for Adams County.

Note: (6) US Department of Commerce, Bureau of Economic Analysis for Adams County, Colorado. Retrieved: 2016-10-28.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 18
DEMOGRAPHIC AND ECONOMIC INFORMATION
ASSESSED/ACTUAL VALUE OF TAXABLE PROPERTY - ADAMS COUNTY, COLORADO (1)
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Residential Property	Commercial Property	Industrial Property	Vacant Land	Agricultural Acre Valuation	Natural Resources	State Assessed Property	Total Taxable Assessed Value	Total Direct Tax Rate (2)
2016	137,602,850	192,650,360	19,716,680	13,059,580	2,330,240	74,500	5,010,690	370,444,900	45.629
2015	108,363,130	179,880,370	19,363,990	10,059,650	2,095,860	74,500	5,606,320	325,443,820	47.787
2014	106,716,460	181,483,050	19,815,830	10,138,900	2,249,810	74,500	5,849,380	326,327,930	46.794
2013	111,054,060	176,771,250	18,590,700	9,574,340	2,391,890	72,740	5,349,310	323,804,290	43.906
2012	110,938,420	173,617,340	18,792,280	9,624,480	2,393,330	72,740	5,301,880	320,740,470	43.740
2011	111,947,280	172,626,340	19,231,900	10,385,210	2,419,640	72,740	3,998,670	320,681,780	43.605
2010	111,989,780	172,279,490	19,573,520	10,878,850	2,412,800	72,740	4,304,060	321,511,240	40.118
2009	131,487,540	163,525,880	19,240,180	11,443,980	2,445,400	72,740	3,194,020	331,409,740	35.852
2008	131,377,710	157,971,650	19,283,830	11,502,730	2,445,940	72,740	3,266,850	325,921,450	36.454
2007	134,203,270	152,796,820	18,937,930	10,424,330	2,339,470	72,740	3,308,030	322,082,590	37.107

Calendar Year	Residential Property	Commercial Property	Industrial Property	Vacant Land	Agricultural Acre Valuation	Natural Resources	State Assessed Property	Total Actual Valuation
2016	1,728,679,020	664,311,586	67,988,552	45,033,034	8,035,310	256,897	17,278,241	2,531,582,641
2015	1,361,345,854	620,277,138	66,772,379	34,688,448	7,227,103	256,897	19,332,138	2,109,899,958
2014	1,340,659,045	625,803,621	68,330,448	34,961,724	7,757,966	256,897	20,170,276	2,097,939,976
2013	1,395,151,508	609,556,034	64,105,862	33,014,966	8,247,897	250,828	18,445,897	2,128,772,990
2012	1,393,698,744	598,680,483	64,800,966	33,187,862	8,252,862	250,828	18,282,345	2,117,154,089
2011	1,406,372,864	595,263,241	66,316,897	35,811,069	8,343,586	250,828	13,788,517	2,126,147,002
2010	1,406,906,784	594,067,207	67,494,897	37,513,276	8,320,000	250,828	14,841,586	2,129,394,577
2009	1,651,853,518	563,882,345	66,345,448	39,462,000	8,432,414	250,828	11,013,862	2,341,240,414
2008	1,650,473,744	544,729,828	66,495,966	39,664,586	8,434,276	250,828	11,265,000	2,321,314,226
2007	1,685,970,729	526,885,586	65,303,207	35,945,966	8,067,138	250,828	11,407,000	2,333,830,453

(1) The County assesses property frequently; therefore assessed and actual are substantially equal.

