



2016-2017

Comprehensive Annual Financial Report

For the fiscal year ending June 30, 2017



Inspire. Educate. Empower. Inspira. Educa. Fortalece.

5291 East 60th Avenue, Commerce City, CO 80022 www.adams14.org



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**ADAMS COUNTY SCHOOL DISTRICT 14
COMMERCE CITY, COLORADO**

**COMPREHENSIVE
ANNUAL
FINANCIAL REPORT**

For the Fiscal Year Ended June 30, 2017

Board of Education

Mr. David Rolla, President

Ms. Connie Quintana, Vice President

Mr. Timio Archuleta, Secretary

Mr. Harvest Thomas, Treasurer

Mr. Joseph Dreiling, Director

Superintendent of Schools

Dr. Javier Abrego

Issued by Division of Business Services

Chief Financial Operations Officer

Ms. Sandra Rotella CPA SFO

Director of Finance

Mr. Eduard Storz CPA

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November 3, 2017

Board of Education
Adams County School District 14
5291 E. 60th Avenue
Commerce City, CO 80022

Dear Members of the Board of Education,

I am so pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Adams County School District 14 for the fiscal year ended June 30, 2017.

The CAFR, for the fiscal year ended June 30, 2016, received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International and the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada. These awards represent acknowledgement from our peers that our District has prepared and presented our fiscal information in a clear, open and user-friendly format for stakeholders that qualifies the report for its recognition of excellence. I am confident that this year's CAFR will also qualify for these prestigious awards.

The Division of Financial Services is to be congratulated for continuing to ensure the District meets the highest standards of fiscal accountability. The quality and completeness of this report is designed to continue to increase the confidence of all our stakeholders in the fiscal competence of our district.

I would also extend my thanks to the members of the Board of Education for their support and direction in establishing clear and attainable fiscal goals for the District.

Sincerely,

A handwritten signature in blue ink that reads 'Dr. Javier Abrego'.

Dr. Javier Abrego
Superintendent



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November 3, 2017

Citizens and Members of the Board of Education of Adams County School District 14:

We are pleased to submit the fiscal year 2017 Comprehensive Annual Financial Report (CAFR) of Adams County School District 14 (District) for the fiscal period from July 1, 2016, to June 30, 2017. The District's Division of Business Services prepared this report. Responsibility for both accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented 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 of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

All funds within the District are required under Colorado statute (C.R.S. 1973, 29-1-603) to have an annual audit performed on its financial statements by an independent certified public accountant. The District's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

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. These reports can be found in the compliance section along with information related to the single audit, schedule of expenditures of Federal awards and schedule of findings and questioned costs. The Auditor's Electronic Financial Data Integrity Check required by the Colorado Department of Education is also included in this section.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of Management's Discussion and Analysis (MD&A). This letter is designed to complement the MD&A and should be read in conjunction with it. The MD&A immediately follows the report of the independent auditors.



THE SCHOOL DISTRICT

The District lies immediately north of Denver, Colorado, and serves a population of 54,869 according to the 2016 U.S. census bureau estimate. The District boundaries cover 52 square miles and serve Commerce City, parts of the City of Thornton and unincorporated Adams County “County”. We are fortunate to enjoy culture and ethnic diversity in our school district. Our ethnic composition is .2% Asian, .6% American Indian, 2.5% African American, 82.8% Hispanic, 13.2% White and 0.7% multiple ethnicities. Adams County School District 14, a state and nationally recognized leader in innovative education, has 464 teachers and 416 other staff, for a total of 880 employees. The District served 7,467 students in fiscal year 2016-17 based on enrollment, a decrease of 110 students from the prior fiscal year. These students were housed in two preschools, seven pre-kindergarten to eighth grade schools, two middle schools and two high schools.

ENROLLMENT

The District has experienced declining enrollment in for the last two school years after seeing growth in each of the preceding three school years. Future enrollment is projected to increase slightly in the coming years. The district currently has two schools that are below the recommended capacity, one elementary and one middle school. The school buildings within the District with the exception of Adams City High School, which was built in 2009, were built between 1951 and 1968 and most of these have been renovated beginning in 2006, with Dupont Elementary and Adams City Middle School being the exceptions.

ORGANIZATION OF THE SCHOOL DISTRICT

A five member Board of Education (Board) serves as the taxing authority, contracting body and policy maker for the District. The Board adopts the annual operating budget, certifies the property tax mill levy and appropriates all expenditures that use District revenues. One Board member is designated as the Treasurer for the District.

The Superintendent is the Chief Executive Officer and is accountable to the Board for the education and support operations within the District. The Assistant Treasurer is the Chief Financial Operations Officer and is accountable to the Board for maintaining all financial records, issuing checks to pay the District’s liabilities, acting custodian of all District funds and investing the District’s idle cash as stipulated by Colorado law. Other Board appointed officials are the Chief Academic and Innovation Officer, Chief Operations Officer, School Principals and the Directors of the many various educational, operational and support services within the District, all of whom report to the Superintendent.



THE REPORTING ENTITY

The District has reviewed its reporting entity definition in accordance with the Governmental Accounting Standards Board (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 A in the Notes to Financial Statements. The District has no component units.

SERVICES PROVIDED

The District provides a wide variety of education and support services as mandated by State statute or public desires. These include regular and vocational instruction, English language development programs, special education programs, student guidance and health services, preschool and many extracurricular activities. Fee supported special revenue fund services include adult education programs, before and after programs and nutritional service operations.

ECONOMIC CONDITION AND OUTLOOK

According to the Legislative Council Forecast (June 2017), Colorado's economy continues to expand, with gains in employment, wages, consumer spending, and residential construction activity. State economists are seeing slight gains in private sector job growth and several indicators are signaling mild economic improvement. Nationwide, momentum in the private sector appears to be offsetting the drag created by federal fiscal policies. Financial markets have begun to anticipate higher long run interest rates and an earlier pullback in the pace of monetary expansion from the Federal Reserve.

According to the Adams County 2017 Annual Budget, - Adams County retains its perennial position as one of the Colorado counties with the highest rates of unemployment. Public assistance benefits paid to Adams County citizens remains at historic highs for programs such as Food Assistance which indicate continued but slower growth into 2017. Adams County is growing faster than the State of Colorado. According to the U.S. Census Bureau, the rate of population growth from 2008 to 2010 in Colorado was 1.4 %, ranking 4th among states for rate of growth.

The District welcomes the overall positive economic trends at a national and state level, tempered by concerns of ongoing human services needs in our own community. Further, our need to provide substantially improved instruction in the classroom for our students created an additional layer to our budget preparations. Our philosophy has been one of cautious optimism, acknowledging fiscal constraints while addressing our legal and moral obligations to provide an exceptional education for our students.

MAJOR INITIATIVES

Adams 14 is making significant changes to its classrooms by following a plan it developed for the state. The plan calls for an organization called Beyond Textbooks to take over the management of specific parts of the district, specifically targeting curriculum, instruction and professional development.



Beyond Textbooks is a non-profit created by the Vail, Arizona school district when it found itself near the bottom of the districts in its home state. They used the best thinking of teachers, administrators, business leaders and community members to develop materials aligned to the state standards which very closely match Colorado's academic standards. They also developed intensive training so teachers knew how to best teach each lesson using tried-and-true strategies and practices. The result was dramatic increases in state test scores and overall academic improvement.

FINANCIAL INFORMATION

District management is responsible for establishing and maintaining a system of internal controls that are designed to provide reasonable, but not absolute, assurance that District assets are protected from material loss, theft or misuse. Furthermore, this system of internal controls shall provide accurate, reliable and sufficient accounting data to prepare financial statements in conformity with GAAP. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits that are likely to be derived from it; and (2) the valuation of those costs and benefits may require certain accounting estimates and professional judgment by District management. Accordingly, we believe that the District's internal controls do provide adequate safeguards of District assets and provide reasonable assurance that financial transactions are properly recorded.

Single Audit As a recipient of Federal and State financial assistance, the District is responsible for maintaining adequate internal controls to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by District management.

Budgeting Controls The Board adopts the annual budget (appropriation) for the District in June for the next fiscal year. Colorado statutes provide that the Board can make changes to this adopted budget through January 31st. All disbursements and transfers of cash between funds require appropriate authorization from the Board. All purchase order requests must comply with District's purchasing practices and must be approved by the Assistant Treasurer or her designee. Upon approval, the necessary funds are encumbered and the purchase orders are released to the appropriate vendor. Appropriations within a fund that exceed the amount available are prohibited by law and rejected until additional funds have been secured. Management has the authority to modify budget line items as long as the total fund appropriation is not exceeded.

The finance system used by the District provides interim financial reports which details year-to-date expenditures and encumbrances with comparative data to the original appropriation plus any authorized additional appropriations. Every administrator and school principal has the ability to retrieve financial and budgetary information about their department or school that they are responsible for. These reports detail monthly transactions and summarize the amounts available for future expenditures of goods and services among the various programs. In addition, the Board of Education receives quarterly General Fund financial reports as required by law.



Impact of Financial Policies During the year the District elected to change its policy regarding the period of time after year end during which revenues other than property taxes must be received to be considered available from 90 days to 120 days. Implementing this change ensured that revenues would be reported in the current year, where the district has one large grant reimbursement received after 90 days, in a manner consistent with prior years.

OTHER INFORMATION

Awards The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to Adams County School District 14 for its Comprehensive Annual Financial Report for fiscal year ended June 30, 2016. These certificates are awarded to government units that publish an easy-to-read and well-organized Comprehensive Annual Financial Report, whose content conforms to the program standards. Such reports must satisfy both generally accepted accounting principles and any other applicable legal requirements.

In addition, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a certificate of Achievement for Excellence in Financial Reporting to Adams County School District 14 for its comprehensive annual financial report the fiscal year ended June 30, 2016. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report 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 that our current comprehensive annual financial report continues to meet the Certificate of Excellence and Certificate of Achievement Programs' requirements and we are submitting it to both ASBO and GFOA to determine its eligibility for another certificate.

Acknowledgment We want to extend a special thanks to our independent certified public accountant, CliftonLarsonAllen LLP, for their professional assistance helping us prepare our Comprehensive Annual Financial Report.

In closing, we commend the Board for their continued interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

Sandra L. Rotella

Sandra Rotella CPA SFO
Chief Financial Operations Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Adams County School District 14

for its Comprehensive Annual Financial Report (CAFR)

for the Fiscal Year Ended June 30, 2016.

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



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona'. The signature is written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso'. The signature is written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

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

Presented to

**Adams County School District 14
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

ADAMS COUNTY SCHOOL DISTRICT 14

5291 E. 60th Avenue
Commerce City, CO 80022-3203

BOARD OF EDUCATION

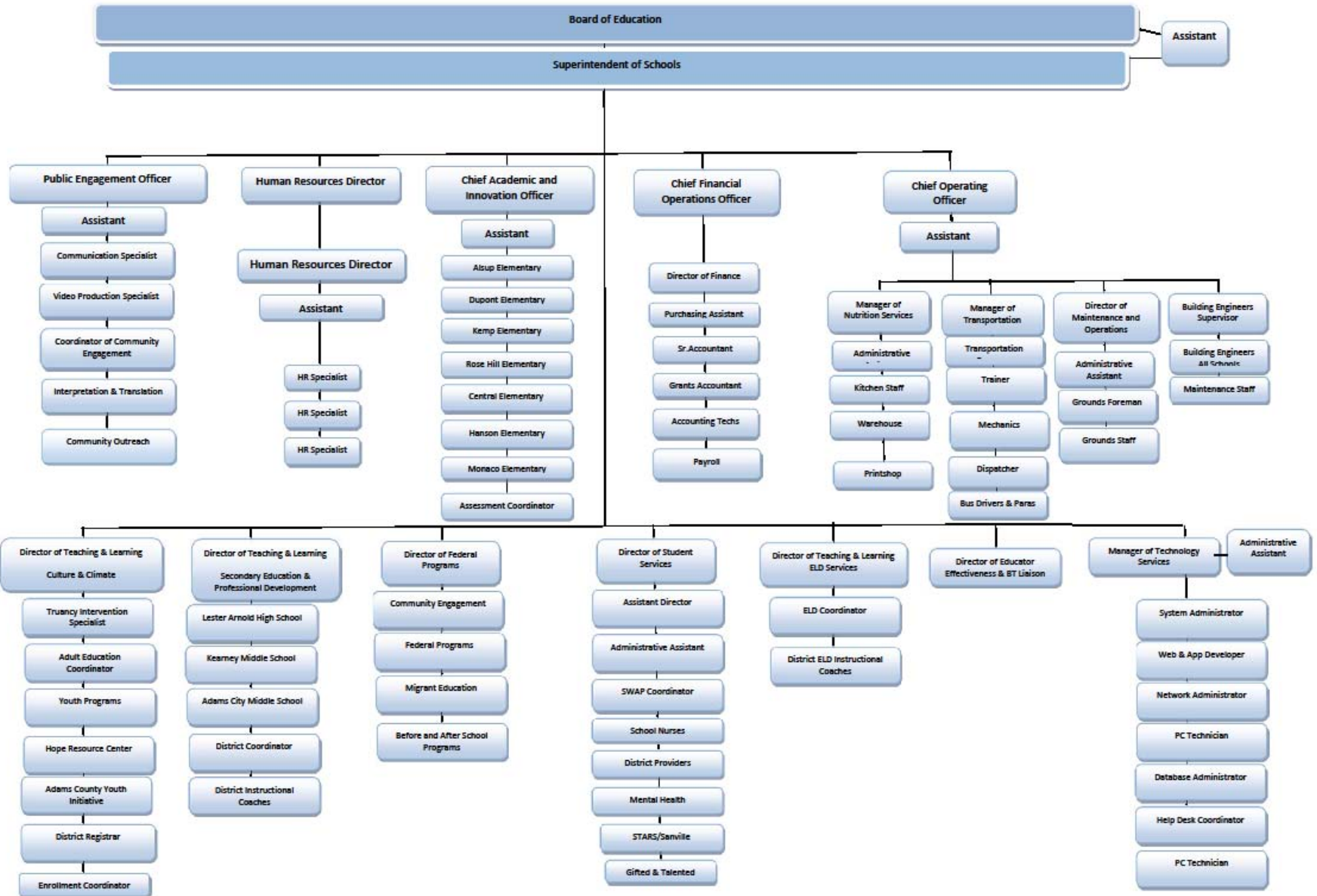
Mr. David Rolla President
Ms. Connie Quintana Vice President
Mr. Harvest Thomas Treasurer
Mr. Timio Archuleta Secretary
Mr. Joseph Dreiling Director

DISTRICT INSTRUCTIONAL TEAM

Dr. Javier Abrego Superintendent of Schools
Ms. Aracelia Burgos Chief Academic and Innovation Officer
Ms. Cynthia Trinidad-Sheanhan Director of Secondary Education
Mr. Edilberto Cano Director of English Language Development
Mr. Matt Schwartz Director of Educator Effectiveness
Ms. Shelagh Burke Director of Federal Programs
Mr. Ruben Chacón Director of Teaching and Learning
Mr. Robert Frantum-Allen Director of Special Education

DISTRICT OPERATIONAL TEAM

Mr. Gionni Thompson Chief Operations Officer
Ms. Sandy Rotella Chief Financial Operations Officer
Ms. Janelle Asmus Public Engagement Officer



INDEPENDENT AUDITORS' REPORT

Board of Education
Adams County School District 14
Commerce City, Colorado

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 14, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the entity'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 Adams County School District 14 as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules and GASB required pension schedules as listed in the table of contents 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 who 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Adams County School District 14's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements. The Colorado Department of Education Automated Data Exchange View Report is presented for purposes of additional analysis.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, Colorado Department of Education Automated Data Exchange View report, 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 information is 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 3, 2017, on our consideration of the Adams County School District 14'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 solely 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 the effectiveness of the Adams County School District 14's 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 Adams County School District 14's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
November 3, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Adams County School District 14 (District), we offer readers of the District's Comprehensive Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letters of transmittal on pages 1 - 6 of this report.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources, including long term bonds payable exceeded total assets and deferred outflows of resources of the primary government, including land, buildings and equipment at the close of fiscal year 2016-17 by \$141,718,406 (*Net Position*). This amount is further reduced by, \$22,389,890 representing the net investment in capital assets, \$5,479,710 restricted for debt service, \$2,297,229 restricted for emergencies, \$631,640 restricted for Food Services and \$197,560 restricted for use in the Colorado preschool program. This leaves the final Unrestricted Net Position at a negative \$172,714,435.
- The District's total Net Position for the primary reporting entity decreased by \$42,128,664 while unrestricted Net Position decreased by \$41,404,634. This change is mainly reflective of the District's PERA pension expense for the year which totaled \$44,702,138. Pension expense for the year was approximately nine times higher than the prior year. The District records its portion of the overall liability for the PERA pension plan according to a percentage provided by PERA representing the liability for current and former District employees. One of the key factors in the calculation of the liability at the statewide level is the discount rate used by PERA. In the prior fiscal year the rate used was set by PERA at 7.5%. During the current year certain conditions existed which required calculations of the statewide pension plan's discount rate to use a blended rate taking the PERA rate of 7.25% and a municipal bond index rate of 3.86% and averaging the two to get a 5.26% discount rate. When the calculations were done using this much lower number there was a significantly larger calculated total pension liability which in turn will be reported by all governments across the state participating in PERA's School Pension Trust Fund. Going forward the District will likely see larger required employer pension contributions as well as larger required employee contributions while PERA retirees may see changes in benefits received.
- The District's Governmental Funds fund balance increased by \$3,652,119 to an ending fund balance of \$29,854,922.
- The Governmental Funds reported combined unassigned fund balance of \$11,499,306.

At June 30, 2017, \$2,494,789 of the \$18,046,009 fund balance of the General Fund was restricted for the Colorado Preschool Program and the emergency contingency required by Article X, Section 20 of the Colorado Constitution. In addition, \$315,129 was considered nonspendable as it was held in inventories, prepaid items and equity in the insurance pool. The \$11,499,306 unassigned portion of the fund balance is equivalent to 18.3% of the total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers a broad overview of the school district's financial activities in a manner similar to a private sector business.

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

The statement of activities presents information showing how the Net Position of the District changed during the current fiscal year. Changes in Net Position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (example: levied but uncollected property taxes and earned but unused employees' vacation leave).

The government-wide financial statements reflect that the district has no business-type fund, with all funds on the government-wide statements being governmental. The Districts Governmental type funds include the General Fund, Grants Fund, Food Service Fund, Bond Redemption Fund, Athletics Fund, Fee Supported Fund and Capital Projects Funds.

The government-wide financial statements can be found on pages 25 - 26 of this report.

FUND FINANCIAL STATEMENTS

Fund financial statements are designed to demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other governments, uses fund accounting to ensure and demonstrate compliance. All of the funds of the District are considered governmental funds with the exception of one fiduciary fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near-term financial resources and fund balances (which are 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 revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains five governmental funds that are classified as major funds. They are the General Fund, the Grants Fund, Capital Projects Fund, Food Service Fund and the Bond Redemption Fund. The General and Grant funds account for funds received from other government entities. The Food Service Fund accounts for the revenues and expenditures generated by the Districts food service program. The Bond Redemption Fund is used to account for property tax collections used to pay off the District's general

obligation debt. Other governmental funds, classified as non-major funds include the Athletics Fund and Fee Supported Fund.

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the General and Grants funds are included in the Required Supplementary Information to demonstrate compliance with the adopted budget. The remaining governmental funds budgetary comparisons are reported as Supplementary Information and can be found after the Required Supplementary Information section of this report.

Fiduciary Fund

Fiduciary fund is used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because these sources are not available to support direct educational programs. The pupil activity fund is the only fiduciary fund the District currently operates.

NOTES TO THE FINANCIAL STATEMENTS

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

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also contains Supplementary Information concerning the District's non-major governmental fund. The budget to actual schedules are presented after the Required Supplementary Information to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The assets of the District are classified as current assets or non-current assets. Cash and investments, receivables, prepaid expenses and inventories are current assets available to provide resources for the near-term operations of the District. Non-current assets include equity in the insurance pool and capital assets. Capital assets are used in the operations of the District and include buildings, land, machinery and equipment. The District also has deferred outflows of resources which include deferred pension outflows and deferred charges resulting from the refunding of debt. These deferred outflows will not provide resources for near-term operations of the District, but instead represent the delayed recording of expenses as required by generally accepted accounting principles.

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position.

Adams County School District 14
Statement of Net Position
For June 30, 2017 and 2016

	Total	
	2017	2016
Assets:		
Current and other assets	\$ 37,775,823	\$ 33,047,321
Capital assets	94,574,735	98,401,441
Total assets	132,350,558	131,448,762
Deferred outflows of resources		
Deferred outflow pension	114,691,095	19,749,920
Deferred charge on refunding	6,782,622	7,426,795
	121,473,717	27,176,715
Liabilities:		
Current liabilities	11,688,469	10,660,783
Non-current liabilities	376,063,776	239,154,730
Total liabilities	387,752,245	249,815,513
Deferred inflow of resources		
Deferred inflow pension	7,790,436	8,399,706
	7,790,436	8,399,706
Net position:		
Net investment in capital assets	22,389,890	23,562,485
Restricted	8,606,139	8,157,574
Unrestricted	(172,714,435)	(131,309,801)
Total net position	\$ (141,718,406)	\$ (99,589,742)

GOVERNMENT-WIDE ACTIVITIES

Governmental activities decreased the Net Position of the District by \$42,128,664 during the current fiscal year. As discussed earlier this is largely reflective of the change in the PERA pension plan liability but it also reflects the sum of all other activity within the District for the year including the growth in the General Fund balance of \$3.6 million, regular debt service payments on General Obligation Bonds of \$2.4 million and an increase in current liabilities of \$1.0 million at year end due to ongoing roofing projects in the current fiscal year. The decrease in Net Position also reflects the annual depreciation charge on assets of \$4.0 million. While these are the basic areas causing the decrease in our net position we believe that our discussion of the overall change in the General Fund balance provided later in this document provides more relevant financial information regarding the fiscal activity at the District during the year and we direct the user to that section for further discussion.

The main sources of governmental revenue for the primary government are local property tax, state equalization payments and grants. Property taxes and specific ownership taxes account for 33.9% of the revenue received by the District with 43.9% being received from state equalization payments. Operating grants and contributions provide an additional 17.1%. Other sources, including general revenue grants, account for the remaining 5.1% of revenue.

Within the government wide financial statements revenues were largely flat from fiscal year 2016 to 2017, increasing by only \$208,555. Operating grants received by the district showed a decrease of \$417,351 being offset by an increase of \$444,433 in grants not restricted to specific programs due to additional Impact Aid funds being received in the current year. The District did see an increase of investment earnings of \$132,486 as interest rates in CSAFE and ColoTrust increased. The previously discussed increase of PERA pension expense impacted every category of the government wide expenses as it is the District's policy to proportionately spread the effect of the change in pension liability according to current year actual expenditures in each category.