(2) Tax rate is per \$1,000 of assessed value

Source: Adams County Abstract of Assessment and Tax Levies

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 19
DEMOGRAPHIC AND ECONOMIC INFORMATION
ADAMS COUNTY PRINCIPAL EMPLOYERS - PRIVATE SECTOR
Calendar Years 2015 And 2006
(Unaudited)

Employer	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
University of Colorado Hospital	5,860	1	3.31%	3500	1	1.70%
Children's Hospital	5,740	2	3.24%	3000	3	1.46%
United Parcel Service	2,420	3	1.37%	3500	1	1.70%
Sturgeon Electric	1,570	4	0.89%			
Centura St. Anthony Hospital North	890	5	0.50%			
HealthOne: North Suburban Medical Center	880	6	0.50%	630	9	0.31%
Steven Roberts Original Desserts	770	7	0.43%			
Shamrock Foods	720	8	0.41%	650	7	0.32%
McKesson	680	9	0.38%			
Platte Valley Medical Center	670	10	0.38%			
Avaya Communications				1000	5	0.49%
Wagner Equipment				630	9	0.31%
EchoStar				1,400	4	0.68%
St Anthony Hospital North				625	11	0.30%
Western Distributing				750	6	0.36%
T-Mobile				650	7	0.32%
Total	20,200		11.41%	16,335		7.95%
Total County Employment	177,088			205,530		

Source: Adams County CAFR for Calendar Year 2015

Does not include governmental entity employers.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 20
DEMOGRAPHIC AND ECONOMIC INFORMATION
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
(Unaudited)

Site	School(s)	Sq Ft	Enrollment FTE	Teacher	Pupil/Teacher Ratio	% Free/ Reduced Lunch
Bertha Heid Building (1956)		57,184				
	Achieve Academy		456.0	28.7	15.9	73.6%
Clayton Building (1960)		23,484				
	Explore Elementary		370.5	20.7	17.9	66.8%
Meadow Building (1962)		47,155				
	Meadow Community Elementary		446.5	25.5	17.5	72.1%
Monterey Building (1960)		40,397				
	Monterey Community Elementary		435.5	25.5	17.1	75.9%
Valley View Building (1959)		34,190				
	Valley View Elementary		435.0	25.1	17.3	75.2%
Western Hills Building (1957)		49,488				
	Adventure Elementary		340.5	20.5	16.6	82.1%
John Dewey Building (1962)		78,473				
	Global Leadership Academy		595.5	33.0	18.0	84.0%
York Building (1955)		81,011				
	York International		709.5	37.0	19.2	70.7%
Skyview Campus (2012)		290,511				
	Mapleton Expeditionary School of the Arts		645.5	30.3	21.3	64.0%
	Mapleton Early College		272.5	14.3	19.0	65.6%
	Academy High School		403.5	18.3	22.0	63.9%
	Clayton Partnership School		453.5	24.0	18.9	69.6%
	North Valley School for Young Adults		72.0	4.0	18.0	56.9%
	Skyview Center		N/A			N/A
Welby Building (1954)		33,924				
	Welby Montessori		213.5	17.2	12.4	66.0%
Other						
	Connections Academy		2,366.0			41.1%
	Non-District Schools					N/A
Main Administration Building		10,792				
Transportation Building		5,820				
Maintenance Shed		9,640				
Professional Development Center		5,000				
		767,069				

Source: District Facilities Maintenance

Note: Year of original construction is shown in parenthesis.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 21 DEMOGRAPHIC AND ECONOMIC INFORMATION TEACHER SALARY RANGES 2015 - 2016 (Unaudited)

BA	\$38,500	to	\$49,406
BA20	\$40,500	to	\$71,377
MA	\$42,500	to	\$73,272
MA20	\$44,500	to	\$80,837
MA40	\$46,775	to	\$85,473
MA60/DOC	\$49,000	to	\$87,908

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 22
DEMOGRAPHIC AND ECONOMIC INFORMATION
TEACHER SALARY SCHEDULE PLACEMENT (SCATTERGRAM) 2015 - 2016
(Unaudited)