**Adams County School District 14
Changes in Net Position
For June 30, 2017 and 2016**

	Total	
	2017	2016
REVENUES		
Program revenues		
Charges for services	\$ 362,681	\$ 223,850
Operating grants and contributions	15,099,954	15,517,305
Property taxes	27,442,500	27,465,965
Specific ownership taxes	2,469,691	2,419,465
Grants not restricted to specific programs	3,105,282	2,660,849
State equalization	38,759,964	38,554,537
Investment earnings	186,622	54,136
Gain on disposal	46,512	-
Miscellaneous	763,434	1,131,978
Total revenues	<u>88,236,640</u>	<u>88,028,085</u>
EXPENSES		
Instructional services	61,922,957	40,456,798
Operation and maintenance	16,517,855	9,030,290
Pupil services	7,991,280	6,287,319
Central support services	8,106,344	4,845,945
School administration	7,738,609	6,560,067
Instructional support	8,951,936	7,385,379
Pupil transportation	3,161,484	1,984,778
Business administration	2,103,394	1,360,493
General administration	1,971,712	1,692,565
Community services	1,537,309	1,017,152
Adult education	844,666	502,933
Other support services	623,265	111,016
Nutrition services	5,781,057	4,227,985
Interest and fiscal charges	3,113,437	3,224,180
Total expenses	<u>130,365,304</u>	<u>88,686,900</u>
Change in net position	<u>(42,128,664)</u>	<u>(658,815)</u>
Net position - beginning	<u>(99,589,742)</u>	<u>(98,930,927)</u>
Net position - ending	<u><u>\$ (141,718,406)</u></u>	<u><u>\$ (99,589,742)</u></u>

FUND FINANCIAL ANALYSIS

Adams County School District 14 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

At the end of the current fiscal year the District's governmental funds reported a combined ending fund balance of \$29,854,922.

Major Governmental Funds

General Fund

The General Fund is the major operating fund of the District, providing the majority of the resources for the educational and support programs. Revenues for the General Fund totaled \$68.8 million in fiscal year 2016-17 compared to \$69.3 million in fiscal year 2015-16, a decrease of .7%, mainly as a result of property taxes revenue decreasing by \$.9 million while equalization payments increased by .2 million. Note this was largely caused by a large collection of abated taxes in the prior year compared to the current year rather than a decrease in formula funding from the state. The increase in Impact Aid was also a contributing factor here partially offsetting the decrease in property taxes by providing an additional .4 million in revenue.

	<u>FY2016-17</u>	<u>FY2015-16</u>	<u>Amount of Change</u>	<u>Percentage of Change</u>
Revenues				
Federal				
Impact Aid	\$ 3,105,282	\$ 2,660,849	\$ 444,433	16.7%
Subtotal	<u>3,105,282</u>	<u>2,660,849</u>	<u>444,433</u>	
State				
Equalization payments	38,759,964	38,554,537	205,427	0.5%
Vocational education	89,792	221,264	(131,472)	-59.4%
Exceptional children's act (ECEA)	1,438,929	1,532,900	(93,971)	-6.1%
Transportation reimbursement	460,421	495,824	(35,403)	-7.1%
ELPA reimbursement	460,537	419,549	40,988	9.8%
Subtotal	<u>41,209,643</u>	<u>41,224,074</u>	<u>(14,431)</u>	
Local				
Property taxes	23,622,091	24,565,454	(943,363)	-3.8%
Payment in lieu of taxes	54,941	52,071	2,870	5.5%
Tuition	-	81,615	(81,615)	-100.0%
Miscellaneous	656,654	634,567	22,087	3.5%
Investment income	130,726	33,948	96,778	285.1%
Subtotal	<u>24,464,412</u>	<u>25,367,655</u>	<u>(903,243)</u>	
Total revenues	<u>\$ 68,779,337</u>	<u>\$ 69,252,578</u>	<u>\$ (473,241)</u>	-0.7%

Fiscal year 2016-17 General Fund expenditures, which include the accrual for teacher salaries and benefits, totaled \$62.8 million, compared to \$62.0 million in fiscal year 2015-16. This represents an increase of \$.8 million (1.3%) from the previous fiscal year but is an expected increase based on annual salary increases approved by the board effective for fiscal year 2016-17. When transfers to other funds are factored in the change in the General fund balance for the year was an increase of \$3.6 million. Instructional support costs decreased from the prior year as the prior year included payouts to departing employees, replacement staff generally being paid at a lower rate. The following table compares expenditures for fiscal years 2016-17 and 2015-16 using the modified accrual basis of accounting.

	<u>FY2016-17</u>	<u>FY2015-16</u>	<u>Amount of Change</u>	<u>Percentage of Change</u>
Expenditures				
Instructional services	\$ 34,618,893	\$ 32,313,512	\$ 2,305,381	7.1%
Operations and maintenance	6,794,037	6,699,623	94,414	1.4%
Pupil services	4,248,069	4,244,982	3,087	0.1%
Central support services	4,350,183	4,474,589	(124,406)	-2.8%
School administration	4,807,243	5,184,732	(377,489)	-7.3%
Instructional support	2,486,574	3,743,659	(1,257,085)	-33.6%
Pupil transportation	1,964,149	1,832,848	131,301	7.2%
Business administration	1,322,289	1,212,372	109,917	9.1%
General administration	863,281	1,157,502	(294,221)	-25.4%
Other supporting services	403,652	104,558	299,094	286.1%
Community services	200,351	342,858	(142,507)	-41.6%
Education for adults	64,547	-	64,547	0.0%
Capital outlay	639,345	660,431	(21,086)	-3.2%
Total Expenditures	<u>\$ 62,762,613</u>	<u>\$ 61,971,666</u>	<u>\$ 790,947</u>	1.3%

Grants Fund

The Grants Fund, a special revenue fund, maintains a separate accounting for Federal, State and local grant-funded programs which may have a different fiscal period than that of the District. Funds are received for a specific purpose to address a particular student group or need related to student achievement. The funds must be supplemental to the efforts of the District and are not used to supplant District funding responsibilities. Specific rules, statutes and regulations guide these programs, and the money received is accounted for independently of local budget funds. Board of Education policy regulates the application and receipt of these funds. Fiscal year 2016-17 grant revenues totaled \$9.0 million and expenditures totaled \$9.0 million compared to grant revenues of \$9.2 million and expenditures of \$9.2 million in the 2015-16 fiscal year.

Food Service Fund

The Food Service Fund provides complete food services for the District including National School Lunch Program, National Breakfast Program and Summer Food Service Program. Primary revenues come from these program reimbursements. Fiscal year 2016-17 had an excess of revenues compared to expenditures of \$193,771 resulting in total Fund Balance of \$927,020. This continues the turnaround for the fund which reported a net loss of \$828,936 two years ago mainly due to high staffing costs. Revenues decreased for the fund by \$164,166 from fiscal year 2015-16 as the program had a slight decrease in meals served from year to year. Expenditures also decreased for the fund by \$182,147 due to the same slight decrease in meals served.

Bond Redemption Fund

The Bond Redemption Fund is reported as a major fund for the fiscal year 2016-17. The Bond Redemption Fund is used to account for the requirements of the general obligation bonds. The primary revenue source is a voter approved mill levy to satisfy principal and interest requirements on the debt. Principal and interest payments were \$5.5 million for fiscal year 2016-17 compared to \$7.4 million for fiscal year 2015-16. The decrease in payments was a result of the 2015 general obligation bonds not having a scheduled payment in 2016-17 compared to a scheduled payment made of \$2.0 million in the prior year. This difference and minor additional differences were also a part of the overall schedule of debt payments agreed upon within all the bond agreements.

Capital Projects Fund

The Capital Projects Fund, is reported as a major fund for fiscal year 2016-17, and is used to account for Board approved capital outlay and routine preventative and repair maintenance. Capital Projects Fund revenues and other financing sources totaled \$1.4 million in 2016-17 compared to \$6.3 million in 2015-16, this is reflecting a greater prior year transfer from the General Fund and the proceeds from the sale of land in the prior year of approximately \$3.5 million. Total expenditures and other financing uses totaled \$2.4 million. Current year spend down of money previously transferred from the general fund was to help fund the District's match portion of participation in the Best Grant program and is mainly the cause of the decrease in fund balance here.

GENERAL FUND BUDGETARY HIGHLIGHTS

The proposed budget for fiscal year 2016-17 was presented and approved by the Board of Education on June 28, 2016, with total General Fund appropriations of \$76,032,876 including appropriated fund balance. In January of 2017 the budget was amended to include the spending of an additional \$1,048,245 in the General Fund and \$1,260,000 in special revenue funds which accounted for the increased revenues the District was receiving from Colorado Department of Education for state equalization. This budget revision in the General Fund brought total General Fund appropriations to \$68,791,509 (plus appropriated fund balance of \$11,058,162). This compares to the prior year ending total appropriations of \$64,208,175.

Overall actual revenues were approximately \$1.0 million greater than final budgeted revenues. Variances were seen in Impact Aid where the District received \$.8 million more than budgeted.

Total operating expenditures were \$6.0 million under the final budget. The District monitors and controls budgets comprised of two components, amounts budgeted within department or building budgets (budget control groups) and amounts not included in department or building budgets, typically salaries and benefits as FTE, but also including other unreleased budget items such as budget contingency. The amounts budgeted within building or department budgets in fiscal year 2016-17 totaled \$18.8 million however \$2.8 million of these funds were budgeted but unspent at year end. The largest unspent amounts within these budgets were \$360,579 budgeted for severance payments, \$159,818 budgeted for the student worker program, \$133,541 budgeted for utilities, \$253,580 budgeted for preschool instruction, \$158,490 budgeted for the secondary education department, \$139,107 budgeted for the elementary education department, \$130,823 budgeted for post-secondary education, \$228,998 budgeted for Induction and \$178,794 budgeted for Innovation Planning costs which were all unspent at year end. The remaining unspent budgeted dollars not included within budget control groups of \$3.2 million consisted of budgeted salary costs coming in lower than expected by \$343,286, PERA contributions coming in \$351,957 less than budgeted, health insurance expense at \$524,592 less than budgeted, and the remaining variance of approximately \$2.0 million consisting of amounts pending board approval for use of reserves of \$.8 million and unspent budget contingency of 1.3 million offset by other unbudgeted expenses occurring during the year. Together, these factors resulted in the increase in the General Fund balance in the current year of \$3.6 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The District's governmental activities net investment in capital assets totaled \$94,574,735 for fiscal year 2016-17, which is a decrease of \$3,826,706 from the prior year. The decrease is a result of the annual depreciation of capital assets out pacing a minimal level of capital additions completed for the year.

At June 30, 2017, the District had total bonded debt outstanding of \$69,905,000 backed by the full faith and credit of the District. In November 2006, the voters in our District approved \$78 million in general obligation bonds along with a 6.876 mill levy increase to fund the construction of a new high school, install air conditioning in schools that did not already have it, expanded our full-day kindergarten facilities and upgraded our middle school science labs. The final \$3.375 million of general obligation bonds were issued on January 3, 2008. In fiscal year 2012-13, the District issued 2013 Refunding bonds to advance refund a portion of the 2006 series bonds and take advantage of a lower available interest rate. The District again took advantage of low interest rates in 2014-15 to issue \$11,590,000 in refunding bonds and refund \$12,435,000 worth of series 2007 and series 2008 general obligation bonds.

Additional information on the District's capital assets and debt administration can be found in notes E, F and G of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The largest source of revenue for the District's operating funds is derived from the Public School Finance Act funding formula. In April 1994, the Colorado state legislature enacted the Public School Finance Act of 1994, which remains in effect. Funding is based on a statewide base per pupil funding formula that is adjusted for individual school districts by recognizing differences in personnel costs, non-personnel costs, local cost of living and school district size. Additional funding is also provided based on the presence of at-risk pupils. Starting in FY 2010-11, a new factor was introduced in the school finance formula due to the statewide budget challenges facing Colorado at the time. This new factor named the "Negative Factor" reduces the amount of funding districts would have received prior to this factors application.