	BA	BA20	MA	MA20	MA40	MA60/DOC
0	14.0	0.0	8.0	0.0	0.0	1.0
1	28.0	5.0	5.0	1.0	0.0	0.0
2	15.0	0.0	7.0	3.0	2.0	1.0
3	18.0	1.0	9.5	2.0	0.0	1.0
4	16.0	2.0	16.0	2.0	0.0	1.0
5	0.0	0.0	14.0	3.0	0.0	0.0
6	10.0	2.0	2.0	0.0	0.0	0.8
7	5.6	2.0	13.0	2.0	1.5	2.0
8	3.0	1.0	8.6	4.0	3.0	1.0
9	4.0	1.0	7.0	1.0	0.0	3.8
10	9.5	3.0	13.0	1.0	0.0	2.0
11	0.0	0.0	6.0	4.0	4.0	1.0
12	0.0	1.0	5.5	1.5	2.0	0.0
13	0.0	1.0	8.0	0.0	4.0	0.0
14	0.0	1.0	3.0	1.0	1.0	3.0
15	0.0	3.0	3.0	5.0	1.0	2.9
16	0.0	0.0	3.0	4.0	2.0	0.5
17	0.0	3.0	2.0	4.0	1.0	2.0
18	0.0	0.0	3.0	2.0	1.0	1.0
19	0.0	0.0	2.0	0.0	1.0	2.0
20	0.0	0.0	3.0	1.0	1.0	3.0
21	0.0	0.0	0.0	0.0	2.0	8.0
22	0.0	0.0	0.0	1.0	10.0	0.0
23						
	123.1	26.0	141.6	42.5	36.5	37.0

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 23
DEMOGRAPHIC AND ECONOMIC INFORMATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY
FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instructional Services										
1 Administrators	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-
2 Principals and Asst. Principals	32.0	28.0	28.0	24.0	21.0	21.0	21.5	22.0	20.0	20.0
3 Teacher, Regular Ed	338.1	318.3	318.0	299.8	288.7	291.7	286.9	279.8	271.1	263.3
4 Teacher, English Lang. Learners	2.6	4.8	2.8	4.0	5.1	5.3	4.4	5.9	5.2	5.5
5 Teacher, Special Ed	28.0	27.0	26.0	22.5	22.5	22.5	26.9	30.6	33.4	38.7
6 Special Ed Other Instruction	14.0	15.5	16.5	8.4	2.7	9.5	9.1	8.0	6.6	-
7 Guidance Counselors	14.5	10.5	10.6	6.6	4.0	6.0	8.0	4.5	4.5	9.0
8 Curriculum Specialists	4.0	4.0	3.9	1.4	10.7	11.7	11.4	11.1	16.0	16.7
9 Mentor Coach	5.6	7.1	5.4	4.0	3.1	2.7	3.0	2.0	2.0	4.0
10 Psychologists, social workers	8.8	10.8	9.6	8.1	7.6	8.5	8.5	7.8	9.0	10.0
11 Paraprofessionals, Library	2.7	3.4	3.3	3.0	5.6	5.0	4.7	5.4	5.3	5.0
12 Paraprofessionals, Regular Ed	37.0	35.9	36.6	33.0	32.1	33.3	34.5	34.8	30.6	29.7
13 Paraprofessionals, ELL Ed	2.0	3.2	4.2	4.5	3.8	6.1	5.7	8.6	11.1	7.5
14 Paraprofessionals, Special Ed	58.8	56.2	52.7	43.6	37.2	20.1	19.8	22.6	30.7	22.7
15 Paraprofessionals, Health	8.2	7.3	7.3	7.3	7.2	5.7	7.4	6.8	6.7	6.7
16 Paraprofessionals, Transport.	4.0	2.5	1.5	1.5	1.5	3.4	3.8	3.8	2.5	2.5
Support Services										
18 Administrators	16.7	25.0	26.0	21.0	18.0	16.0	14.0	12.0	12.6	10.0
19 Computer system support	10.0	10.0	10.0	9.0	9.0	10.0	11.3	10.0	10.0	8.0
20 Community Liaison	1.9	1.0	1.8	1.8	1.3	0.5	0.7	1.0	1.0	2.2
21 Bookkeeping/payroll	8.5	8.0	7.8	5.5	4.9	5.0	4.9	4.0	4.0	5.0
22 General secretary	59.5	47.2	47.7	43.2	48.6	50.8	49.1	47.0	47.6	45.7
23 Bus Driver	20.0	18.5	17.0	17.0	21.8	23.0	22.5	22.1	20.9	21.2
24 Cook	37.0	31.4	38.0	39.0	33.2	34.2	31.8	30.1	28.7	31.1
25 Custodian	39.0	34.0	33.9	33.0	31.0	41.0	41.0	36.5	40.5	41.0
26 Facilities maintenance	12.0	13.0	10.0	9.0	12.0	11.0	9.0	9.0	11.0	12.3
27 Staff leads	3.0	4.0	4.9	4.9	4.8	3.9	3.9	4.0	4.0	4.0
28 Mechanic	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
29 Security	5.0	4.0	4.0	4.0	3.0	2.9	3.0	3.0	2.8	2.0
Total	777.0	733.6	730.1	662.1	643.4	653.8	649.8	635.4	640.8	625.8