At the time of the Colorado Legislative Council's September 20, 2017 Economic Forecast, the fiscal year 2016-17 State General Fund audited financials were not available, however current figures show the State General Fund ended FY 2016-17 with \$28.7 million more than the 6.0 percent of general appropriations reserve required. General Fund revenue grew by 3.0 percent in FY 2016-17 over the prior fiscal year's collections – a rate slower than 2016 inflation plus population growth, which rose a combined rate of 4.5 percent. Growth in General Fund revenue is expected to outpace statewide inflation and population growth in FY 2017-18 and FY 2018-19, though uncertainty over federal tax policy poses a risk to the forecast.

Continued expansion is expected in both the U.S. and Colorado economies, however the late stage of the economic expansion poses significant risks to the revenue outlook; growing scarcity of rising wage pressure for high-skilled labor may mute business growth.

In an April 17, 2017 report to the State Board of Equalization and the General Assembly by the Colorado Department of Local Affairs it was noted that the weighted average projected rate of change from 2016 to 2017 of all values within the abstracts of assessments for property at the county levels in the state would be close to 16.7% and specifically would be 19.2% in Adams County. It is unclear how this large increase in property values may impact the overall funding for the District as the State may elect to reduce equalization payments in order to utilize the additional revenue for use in other areas.

As noted above, actual and projected student enrollment counts influence the District's current and future operating budgets. Enrollments for FY 2017-18 are projected to increase by 129.88 full time equivalent students compared to FY 2016-17 levels.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Adams County School District 14's finances for all those with an interest in the District. Questions concerning any of the information provided in this report, requests for the financial statements of the District's component unit, or requests for additional information should be addressed to:

Division of Financial Services
Adams County School District 14
5291 East 60th Avenue
Commerce City, Colorado 80022-3203



Adams County School District 14
Statement of Net Position
June 30, 2017

	Total Primary Government
ASSETS	
Current assets:	
Cash and investments	\$ 33,064,630
Accounts receivable	436,921
Property taxes receivable	892,638
Due from other governments	2,771,125
Inventories	378,164
Prepaid expenses	102,445
Total current assets	37,645,923
Non-current assets:	
Equity in insurance pool	129,900
Capital assets, not depreciated	
Land and land improvements	8,647,082
Capital assets, net of accumulated depreciation	
Buildings and improvements	138,244,390
Machinery and equipment	9,567,651
Accumulated depreciation	(61,884,388)
Total non-current assets	94,704,635
Total assets	132,350,558
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow pension	114,691,095
Deferred charge on refunding debt	6,782,622
Total Deferred outflows of resources	121,473,717
LIABILITIES	
Current liabilities:	
Accounts payable	1,093,440
Retainage payable	85,155
Accrued liabilities	415,452
Accrued salaries and benefits	4,649,890
Unearned revenue	1,335,072
Accrued interest payable	249,798
Due within one year:	
General obligation bonds	3,241,031
Capital leases	228,266
Compensated absences and early retirement	390,365
Total current liabilities	11,688,469
Non-current liabilities:	
Due in more than one year:	
General obligation bonds	74,747,053
Capital leases	751,117
Compensated absences and early retirement	2,030,185
Net pension liability	298,535,421
Total non-current liabilities	376,063,776
Total liabilities	387,752,245
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow pension	7,790,436
NET POSITION	
Net investment in capital assets	22,389,890
Restricted for:	
Debt service	5,479,710
Emergencies	2,297,229
Food Service	631,640
Colorado preschool program	197,560
Unrestricted	(172,714,435)
Total net position	\$ (141,718,406)

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

Adams County School District 14
Statement of Activities
For the Year Ended June 30, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>for</u>	<u>Grants and</u>	<u>Changes in Net</u>
		<u>Services</u>	<u>Contributions</u>	<u>Position</u>
				<u>Total</u>
Primary Government				
Governmental activities:				
Instructional services	\$ 61,922,957	\$ -	\$ 5,094,518	\$ (56,828,439)
Operation and maintenance	16,517,855	-	129,149	(16,388,706)
Pupil services	7,991,280	-	927,333	(7,063,947)
Central support services	8,106,344	-	63,353	(8,042,991)
School administration	7,738,609	-	76,601	(7,662,008)
Instructional staff	8,951,936	-	3,187,079	(5,764,857)
Pupil transportation	3,161,484	-	543,594	(2,617,890)
Business administration	2,103,394	-	-	(2,103,394)
General administration	1,971,712	-	412,753	(1,558,959)
Other supporting services	623,265	-	-	(623,265)
Community services	1,537,309	295,059	470,741	(771,509)
Food service operations	5,781,057	67,622	3,867,938	(1,845,497)
Education for adults	844,666	-	326,895	(517,771)
Interest and fiscal charges	3,113,437	-	-	(3,113,437)
Total primary government	<u>\$ 130,365,304</u>	<u>\$ 362,681</u>	<u>\$ 15,099,954</u>	<u>(114,902,669)</u>
General revenues:				
Taxes:				
Property taxes				27,442,500
Specific ownership taxes				2,469,691
Grants not restricted to specific programs				3,105,282
State equalization				38,759,964
Investment earnings				186,622
Gain on sale of assets				46,512
Miscellaneous				763,434
Total general revenues				<u>72,774,005</u>
Change in net position				(42,128,664)
Net position - beginning				<u>(99,589,742)</u>
Net position - ending				<u>\$ (141,718,406)</u>

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

Adams County School District 14
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Grants Fund	Bond Redemption Fund	Food Service Fund	Capital Projects Fund	Non-major Funds	Total Governmental Funds
ASSETS							
Cash and investments	\$ 22,884,805	\$ 583,358	\$ 5,528,825	\$ 361,927	\$ 3,570,726	\$ 134,989	\$ 33,064,630
Accounts receivable	24,840	-	-	392,641	-	19,440	436,921
Property taxes receivable	692,345	-	200,293	-	-	-	892,638
Due from other funds	-	-	390	18,877	1,634,617	125,294	1,779,178
Due from other governments	-	2,771,125	-	-	-	-	2,771,125
Inventories	82,784	-	-	295,380	-	-	378,164
Prepaid items	102,445	-	-	-	-	-	102,445
Equity in insurance pool	129,900	-	-	-	-	-	129,900
Total assets	<u>\$ 23,917,119</u>	<u>\$ 3,354,483</u>	<u>\$ 5,729,508</u>	<u>\$ 1,068,825</u>	<u>\$ 5,205,343</u>	<u>\$ 279,723</u>	<u>\$ 39,555,001</u>
LIABILITIES							
Liabilities:							
Accounts payable	\$ 525,128	\$ 433,803	\$ -	\$ 1,522	\$ 131,842	\$ 1,145	\$ 1,093,440
Retainage payable	-	-	-	-	85,155	-	85,155
Accrued liabilities	290,747	124,705	-	-	-	-	415,452
Accrued salaries and benefits	4,017,300	454,509	-	140,283	-	37,798	4,649,890
Due to other funds	772,784	1,006,394	-	-	-	-	1,779,178
Unearned revenue	-	1,335,072	-	-	-	-	1,335,072
Total liabilities	<u>5,605,959</u>	<u>3,354,483</u>	<u>-</u>	<u>141,805</u>	<u>216,997</u>	<u>38,943</u>	<u>9,358,187</u>
DEFERRED INFLOW OF RESOURCES							
Unavailable revenue	265,151	-	76,741	-	-	-	341,892
Total deferred inflow of resources	<u>265,151</u>	<u>-</u>	<u>76,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>341,892</u>
FUND BALANCE:							
Nonspendable:							
Inventories	82,784	-	-	295,380	-	-	378,164
Prepaid items	102,445	-	-	-	-	-	102,445
Equity in insurance pool	129,900	-	-	-	-	-	129,900
Restricted for:							
TABOR	2,297,229	-	-	-	-	-	2,297,229
Colorado preschool program	197,560	-	-	-	-	-	197,560
Food service activities	-	-	-	631,640	-	-	631,640
Debt service	-	-	5,652,767	-	-	-	5,652,767
Committed:	-	-	-	-	1,387,647	-	1,387,647
Assigned for:							
Athletics activities	-	-	-	-	-	61,984	61,984
Fee supported activities	-	-	-	-	-	178,796	178,796
Capital projects fund activities	-	-	-	-	3,600,699	-	3,600,699
Risk management activities	598,654	-	-	-	-	-	598,654
Board Reserve	3,138,131	-	-	-	-	-	3,138,131
Unassigned:	11,499,306	-	-	-	-	-	11,499,306
Total fund balance	<u>18,046,009</u>	<u>-</u>	<u>5,652,767</u>	<u>927,020</u>	<u>4,988,346</u>	<u>240,780</u>	<u>29,854,922</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 23,917,119</u>	<u>\$ 3,354,483</u>	<u>\$ 5,729,508</u>	<u>\$ 1,068,825</u>	<u>\$ 5,205,343</u>	<u>\$ 279,723</u>	<u>\$ 39,555,001</u>

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

Adams County School District 14
Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2017

Total fund balances for governmental funds	\$	29,854,922
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		94,574,735
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds		341,892
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 fund statements		(191,634,762)
Long-term liabilities, including long-term debt outstanding of (\$78,967,467) net of deferred charge on refunding debt of \$6,782,622, compensated absences and early retirement payments of (\$2,420,550), and accrued interest payable of (\$249,798) are not due and payable in the current period and therefore are not reported in the funds		(74,855,193)
Total net position of governmental activities	\$	<u>(141,718,406)</u>

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

Adams County School District 14
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended June 30, 2017

	General Fund	Grants Fund	Bond Redemption Fund	Food Service Fund	Capital Projects Fund	Non-major Funds	Total Governmental Funds
REVENUES							
Federal	\$ 3,105,282	\$ 5,994,929	\$ -	\$ 3,647,720	\$ -	\$ -	\$ 12,747,931
State	41,209,643	2,938,146	-	69,480	-	-	44,217,269
Local:							
Taxes	23,622,091	-	6,089,454	-	-	-	29,711,545
Payments in lieu of taxes	54,941	-	45,389	-	-	-	100,330
Charges for services	-	-	-	-	-	295,059	295,059
Miscellaneous	656,654	85,948	-	67,622	-	-	810,224
Investment income	130,726	-	24,813	-	31,083	-	186,622
Total revenues	<u>68,779,337</u>	<u>9,019,023</u>	<u>6,159,656</u>	<u>3,784,822</u>	<u>31,083</u>	<u>295,059</u>	<u>88,068,980</u>
EXPENDITURES							
Current operating:							
Instructional services	34,618,893	2,073,389	-	-	-	528,314	37,220,596
Operations and maintenance	6,794,037	1,117,819	-	-	1,288,257	6,763	9,206,876
Pupil services	4,248,069	927,333	-	-	-	-	5,175,402
Central support services	4,350,183	63,353	-	-	-	-	4,413,536
School administration	4,807,243	76,601	-	-	-	-	4,883,844
Instructional support	2,486,574	3,187,079	-	-	-	115,191	5,788,844
Pupil transportation	1,964,149	83,173	-	-	-	-	2,047,322
Business administration	1,322,289	-	-	-	-	32,829	1,355,118
General administration	863,281	412,753	-	-	-	-	1,276,034
Other supporting services	403,652	-	-	-	-	-	403,652
Community services	200,351	470,741	-	-	-	322,766	993,858
Food service operations	-	150,738	-	3,587,014	-	-	3,737,752
Education for adults	64,547	326,895	-	-	-	155,598	547,040
Capital outlay	639,345	129,149	-	4,037	849,300	14,870	1,636,701
Debt Service:							
Principal retirement	-	-	2,400,000	-	218,032	-	2,618,032
Interest and fiscal charges	-	-	3,103,956	-	53,060	-	3,157,016
Paying agent fee	-	-	1,750	-	-	-	1,750
Total expenditures	<u>62,762,613</u>	<u>9,019,023</u>	<u>5,505,706</u>	<u>3,591,051</u>	<u>2,408,649</u>	<u>1,176,331</u>	<u>84,463,373</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,016,724</u>	<u>-</u>	<u>653,950</u>	<u>193,771</u>	<u>(2,377,566)</u>	<u>(881,272)</u>	<u>3,605,607</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from sale	-	-	-	-	46,512	-	46,512
Transfers out	(2,370,000)	-	-	-	-	-	(2,370,000)
Transfers in	-	-	-	-	1,350,000	1,020,000	2,370,000
Total other financing sources (uses)	<u>(2,370,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,396,512</u>	<u>1,020,000</u>	<u>46,512</u>
Net change in fund balances	3,646,724	-	653,950	193,771	(981,054)	138,728	3,652,119
Fund balance - beginning	14,399,285	-	4,998,817	733,249	5,969,400	102,052	26,202,803
Fund balance - ending	<u>\$ 18,046,009</u>	<u>\$ -</u>	<u>\$ 5,652,767</u>	<u>\$ 927,020</u>	<u>\$ 4,988,346</u>	<u>\$ 240,780</u>	<u>\$ 29,854,922</u>

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

Adams County School District 14
Reconciliation of the Statement of Revenues
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2017

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

Net change in fund balances - total governmental funds	\$ 3,652,119
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the sum of depreciation expense of (\$3,969,613) exceeds the sum of capital outlays of \$222,405 less capital deletions of \$(2,607,369) net of accumulated depreciation on those assets of \$2,527,871.	(3,826,706)
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. This amount represents property taxes not available at year end.	200,646
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. This amount is the net effect of these differences in the treatment of long-term debt and related items: amortization of bond premium of \$680,252, amortization of loss on refunding of \$644,173 and a decrease in accrued interest payable of \$9,250.	45,329
Additional funding of the net pension liability in the pension plan does not use current financial resources and, therefore, is not reported as expenses in the governmental funds.	(44,702,138)
Compensated absences and early retirement are not recorded as an expenditure in the governmental statements until it becomes due and payable. However, in the statement of activities they are reported as an expense when earned or incurred.	(115,946)
Repayments of bond principal of \$2,400,000, and capital lease payments of \$218,032 are expenditures in the governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	2,618,032
Change in net position of governmental activities	\$ (42,128,664)

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

Adams County School District 14
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
June 30, 2017

	Agency
ASSETS	
Cash and investments	\$ 282,047
Total assets	282,047
 LIABILITIES	
Due to student organizations	282,047
Total liabilities	\$ 282,047

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Adams County School District 14 (The “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the acceptable standard-setting body for establishing governmental accounting and financial reporting principles.

A summary of the District’s significant policies consistently applied in the preparation of these financial statements follows. These policies are presented to assist the reader in interpreting the financial statements and other data in the report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

1. Reporting Entity

As directed by the Governmental Accounting Standards Board, the financial reporting entity as presented consists of the District and organizations which District Administration feels would be misleading to exclude from this report. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. In addition, if there were any legally separate organizations for which the District was financially accountable they would be 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 on the District. The District has no organizations included in this financial statement based on financial accountability.

2. 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 of the 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 equal to the services provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support; however, at this time, the District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or a 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 others who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated revenues are reported as general revenues rather than as program revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the District’s financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

3. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide 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 a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The fiduciary fund financial statements are reported using the accrual basis of accounting.

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. Property tax revenues are considered to be available if collected within 60 days after year-end. All other revenues are considered to be available in the period earned if the receipt of the money is expected to be collected within 120 days. Note, this policy was changed effective July 1, 2016.

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The District reports the following major governmental funds:

The **General Fund** is the District's primary operating fund. It accounts for all financial resources of the District, except those that are required to be accounted for in another fund. This fund would typically be used to liquidate pension liabilities if required.

The **Grants Fund** is provided to maintain a separate accounting for fully funded Federal, State and local grant programs. The Grants fund is considered a special revenue fund as it is established for a revenue source restricted in use to grant purposes.

The **Bond Redemption Fund** is provided to maintain a separate accounting for the District's bond principal and interest payments using property taxes dedicated for debt service.

The **Food Service Fund** accounts for the financial activities associated with the District's school breakfast and lunch programs. Revenues in this fund are mainly reimbursements from the State Department of Education for meals served.

The **Capital Projects Fund** accounts for Board approved capital outlay and routine preventative and repair maintenance.

The District reports the following non-major funds:

The **Fee Supported Fund** accounts for the revenue and expenditures of the adult education program, District printshop, before and after daycare programs and community use of district facilities.

The **Athletics Fund** accounts for the revenue and expenditures associated with middle and high school funded athletic programs.

The **Agency Fund** is used to account for resources legally held in trust for use by individual school administration for selected programs. All resources of the fund, including any earnings on invested resources, may be used to support the school activities. There is no requirement that any portion of these resources be preserved as capital. The District holds all resources in a purely custodial capacity.

4. Assets, Deferred Outlays of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

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

Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds" (i.e., the current portion of interfund loans).

Property and Specific Ownership Tax Receivables

All trade and property tax receivables are shown net of an allowance for uncollectible representing 1% of expected revenue, for fiscal year 2016-17 this amount was \$275,150.

The County (Adams County Treasurer) bills and collects property taxes for all taxing districts within the County. Property tax receipts are remitted to the District in the subsequent month. The taxes are recorded as a receivable and reported as deferred inflow of resources if not available.

The County collects specific ownership taxes on motor vehicles registered within the District's assessment area. Tax receipts collected by the County are remitted to the District in the subsequent month.

Due from Other Governments

The District records amounts expected to be received from other governments, including amounts receivable for reimbursement of grant expenditures, as due from other governments.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of payment, and an expenditure/expense is reported in the year in which the services are consumed.

Inventories

General Fund purchased inventories are stated at cost, determined by the weighted average cost method and recorded under the consumption method. Inventory in the General Fund consists of expendable supplies held for consumption. Expenditures for supplies are recorded upon delivery of these items to the various schools and departments from the District warehouse.

Food Service Fund purchased inventories are stated at cost, determined by the weighted average cost

method and recorded under the consumption method. Expenses for food items are recorded when used.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. The District defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materiality 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:

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	15 - 40
Machinery & Equipment	3 – 8

Accrued Salaries and Benefits

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from August through July, but are incurred over the school year which is approximately ten months. Accordingly, the accrued compensation is reflected as a liability in the General, Grants, Food Service and Fee Supported Funds in the accompanying fund financial statements.

Unearned Revenues

Unearned revenues arise when resources are received by the District before it has legal claim to them or when assets are not available as current financial resources in the governmental funds. Grant funds that have been collected but the corresponding expenditures have not been incurred are reported as unearned revenues.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. They are the deferred charge on refunding and the deferred pension outflow reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The deferred pension outflow consists of several pension related items including the accumulated payments made to reduce the District's liability with its pension at PERA after the measurement date used to record the net pension liability, the difference between projected and actual earnings on pension plan investments or projected and actual pension experience, and changes assumptions and other inputs. The deferred pension outflow will be recorded as a reduction of pension liability in the next year's pension liability calculation. The deferred charge on refunding amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The District also has an item, deferred inflow pension, which arises only under the full accrual basis of accounting that qualifies for reporting in this category. Accordingly that item is reported only on the Statement of Net Position. The deferred inflow of resources is related to experience, assumptions and change in proportionate share.

Compensated Absences/Early Retirement

Vacation pay is accrued for eligible classified, support & technical and administrative personnel according to agreements between the District and each employee group. For the classified personnel, the largest group in the District, this is at a rate based upon years of service. District policy allows eligible classified employees to accumulate up to thirty (30) days of vacation leave and eligible support & technical and administrative employees to accumulate up to forty (40) days of vacation leave. Payment is made to eligible employees upon separation with the District.

Sick pay is accumulated for all certified, classified, support & technical and administrative and full-time personnel. District policy allows certified and classified employees to accumulate up to 90 days of unused sick leave, while admin and support & technical employees can accumulated up to 120 days. Payment is made to employees upon separation with the District and is paid out at an employee's per diem rate for 50% of the unused leave. Sick pay is reported as a liability in the government-wide financial statements.

The District provides a financial incentive for early retirement to employees with at least 20 years of continuous full-time service with the District. The retirement request must be submitted to the District no later than five years after they qualify. The maximum salary on which the early retirement benefit will be computed shall be the employee's twentieth (20th) year salary. The early retirement incentive is equal to eighty percent (80%) of the twentieth year salary. The retirement incentive is made in three (3) equal annual installments. Early retirement is reported as a liability in the government-wide financial statements upon acceptance by the retiring employees and as a liability in the fund financial statements when due.

Long-term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued along with any premium or discount is reported as other financing sources while issue costs are recorded as expenditures when debt is issued.

Net Position/Fund Balance

In the government-wide financial statements and governmental fund statements, Net Position and Fund Balance are restricted when constraints placed on the Net Position or Fund Balance are externally imposed.

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

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of Education. The Board of Education is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Education.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Board of Education’s adopted policy DBB, the Board of Education delegates to the Superintendent or his/her designee the authority to designate as assigned amounts intended to be used for specific purposes.

Unassigned – all other spendable amounts. A negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes. Per Board policy DBB the District will maintain a minimum unassigned fund balance in its general fund of five percent of the current year’s budgeted expenditures.

The details of the fund balances are included in the Governmental Fund Balance Sheet.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is 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.

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS

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

Cash and investments	\$ 33,064,630
Fiduciary fund cash and investments	282,047
Total	<u>\$ 33,346,677</u>

A summary of deposits and investments at June 30, 2017 follows:

Petty Cash	\$	2,977
Deposits		\$2,317,192
Investments		\$31,026,508
Total	\$	<u>33,346,677</u>

1. 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 the 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, 2017, the District had bank deposits of \$3,194,509 collateralized by securities held by the financial institution’s agent but not in the District’s name.

2. Investments

The District’s investment policy defines eligible investments as well as the requirements to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest. State statutes do not address custodial risk. Following is a list of the investment instruments that comply with State statutes:

- 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

	Fair Value	S&P Rating	Maturity 12 Months or Less
Local Government Investment Pool			
Colotrust	\$ 22,685,349	AAAm	\$ 22,685,349
CSAFE	8,341,159	AAAm	8,341,159
	<u>\$ 31,026,508</u>		<u>\$ 31,026,508</u>

CSAFE – As of June 30, 2017, the District had invested \$8,341,159 in the Colorado Surplus Asset Fund Trust, an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust is valued at amortized cost. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

ColoTrust – The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The Trust records its investments at fair value and the District records its investment in the Trust using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period. At year end June 30, 2017 the district had \$22,685,349 of investments, at COLOTRUST.

To minimize credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, the District's investment policy and State statutes limit direct investments in U.S. government agency securities to the highest rating issued by at least two nationally recognized statistical rating organizations (NRSROs). In addition, repurchase agreements must be collateralized at no less than 102% of the market value with U.S. agency or treasury securities. The District's investment policy and state statutes also limit investments of money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 29-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO.

The concentration of credit risk, or the risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when investments are not diversified. District policy states that its intent is to maintain a proportionate mix of investments of no more than 25% of the total investment portfolio in Jumbo CDs and 75% of the total in government securities. Of the portion invested in government securities no more than one-third may be in government agency securities. At June 30, 2017, all of the District's investments were in CSAFE or COLOTRUST which invests in a mix of these security types.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the District's investment policy follows State statutes. State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of these limits.