Source: District Financial System

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 24 OPERATING INFORMATION OPERATING INDICATORS BY FUNCTION/PROGRAM Last Ten Fiscal Years (Unaudited)

Instruction

Colorado Measures of Academic Success (CMAS)
Percent Met or Exceeded Expectations

Assessment	State Avg*	Mapleton*	2015
	2016	2016	
3rd Grade Language Usage	37.4	21.7 <i>p</i>	37.7
3rd Grade Mathematics	38.9	27.8	28.4
4th Grade Language Usage	43.9	25.2	21.3
4th Grade Mathematics	33.3	22.2	17.2
5th Grade Language Usage	41.2	24.3	15.9
5th Grade Mathematics	34.3	18.4	12.1
5th Grade Science	33.6	15.2	12.7
6th Grade Language Usage	38.3	18.8	23.2
6th Grade Mathematics	31.0	11.9	18.1
7th Grade Language Usage	41.0	27.4	22.4
7th Grade Mathematics	26.2	11.9	14.5
8th Grade Language Usage	41.6	20.3	21.3
8th Grade Mathematics	20.4	9.5	13.1
8th Grade Science	30.2	12.1	12.1
9th Grade Language Usage	37.2	24.8	29.3
Algebra I	33.4	12.9	NA**
Geometry	66.3	21.6	NA**
Algebra II	52.4	62.5	NA**
11th Grade Science	24.3	23.7	NA

* In 2015, the Colorado Department of Education switched to the PARRC for student evaluation for Language Arts and Mathematics. Results from the new assessments should not be compared to previous TCAP and CSAP results.

p = Additional psychometric procedures were applied in 2016 to increase the comparability between online and paper-based forms of the assessments. This district or school had 80% or more of their students take the assessment using a paper form in 2015 when these additional procedures were not applied. This school or district may show a decline in scores in part due to the change in the procedure, rather than a change in student performance.

** = The results for 2015 high school math are suppressed because the populations tested in 2015 and 2016 are not comparable. In 2016 10th and 11th graders were not included in testing.

Source: Colorado Department of Education

Language Arts and Math: <https://www.cde.state.co.us/assessment/cmasparccstatesummary2016>

Science: <https://www.cde.state.co.us/assessment/cmasstatesummary2016>

(1) CMAS is the Colorado Measures of Student Success Assessment program, required of all Colorado public school students

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 25
OPERATING INFORMATION
OTHER OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Support	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Graduation Rate*	N/A*	58.30%	52.50%	47.8%	42.5%	44.3%	42.1%	49.7%	48.1%	54.0%
Postsecondary Classes Passed	89.60%	87.6%	75.6%	87.0%	90.0%	83.5%	93.0%	97.0%	95.0%	93.0%
Staff Development Expenditures per Teacher	6,503	6,552	6,109	5,886	6,801	5,727	5,838	10,466	5,900	8,609
Grant Revenue Received per Pupil	758	743	677	731	508	686	742	750	653	707
Maintenance Expenditures per Pupil	637	614	654	601	619	612	773	824	835	882
Bus Miles Traveled	348,952	361,245	326,944	299,910	321,494	332,379	357,015	323,068	385,864	400,170
Average Teacher Salary	53,219	51,988	51,458	51,601	52,532	51,793	51,189	51,232	49,854	47,620
Percentage Teachers "Highly Qualified"	100%	99%	100%	100.0%	100.0%	99.7%	99.7%	98.0%	99.0%	97.4%
Percentage Teachers w/ Advance Degree	57%	58%	58%	55.0%	71.0%	54.1%	57.0%	61.0%	58.0%	52.5%
Meals Served per Pupil per Day	0.755	0.757	0.716	0.800	0.650	0.63782	0.937	0.875	0.813	0.666
Free & Reduced Counts	5,345	4,048	5,466	5,205	4,127	5,197	3,769	3,772	3,424	3,174
Free & Reduced Percentage	63.30%	64.15%	69.22%	78.8%	69.6%	72.7%	69.8%	66.0%	62.3%	59.8%