NOTE C – PROPERTY TAXES

Under Colorado law, all property taxes become due and payable in the year following that in which they are levied. Property taxes are recognized as revenue based upon when received by the County Treasurer. The 2017 fiscal year property tax calendar for Adams County was as follows:

Assessor certifies total assessed valuation.....	December 10, 2016
Levy date	December 15, 2016
Lien date.....	January 1, 2017
Tax bills mailed.....	January 15, 2017
First installment due	February 28, 2017
Second installment due	June 15, 2017
If paid in full, due	April 30, 2017
Tax sale: Delinquent property taxes.....	November 4, 2017

NOTE D – INTERFUND BALANCES AND TRANSACTIONS

Interfund balances at June 30, 2017, were as follows:

FUND	DUE FROM OTHER FUNDS	DUE TO OTHER FUNDS
General Fund	\$ -	\$ 772,784
Grants Fund	-	1,006,394
Food Service Fund	18,877	-
Bond Redemption Fund	390	-
Capital Projects Fund	1,634,617	-
Non-Major Funds	125,294	-
Total	\$ 1,779,178	\$ 1,779,178

The District maintains a pooled cash account that all funds use to deposit money into and write checks out of. Periodically, usually monthly, an accounting and settlement is made of all applicable interfund transactions. A due to interfund balance represents the net amount owed to other funds for transactions incurred since the last settlement. A due from interfund balance represents the net amount due from other funds for transactions incurred since the last settlement.

The District made interfund transfers during the year as directed by the board approved annual budget mainly to provide funding in the appropriate fund for capital projects such as the recently completed roofing projects.

Interfund transfer activity for the year ended June 30, 2017 is as follows:

FUND	TRANSFERS IN	TRANSFERS OUT
Governmental Funds		
General Fund	\$ -	\$ 2,370,000
Capital Projects Fund	1,350,000	-
Non-Major Funds	1,020,000	-
Total Governmental Funds	<u>\$ 2,370,000</u>	<u>\$ 2,370,000</u>

NOTE E – CAPITAL ASSETS

Activity for capital assets, which are capitalized by the District, is summarized below:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Governmental Activities Capital Assets				
Not Being Depreciated				
Land	\$ 8,647,082	\$ -	\$ -	\$ 8,647,082
Total Not Being Depreciated	<u>8,647,082</u>	<u>-</u>	<u>-</u>	<u>8,647,082</u>
Being Depreciated				
Buildings	138,083,674	160,716	-	138,244,390
Machinery and Equipment	12,113,331	61,689	2,607,369	9,567,651
Total Being Depreciated	<u>150,197,005</u>	<u>222,405</u>	<u>2,607,369</u>	<u>147,812,041</u>
Less: Accumulated Depreciation				
Buildings	49,808,895	3,541,762	-	53,350,657
Machinery and Equipment	10,633,751	427,851	2,527,871	8,533,731
Total Accumulated Depreciation	<u>60,442,646</u>	<u>3,969,613</u>	<u>2,527,871</u>	<u>61,884,388</u>
Total Being Depreciated, Net	<u>89,754,359</u>	<u>(3,747,208)</u>	<u>79,498</u>	<u>85,927,653</u>
Total Governmental Activities				
Capital Assets, Net	<u>\$ 98,401,441</u>	<u>\$ (3,747,208)</u>	<u>\$ 79,498</u>	<u>\$ 94,574,735</u>

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

Governmental Activities	
Instruction	\$ 2,527,342
Operations and Maintenance	1,442,271
Total Governmental Activities	<u>\$ 3,969,613</u>

NOTE F – SHORT-TERM DEBT

During the year ended June 30, 2017, 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.

NOTE G – LONG-TERM OBLIGATIONS

1. Changes in Long-Term Obligations

The changes in long-term debt for the year ended June 30, 2017, are as follows:

	Balance at June 30, 2016	Additions	Deletions	Balance at June 30, 2017	Due Within One Year
<u>Governmental Activities</u>					
General Obligation Bonds					
Dated February 15, 2004	\$ 1,200,000	\$ -	\$ 1,200,000	\$ -	\$ -
Dated December 21, 2006	1,085,000	-	1,085,000	-	0
Dated January 3, 2008	230,000	-	115,000	115,000	115,000
Dated March 11, 2013	60,200,000	-	-	60,200,000	2,510,000
Dated April 14, 2015	9,590,000	-	-	9,590,000	-
Bond Premium (2004)	59,681	-	59,681	-	-
Bond Premium (2008)	11,024	-	7,782	3,242	3,242
Bond Premium (2013)	6,862,180	-	445,114	6,417,066	445,114
Bond Premium (2015)	1,830,451	-	167,675	1,662,776	167,675
Net Pension Liability	158,282,838	148,422,538	8,169,955	298,535,421	-
Compensated Absences	2,240,500	2,911,450	2,845,035	2,306,915	346,037
Early Retirement	64,104	132,984	83,453	113,635	44,328
Capital Lease (2008)	1,197,415	-	218,032	979,383	228,266
Totals	<u>\$ 242,853,193</u>	<u>\$ 151,466,972</u>	<u>\$ 14,396,727</u>	<u>\$ 379,923,438</u>	<u>\$ 3,859,662</u>

The governmental activities liabilities of compensated absences and early retirement are expected to be liquidated with revenues from the General Fund and Food Services Fund.

The Series 2008 General Obligation Bonds dated January 3, 2008, were issued for a total of \$3,375,000 to finance improvements to school buildings. On April 14, 2015, the District refunded a portion of these bonds. Following this refunding principal of \$340,000 remained outstanding with principal payments due December 1, 2015 to December 1, 2017. Interest payments are due semi-annually on June 1 and December 1 with interest accruing at 4.00%.

The capital lease agreement dated October 3, 2008, is for energy performance equipment, including but not limited to lighting upgrades, HVAC systems, water/sewer improvements and an energy management system for a total of \$2,242,942, of which \$1,713,275 was capitalized and has a remaining book value of \$1,327,788. Amortization of leased equipment under capital assets is included with depreciation expense. Lease payments are due annually beginning on September 11, 2009, through March 11, 2021, with interest accruing at 4.64% per annum. The lease has been capitalized at the present value of future lease payments. The capital lease is an obligation of the capital project fund.

On March 11, 2013, the District issued \$62,245,000 of General Obligation Refunding Bonds, Series 2013, with interest rates ranging from 2.000% to 5.250% to refund a portion of the District's outstanding General

Obligation, Series 2006 bonds. Principal payments are due annually beginning on December 1, 2013, through 2031. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at rates ranging from 2.0% to 5.25%.

On April 14, 2015, the District issued \$11,590,000 of General Obligation Refunding Bonds, Series 2015, with interest rates ranging from 2.000% to 5.000% to refund the District's outstanding General Obligation, Series 2007 bonds and a portion of the Series 2008 bonds. Principal payments are due beginning with a payment on December 1, 2015; however, the remaining principal payments will be made annually beginning December 1, 2015 through 2027. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at rates ranging from 2.0% to 5.00%.

During prior years, the District defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the activity for the trust account assets, liability and payments for the defeased bonds are not included in the District's financial statements. On December 1, 2016 the trust made the full principal payment extinguishing all outstanding debt related to the previously defeased bonds. At June 30, 2017, the outstanding balance of prior year defeased bonds was \$0.

2. Summary of Debt Service Requirements to Maturity

The following schedule reflects the debt service requirements to maturity for the District's general obligation bonded debt at June 30, 2017;

Year Ended June 30,	GO Bonds		Total
	Principal	Interest	
2018	\$ 2,625,000	\$ 3,020,131	\$ 5,645,131
2019	3,580,000	2,903,231	6,483,231
2020	3,765,000	2,719,606	6,484,606
2021	3,955,000	2,546,381	6,501,381
2022	4,100,000	2,394,531	6,494,531
2023-2027	22,915,000	9,027,431	31,942,431
2028-2032	28,965,000	2,832,234	31,797,234
Totals	<u>\$ 69,905,000</u>	<u>\$ 25,443,545</u>	<u>\$ 95,348,545</u>

The following schedule reflects the future minimum lease payments each fiscal year required under capital lease obligation at June 30, 2017;

Year Ended June 30,	
2018	\$ 271,091
2019	271,091
2020	271,091
2021	271,091
Total minimum lease payments	<u>1,084,364</u>
Less: Interest portion	<u>(104,981)</u>
Present Value of Minimum Lease Payments	<u>\$ 979,383</u>

NOTE H – RISK MANAGEMENT – EQUITY IN INSURANCE POOL

The District previously combined with four other Adams County school districts to form the Adams County BOCES Self-Insurance Pool. The pools provide insurance to the participating districts in the areas of liability, property and workers' compensation. Assets held by the pools include reserves restricted under the various pool agreements, including statutory reserves required by the Colorado Commissioner of Insurance. Pool assets consist primarily of direct obligations of the United States government or funds collateralized by such obligations.

The pools' board of directors consists of one member appointed by the Board of Education of each participating school district. All members of the pools' board of directors has an equal vote in the administration of the pools' activities, and they are responsible for selection of management and have complete responsibility for all fiscal matters in the operation of the pools.

The market value of assets approximates the book value. This pooling plan allows the participating districts to set self-insurance retention amounts under the various purchased insurance policies. As of July 1, 2014 the District is no longer carrying insurance coverage through the plan and has not paid any premiums since the 2013-14 fiscal year. The District has since instead been insured through an alternative market provider of insurance coverage. Until all existing claims periods have passed and existing claims have been settled, the District and the pool have agreed to keep a limited amount of District Equity in the pool to pay for expected future costs.

As of June 30, 2017, the District has recorded equity in insurance pool of \$129,900 in the General Fund to reflect the District's equity in the insurance pool.

The pools are administered in accordance with the Colorado Pooling Statutes and insurance regulations of the Division of Insurance. Annual examinations by the Division of Insurance are conducted in accordance with statute. A designated custodial bank serves as the trustee for the funds of the self-insurance pools and limits their investments to government securities. Summit Point Consulting is the claims administrator as well as the pools' administrator. Losses in the pool are adjusted by Summit Point Consulting.

The allocation of required premiums for the self-insurance pools is determined by the pooling agreements. Each district pays a pro rata portion of their average daily attendance entitlement for liability coverage and a pro rate portion of their property values for property coverage into the combined liability and property pool, and a pro rata portion of their payroll for coverage in the workers' compensation pool. The contributions are based on an overall budget, which is determined by the board of directors annually.

In developing a budget, the board of directors consults an independent actuary for a determination of expected losses for liability and workers' compensation claims including a provision for incurred but not reported claims. Expected losses for property are determined by the amount that claims have depleted the pool from the previous year. Settled claims resulting from these risks have not exceeded insurance coverage in the past three fiscal years.

As mentioned above, beginning July 1, 2015, the District obtained Property and Liability insurance through Colorado School District Self Insurance Pool (CSDSIP). Coverage levels for fiscal year 2016-17 were as follows;

Property	CSDSIP per Occurrence Limit \$1,000,000,000	CSDSIP Member Limit \$190,122,412
		Per Occurrence Limit
Flood		\$ 100,000,000
Earth Movement		\$ 100,000,000
General Liability		\$ 10,000,000
Equipment Breakdown		\$ 250,000,000
Crime Coverage		\$ 100,000
Excess Crime		\$ 900,000
Nuclear, Chemical, Biological, Terrorism		\$ 10,000,000
Employee Benefits Liability		\$ 250,000
School Auto		\$ 5,000,000
School Crisis		\$ 250,000
Pollution & Remediation		\$ 1,000,000
Privacy and Network		\$ 1,000,000

Outside of the coverages listed above workers' compensation insurance is now obtained through Pinnacol Assurance.

NOTE I – RETIREMENT PLANS

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Adams County School District 14 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

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

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and purchased, highest average salary, the benefit structure under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set 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 percent and then multiplied by years of service credit
- The value of the retiring employee’s member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

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

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

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

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

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

Contributions. Eligible employees of Adams County School District 14 are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. Eligible employees are required to contribute 8 percent of their PERA-includable salary.

The employer contribution requirements are summarized in the table below:

	For the Year Ended December 31, 2016	For the Year Ended December 31, 2017
Employer Contribution Rate ¹	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	4.50%	5.00%
Total Employer Contribution Rate to the SCHDTF¹	18.13%	18.63%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and Adams County School District 14 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Adams County School District 14 were \$8,122,695 for the year ended June 30, 2017.

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

At June 30, 2017 Adams County School District 14 reported a liability of \$298,535,421 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The Adams County School District 14 proportion of the net pension liability was based on Adams County School District 14 contributions to the SCHDTF for the calendar year 2016 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2016, the Adams County School District 14 proportion was 1.0027 percent, which was a decrease of 0.03 percent from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, Adams County School District 14 recognized pension expense of \$44,702,138. At June 30, 2017 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$3,732,151	\$2,627
Changes of assumptions or other inputs	\$96,868,519	\$1,346,243
Net difference between projected and actual earnings on pension plan investments	\$9,982,402	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	\$6,441,566
Contributions subsequent to the measurement date	\$4,108,024	-
Total	\$114,691,095	\$7,790,436

\$4,108,024 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Amount
2018	\$39,990,727
2019	\$41,637,319
2020	\$21,065,023
2021	\$ 99,567
2022	-
Thereafter	-

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

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

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

Actuarial Cost Method	Entry Age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 9.70 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	5.26 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates used in the December 31, 2015 valuation were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Tablew (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA’s Board on November 13, 2012, and an economic assumption study, adopted by PERA’s Board on November 15, 2013 and January 17, 2014.

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

in the total pension liability roll-forward procedures.

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

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

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

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

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

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

Several factors were considered in evaluating the long-term rate of return assumption for the SCHDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed 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 November 18, 2016 adoption of the long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

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

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

- Updated economic and demographic actuarial assumptions adopted by PERA's Board on November 18, 2016.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for the future payment, AIR transfers to fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projects.

- Benefit payments and contributions were assumed to be made at the end of the month.

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

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

Sensitivity of the Adams County School District 14 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 5.26 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.26 percent) or 1-percentage-point higher (6.26 percent) than the current rate:

	1% Decrease (4.26%)	Current Discount Rate (5.26%)	1% Increase (6.26%)
Proportionate share of the net pension liability	\$375,398,699	\$298,535,421	\$235,933,064

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

Defined Contribution Pension Plan

Voluntary Investment Program

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2017, program members contributed \$374,944. The District makes no contributions to this plan.

Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – Adams County School District 14 contributes to the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – Adams County School District 14 is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2017, 2016 and 2015, the District's contributions to the HCTF were \$450,807, \$464,307 and \$448,060, respectively, equal to their required contributions for each year.

NOTE J – COMMITMENTS AND CONTINGENCIES

1. Taxpayer's Bill of Rights (TABOR) Amendment

In November 1992, the voters of the State of Colorado approved Article X, Section 20 to the State Constitution. This amendment is referred to as the Taxpayer's Bill of Rights (TABOR). TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

TABOR requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, imposing a mill levy that will produce property tax revenue in excess of the amount collected in the previous year adjusted by the growth factor, extending an expiring tax or implementing a tax policy change which directly causes a net tax revenue gain.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments.

In November 1999, the voters approved a ballot issue authorizing the District to "...collect, retain and expend all excess revenues and other funds collected in the 1999-2000 budget year and in each subsequent budget year thereafter, notwithstanding the limitations of Article X, Section 20 of the Colorado Constitution or any other law, with the restriction that no local tax rate or property tax mill levy shall be increased without voter approval."

TABOR requires the District to maintain an emergency reserve of 3 percent of fiscal year eligible expenditures. At June 30, 2017, the District has restricted fund balance of \$2,297,229 in the General Fund and restricted Net Position in the government-wide financial statements. The District believes it is in compliance with the requirement of TABOR. However, TABOR is complex and subject to interpretation. Ultimate interpretation may depend upon litigation and legislative guidance.

2. Operating Agreement

The District entered into an operating agreement with the City of Commerce City for a building, which was renovated to be a preschool. The agreement requires an annual payment of \$12. The property will

revert back to the City at the end of the agreement. The District is responsible for the utilities and maintenance on the property and those expenditures are included in the General Fund.

3. Grants

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. At June 30, 2017, 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.

4. Litigation

The District is involved in various pending or threatened litigation. The outcome of the litigation cannot be predicted at this time.

5. Construction Commitments

The District had ongoing construction at June 30, 2017 for the completion of the roofing repair project at Kearney Middle School. The total outstanding commitment at year end was \$1,387,647.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

Adams County School District 14
Budgetary Comparison Schedule
General Fund
For The Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Federal:				
Impact aid	\$ 2,300,000	\$ 2,300,000	\$ 3,105,282	\$ 805,282
Subtotal	<u>2,300,000</u>	<u>2,300,000</u>	<u>3,105,282</u>	<u>805,282</u>
State:				
Equalization payments	37,906,325	38,972,207	38,759,964	(212,243)
Vocational education	220,000	220,000	89,792	(130,208)
Exceptional Children's Educational Act (ECEA)	1,284,000	1,284,000	1,438,929	154,929
Transportation reimbursement	476,000	476,000	460,421	(15,579)
ELPA reimbursement	390,000	390,000	460,537	70,537
Subtotal	<u>40,276,325</u>	<u>41,342,207</u>	<u>41,209,643</u>	<u>(132,564)</u>
Local:				
Property taxes	23,425,622	23,572,985	23,622,091	49,106
Payments in lieu of taxes	55,000	55,000	54,941	(59)
Tuition	50,000	50,000	-	(50,000)
Miscellaneous	493,840	493,840	656,654	162,814
Investment income	3,000	3,000	130,726	127,726
Subtotal	<u>24,027,462</u>	<u>24,174,825</u>	<u>24,464,412</u>	<u>289,587</u>
Total revenues	<u>66,603,787</u>	<u>67,817,032</u>	<u>68,779,337</u>	<u>962,305</u>
EXPENDITURES				
Current operating:				
Instructional services	36,211,463	37,259,708	34,618,893	2,640,815
Operation and maintenance	7,870,849	7,870,849	6,794,037	1,076,812
Pupil services	4,457,727	4,457,727	4,248,069	209,658
Central support services	4,549,166	4,549,166	4,350,183	198,983
School administration	4,964,538	4,964,538	4,807,243	157,295
Instructional support	3,666,608	3,666,608	2,486,574	1,180,034
Pupil transportation	2,049,739	2,049,739	1,964,149	85,590
Business administration	1,367,276	1,367,276	1,322,289	44,987
General administration	970,778	970,778	863,281	107,497
Other supporting services	646,800	646,800	403,652	243,148
Community services	204,940	204,940	200,351	4,589
Education for adults	66,004	66,004	64,547	1,457
Capital outlay	717,376	717,376	639,345	78,031
Total expenditures	<u>67,743,264</u>	<u>68,791,509</u>	<u>62,762,613</u>	<u>6,028,896</u>
Excess (deficiency) of revenues over (under) expenditures	(1,139,477)	(974,477)	6,016,724	6,991,201
Other financing (uses)				
Transfers out	<u>(2,255,000)</u>	<u>(2,420,000)</u>	<u>(2,370,000)</u>	<u>50,000</u>
Total other financing (uses)	<u>(2,255,000)</u>	<u>(2,420,000)</u>	<u>(2,370,000)</u>	<u>50,000</u>
Net change in fund balance	(3,394,477)	(3,394,477)	3,646,724	7,041,201
Fund balance - beginning	11,684,089	14,452,639	14,399,285	(53,354)
Fund balance - ending	<u>\$ 8,289,612</u>	<u>\$ 11,058,162</u>	<u>\$ 18,046,009</u>	<u>\$ 6,987,847</u>

See the accompanying independent auditors' report.

**Adams County School District 14
Budgetary Comparison Schedule
Grants Fund
For The Year Ended June 30, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Federal	\$ 7,553,436	\$ 8,553,436	\$ 5,994,929	\$ (2,558,507)
State	3,611,940	3,611,940	2,938,146	(673,794)
Local	246,554	246,554	85,948	(160,606)
Total revenues	<u>11,411,930</u>	<u>12,411,930</u>	<u>9,019,023</u>	<u>(3,392,907)</u>
EXPENDITURES				
Instructional services	2,740,403	3,740,403	2,073,389	1,667,014
Operation and maintenance	-	-	1,117,819	(1,117,819)
Pupil services	1,110,521	1,110,521	927,333	183,188
Central support services	73,688	73,688	63,353	10,335
School administration	110,909	110,909	76,601	34,308
Instructional support	3,453,601	3,453,601	3,187,079	266,522
Pupil transportation	16,182	16,182	83,173	(66,991)
General administration	492,500	492,500	412,753	79,747
Community services	492,756	492,756	470,741	22,015
Food service operations	280,164	280,164	150,738	129,426
Education for adults	317,250	317,250	326,895	(9,645)
Capital Outlay	2,323,956	2,323,956	129,149	2,194,807
Total expenditures	<u>11,411,930</u>	<u>12,411,930</u>	<u>9,019,023</u>	<u>3,392,907</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

**Adams County School District 14
Budgetary Comparison Schedule
Food Service Fund
For The Year Ended June 30, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Local				
Charges for Services	\$ 64,900	\$ 64,900	\$ 67,622	\$ 2,722
State				
State Grants	85,000	85,000	69,480	(15,520)
Federal				
Donated Commodities	219,000	219,000	285,351	66,351
Federal Grants	3,428,000	3,428,000	3,362,369	(65,631)
Total revenues	<u>3,796,900</u>	<u>3,796,900</u>	<u>3,784,822</u>	<u>(12,078)</u>
Expenditures				
Food Service Operations				
Salaries and benefits	1,851,812	1,851,812	1,757,450	94,362
Contracted services	50,000	50,000	56,420	(6,420)
Food costs:				
Purchased food	1,727,450	1,727,450	1,411,846	315,604
Donated commodities	219,000	219,000	285,351	(66,351)
Supplies	80,050	80,050	70,496	9,554
Other	5,000	5,000	5,451	(451)
Capital Outlay	5,500	5,500	4,037	1,463
Total expenditures	<u>3,938,812</u>	<u>3,938,812</u>	<u>3,591,051</u>	<u>347,761</u>
Net change in Fund Balance	(141,912)	(141,912)	193,771	335,683
Fund Balance - beginning	<u>1,131,362</u>	<u>733,249</u>	<u>733,249</u>	<u>-</u>
Fund Balance - ending	<u>\$ 989,450</u>	<u>\$ 591,337</u>	<u>\$ 927,020</u>	<u>\$ 335,683</u>

See the accompanying independent auditors' report.

Adams County School District 14
Schedule of the District's Proportionate Share of Net Pension Liability
School Division Trust Fund
Last 10 Fiscal Years
For the Year Ended December 31, (Measurement Date)
Employee Pension Plan

	2016	2015	2014
Distict's proportion of the net pension liability	1.002676%	1.034914%	1.068534%
District's proportionate share of the net pension liability	\$ 298,535,421	\$ 158,282,838	\$ 144,822,259
District's covered payroll	\$ 44,869,373	\$ 45,100,841	\$ 44,773,404
District's proportionate share of net pension liability as a percentage of it's covered payroll	665.34%	350.95%	323.46%
Plan fiduciary net position as a percentage of the total pension liability	43.1%	59.2%	62.8%

GASB 68 was implemented in fiscal year 2015 so the District can only provide data for the years shown above.

See the accompanying independent auditors' report.