Source: District financial system and documents

* 2016 data unavailable at time of publication. 2009 - 2014 rates reflect on-time graduation



COMPLIANCE SECTION



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

Board of Education
Adams County School District No. 1
Denver, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Adams County School District No. 1 (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 28, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance And Other Matters

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

Purpose Of This Report

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

RubinBrown LLP

November 28, 2016

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

Board of Education
Adams County School District No. 1
Denver, Colorado

Report On Compliance For Each Major Federal Program

We have audited Adams County School District No. 1's (the District) compliance with the types of compliance requirements described in the Office of Management and Budget's (OMB) *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2016. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion On Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report On Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2016-001 to be a significant deficiency.

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

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

RubinBrown LLP

November 28, 2016

ADAMS COUNTY SCHOOL DISTRICT NO. 1

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

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures	Expenditures To Sub-Recipients
U.S. Department Of Agriculture				
Passed through Colorado Department of Human Services				
Donated Food Commodities	10.555	4555	\$ 187,444	\$ —
Passed through State of Colorado Department of Education				
School Breakfast Program	10.553	4553	400,060	—
National School Lunch Program	10.555	4555	1,547,166	—
Special Milk Program for Children	10.556	4556	9,091	—
Summer Food Service Program for Children	10.559	4559	6,794	—
Total School Nutrition Cluster			2,150,555	
Total U.S. Department Of Agriculture			2,150,555	—
U.S. Department of Housing and Urban Development				
Passed through Adams County				
Community Development Block Grant	14.218	0137	127,204	—
Total U.S. Department Of Housing and Urban Development			127,204	—
U.S. Department Of Education				
Passed through State Department of Education				
Title I Grants to Local Educational Agencies	84.010	4010	1,127,788	—
Special Education - Preschool Grants	84.027	4027	1,494,893	—
Special Education - Grants to States	84.173	4173	39,810	—
Total Special Education Cluster			1,534,703	
After School Learning Centers	84.287	5287	126,988	—
High School Graduation Initiative	84.360	5360	39,553	—
English Language Acquisition Grants	84.365	4365	137,561	—
Improving Teacher Quality State Grants	84.367	4367	157,043	—
School Improvement Grants	84.377	7377	329,935	—
Race to the Top - Phase 3	84.412	5412	3,759	—
Passed through to Early Childhood Partnership Adams County				
Early Learning Challenge Grant - Race to the Top	84.412A	2001	277,726	277,726
Total U.S. Department Of Education			3,735,056	277,726
U.S. Department Of Health And Human Services				
Passed through to Early Childhood Partnership Adams County				
Child Care and Development Block Grant Cluster	93.575	7575	11,155	11,155
Child Care and Development Block Grant Cluster	93.575	2000, 2010	332,036	332,036
Affordable Care Act - Maternal, Infant, and Early Childhood Home Visiting				
Program Formula, Expansion and Development Grants to States	93.505	2025, 2026	19,599	19,599
Substance Abuse and Mental Health Services - Projects of Significance	93.243	2080	332,894	332,894
Total U.S. Department Of Health And Human Services			695,684	695,684
Total			\$ 6,708,499	\$ 973,410

ADAMS COUNTY SCHOOL DISTRICT NO. 1

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2016

1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards, which includes the federal grant activity of the Adams County School District No. 1 (the District), is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the District's financial statements for the year ended June 30, 2016.

2. Noncash

The District receives food commodities from the U.S. Department of Agriculture for use in its food service program. The commodities are recognized as revenue when received. The commodities are recognized as expenditures when used by the schools. Expenditures totaling \$187,444 were recognized for food commodities used during the year ended June 30, 2016. The majority of the commodities are stored at the individual schools, instead of a central warehouse. As such, the District has determined that the title to the commodities passes to the District upon receipt of the commodities. Since the District has received title to the commodities, the unused commodities are not reflected as deferred revenue.

3. Indirect Costs

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

ADAMS COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Fiscal Year Ended June 30, 2016

Section I - Summary Of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

 Material weakness(es) identified? ☐ yes ☒ no

 Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

 Material weakness(es) identified? ☐ yes ☒ no

 Significant deficiency(ies) identified? ☒ yes ☐ none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ yes ☒ no

Identification of major programs:

CFDA Number(s)	Name Of Federal Program Or Cluster
84.010	Title 1 - Grants to Local Education Agencies
93.243	Substance Abuse and Mental Health Services - Projects of Significance

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

Auditee qualified as a low-risk auditee? ☒ yes ☐ no

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* For The Fiscal Year Ended June 30, 2016

Section II - Financial Statement Findings

There are no findings relating to the District's financial statements that are required to be reported.

Section III - Federal Award Findings And Questioned Costs

Finding 2016-001

Preparation Of A Complete And Accurate Schedule Of Expenditures Of Federal Awards (SEFA)

Significant Deficiency

Criteria: OMB Uniform Guidance identifies and details the required elements of the Schedule of Expenditures of Federal Awards (SEFA). The District is required to prepare a complete and accurate SEFA, and to have a system of internal controls, the design and operation of which allows management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, errors on a timely basis. The District is also required to comply with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

Condition: The District failed to identify a federal grant program and report federal expenditures of \$127,204 in its original SEFA for the year ended June 30, 2016. All required details for the grant program were also omitted from the SEFA.

Questioned Costs: None.

Effect: As a result of the omission, the SEFA was incomplete. Inaccurate identification of federal awards can result in inaccurate major program determination, risk assessments, materiality determinations, identification of compliance requirements, reporting errors and could result in unintentional disbursement of federal awards on disallowed costs. Management corrected the SEFA.

Cause: The District was not aware that the specific grant's expenditures were required to be reported on the SEFA because the funds were passed through from a county agency and did not identify the nature of the funds through the agreement with the agency.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* For The Fiscal Year Ended June 30, 2016

Recommendation: We recommend the District review the requirements of OMB Uniform Guidance and establish procedures to ensure that each grant/award/contract is reviewed at inception to determine the existence or absence of federal funding. We also suggest the District correspond with awarding agencies at the time of award to determine and document whether the award is federal or nonfederal.

Views Of Responsible Officials And Planned Corrective Action:

Procedures will be put in place for the grant writer and the Chief Financial Officer to review and sign-off on all grant applications and awards to determine the existence or absence of federal funding, as well as review their inclusion or exclusion on the prepared SEFA.

Section IV - Prior-Year Findings

There are no prior-year findings relating to the District.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

ELECTRONIC FINANCIAL DATA INTEGRITY CHECK FIGURES



Colorado Department of Education

Auditors Integrity Report

District: 0010 - MAPLETON 1

Fiscal Year 2014-15

Colorado School District/BOCES

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Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	6,891,558	65,240,081	65,256,417	6,875,223
18 Risk Mgmt Sub-Fund of General Fund	490,895	332,491	407,324	416,062
19 Colorado Preschool Program Fund	91,690	1,455,558	1,500,686	46,563
Sub- Total	7,474,144	67,028,130	67,164,426	7,337,848
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Food Service Spec Revenue Fund	1,747,149	2,564,954	2,611,152	1,700,951
22 Govt Designated-Purpose Grants Fund	0	3,851,139	3,851,139	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	3,653,732	4,509,734	4,000,513	4,162,953
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	239,988	2,403,840	1,508,704	1,135,123
Totals	13,115,013	80,357,797	79,135,934	14,336,875
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	245,654	397,754	387,203	256,205
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	245,654	397,754	387,203	256,205

FINAL

*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your priorperiod adjustment is added into both your ending and beginning fund balances on this report.