Adams County School District 14
Schedule of District's Contributions to the Pension Plan
School Division Trust Fund
Last 10 Fiscal Years
For the Year Ended June 30, 2017

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	\$ 8,122,695	\$ 8,070,745	\$ 7,414,954	\$ 7,223,309	\$ 6,649,419	\$ 5,049,901	\$ 5,075,298	\$ 5,129,913	\$ 4,623,109	\$ 4,191,445
Contribution in relation to the contractually required contribution	8,122,695	8,070,745	7,414,954	7,223,309	6,649,419	5,049,901	5,075,298	5,129,913	4,623,109	4,191,445
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distict's covered payroll	\$44,196,792	\$45,520,276	\$43,927,451	\$45,196,743	\$44,082,592	\$38,410,002	\$38,219,953	\$41,384,548	\$40,261,280	\$39,602,356
Contributions as a percentage of covered payroll	18.38%	17.73%	16.88%	15.98%	15.08%	13.15%	13.28%	12.40%	11.48%	10.58%

See the accompanying independent auditors' report.

ADAMS COUNTY SCHOOL DISTRICT 14
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2017

NOTE I – BUDGETS AND BUDGETARY ACCOUNTING

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

Budgets are required by State law for all funds. The Superintendent 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. It also includes a statement describing the major objectives of the educational program to be undertaken by the District and the manner in which the budget proposes to fulfill such objectives.

Public hearings are conducted by the Board of Education to obtain public comments.

Prior to June 30, the budget is adopted by formal resolution. After the adoption of the budget, the board may review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. After January 31, the board shall not review or change the budget except that, where money for a specific purpose from other than ad valorem taxes becomes available to meet a contingency. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department in the General Fund rests with the Superintendent. Revisions that alter the total expenditures in any fund must be approved by the Board of Education. Appropriations are based on total funds expected to be available in each budget year, including beginning fund balances as established by the Board of Education.

Budgets for all fund types are adopted on a basis consistent with Generally Accepted Accounting Principles. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Superintendent and/or Board of Education throughout the year.

All appropriations lapse at the end of each fiscal year.

**SUPPLEMENTARY
INFORMATION**



**Adams County School District 14
 Budgetary Comparison Schedule
 Bond Redemption Fund
 For The Year Ended June 30, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes:				
Property taxes	\$ 6,620,122	\$ 6,172,531	\$ 6,089,454	\$ (83,077)
Payments in lieu of taxes	43,000	43,000	45,389	2,389
Investment income	5,050	5,050	24,813	19,763
Total revenues	<u>6,668,172</u>	<u>6,220,581</u>	<u>6,159,656</u>	<u>(60,925)</u>
EXPENDITURES				
Principal retirement	2,400,000	2,400,000	2,400,000	-
Interest and fiscal charges	3,103,956	3,103,956	3,103,956	-
Paying Agent Fees	1,750	1,750	1,750	-
Total expenditures	<u>5,505,706</u>	<u>5,505,706</u>	<u>5,505,706</u>	<u>-</u>
Net change in fund balance	1,162,466	714,875	653,950	(60,925)
Fund balance - beginning	<u>5,040,437</u>	<u>4,998,817</u>	<u>4,998,817</u>	<u>-</u>
Fund balance - ending	<u>\$ 6,202,903</u>	<u>\$ 5,713,692</u>	<u>\$ 5,652,767</u>	<u>\$ (60,925)</u>

See the accompanying independent auditors' report.

**Adams County School District 14
Budgetary Comparison Schedule
Capital Projects Fund
For The Year Ended June 30, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Investment income	\$ 5,000	\$ 5,000	\$ 31,083	\$ 26,083
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>31,083</u>	<u>26,083</u>
EXPENDITURES				
Operations and maintenance	1,814,932	2,078,702	1,288,257	790,445
Capital outlay	4,588,517	4,995,698	849,300	4,146,398
Debt service				
Principal retirement	187,877	187,877	218,032	(30,155)
Interest and fiscal charges	62,123	62,123	53,060	9,063
Total expenditures	<u>6,653,449</u>	<u>7,324,400</u>	<u>2,408,649</u>	<u>4,915,751</u>
Excess (deficiency) of revenues (under) expenditures	<u>(6,648,449)</u>	<u>(7,319,400)</u>	<u>(2,377,566)</u>	<u>4,941,834</u>
OTHER FINANCING SOURCES				
Proceeds from sale of assets	-	-	46,512	46,512
Transfers in	1,350,000	1,350,000	1,350,000	-
Total other financing sources	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,396,512</u>	<u>46,512</u>
Net change in fund balance	(5,298,449)	(5,969,400)	(981,054)	4,988,346
Fund balance - beginning	<u>5,298,449</u>	<u>5,969,400</u>	<u>5,969,400</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,988,346</u>	<u>\$ 4,988,346</u>

See the accompanying independent auditors' report.

**Adams County School District 14
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017**

	Special Revenue		
	Fee Supported	Athletics Fund	Total
ASSETS			
Cash and investments	\$ 133,989	\$ 1,000	\$ 134,989
Accounts receivable	19,440	-	19,440
Due from other funds	60,601	64,693	125,294
Total assets	\$ 214,030	\$ 65,693	\$ 279,723
LIABILITIES			
Accounts payable	\$ 1,145	\$ -	\$ 1,145
Accrued salaries and benefits	34,089	3,709	37,798
Total liabilities	35,234	3,709	38,943
FUND BALANCE			
Assigned	178,796	61,984	240,780
Total fund balance	178,796	61,984	240,780
Total liabilities and fund balance	\$ 214,030	\$ 65,693	\$ 279,723

See the accompanying independent auditors' report.

Adams County School District 14
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For The Year Ended June 30, 2017

	<u>Fee Supported</u>	<u>Athletics Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES			
Tuition and fees	\$ 31,307	\$ -	\$ 31,307
Daycare fees	183,901	-	183,901
Instructional fees	13,413	-	13,413
Outside printing printshop	2,434	-	2,434
Event gate fees	-	19,638	19,638
Student athletic fees	-	17,729	17,729
Facility use	26,637	-	26,637
Total revenues	<u>257,692</u>	<u>37,367</u>	<u>295,059</u>
EXPENDITURES			
Education for adults	155,598	-	155,598
Business services	32,829	-	32,829
Instructional services	13,413	514,901	528,314
Community services	322,766	-	322,766
Instructional support staff	-	115,191	115,191
Operations and maintenance	6,763	-	6,763
Capital outlay	-	14,870	14,870
Total expenditures	<u>531,369</u>	<u>644,962</u>	<u>1,176,331</u>
Excess (deficiency) of revenues (under) expenditures	<u>(273,677)</u>	<u>(607,595)</u>	<u>(881,272)</u>
OTHER FINANCING SOURCES			
Transfers in	<u>356,000</u>	<u>664,000</u>	<u>1,020,000</u>
Total other financing sources	<u>356,000</u>	<u>664,000</u>	<u>1,020,000</u>
Net change in fund balance	82,323	56,405	138,728
Fund balance - beginning	<u>96,473</u>	<u>5,579</u>	<u>102,052</u>
Fund balance - ending	<u>\$ 178,796</u>	<u>\$ 61,984</u>	<u>\$ 240,780</u>

See the accompanying independent auditors' report.

**Adams County School District 14
Budgetary Comparison Schedule
Athletics Fund
For The Year Ended June 30, 2017**

	Orginal and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Local			
Event gate fees	\$ 17,000	\$ 19,638	\$ 2,638
Student athletics fees	22,100	17,729	(4,371)
Total revenues	39,100	37,367	(1,733)
EXPENDITURES			
Instructional services	572,259	514,901	57,358
Instructional support staff	116,046	115,191	855
Capital Outlay	14,795	14,870	(75)
Total expenditures	703,100	644,962	58,138
Operating (loss)	(664,000)	(607,595)	56,405
OTHER FINANCING SOURCES			
Transfers in	664,000	664,000	-
Change in fund balance	-	56,405	56,405
Net fund balance - beginning	5,579	5,579	-
Net fund balance - ending	\$ 5,579	\$ 61,984	\$ 56,405

See the accompanying independent auditors' report.

Adams County School District 14
Budgetary Comparison Schedule
Fee Supported Fund
For The Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Local				
Tuition and fees- adult education	\$ 35,000	\$ 35,000	\$ 31,307	\$ (3,693)
Outside printing - printshop	15,000	15,000	2,434	(12,566)
Facility use fees	35,000	35,000	26,637	(8,363)
Instructional fees	-	-	13,413	13,413
LAHS child care fees	-	10,000	-	(10,000)
Daycare fees	130,000	215,000	183,901	(31,099)
Total revenues	<u>215,000</u>	<u>310,000</u>	<u>257,692</u>	<u>(52,308)</u>
EXPENDITURES				
Education for adults	168,726	168,726	155,598	13,128
Community services	131,833	391,833	322,766	69,067
Business services	53,298	53,298	32,829	20,469
Instructional services	56,180	56,180	13,413	42,767
Operations and maintenance	-	-	6,763	(6,763)
Capital Outlay	1,000	1,000	-	1,000
Total expenditures	<u>411,037</u>	<u>671,037</u>	<u>531,369</u>	<u>139,668</u>
OTHER FINANCE SOURCES				
Transfers in adult education	180,000	180,000	180,000	-
Transfers in LAHS child care	-	165,000	146,000	(19,000)
Transfers in printshop	61,000	61,000	30,000	(31,000)
Total other financing sources	<u>241,000</u>	<u>406,000</u>	<u>356,000</u>	<u>(50,000)</u>
Net change in fund balance	44,963	44,963	82,323	37,360
Net fund balance - beginning	32,832	96,473	96,473	-
Net fund balance - ending	<u>\$ 77,795</u>	<u>\$ 141,436</u>	<u>\$ 178,796</u>	<u>\$ 37,360</u>

See the accompanying independent auditors' report.

Adams County School District 14
Statement of Changes in Fiduciary Assets and Liabilities
Fiduciary Fund
For the Year Ended June 30, 2017

	<u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2017</u>
ASSETS				
Cash and investments	\$ 266,312	\$ 374,524	\$ 358,789	\$ 282,047
Total assets	<u>\$ 266,312</u>	<u>\$ 374,524</u>	<u>\$ 358,789</u>	<u>\$ 282,047</u>
LIABILITIES				
Due to student organizations	\$ 266,312	\$ 374,524	\$ 358,789	\$ 282,047
Total liabilities	<u>\$ 266,312</u>	<u>\$ 374,524</u>	<u>\$ 358,789</u>	<u>\$ 282,047</u>

See the accompanying independent auditors' report.

STATISTICAL SECTION

This part of the Adams County School District 14 comprehensive annual financial report presents detailed data as a context for understanding the information in the financial statements, note disclosures, and required supplementary information.

Contents	Table
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	1 – 4
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	5 – 9
<u>Debt Capacity</u> These schedules provide the reader with information to assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	10 – 13
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	14 – 16
<u>Operating Information</u> These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	17 – 19

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



Financial Trends

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Table 1	Net Position by Component
Table 2	Change in Net Position
Table 3	Fund Balances of Governmental Funds
Table 4	Change in Fund Balances, Governmental Funds



ADAMS COUNTY SCHOOL DISTRICT 14
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental activities										
Net investment in capital assets	\$ 22,389,890	\$ 23,562,485	\$ 26,109,796	\$ 25,656,053	\$ 24,097,581	\$ 22,930,071	\$ 22,362,425	\$ 23,205,012	\$ 23,343,291	\$ 25,012,252
Restricted	8,606,139	8,157,574	9,749,252	8,590,710	8,784,118	8,114,785	8,956,973	9,035,343	9,774,162	7,291,149
Unrestricted	<u>(172,714,435)</u>	<u>(131,309,801)</u>	<u>(134,789,975)</u>	<u>6,035,003</u>	<u>12,052,165</u>	<u>14,332,393</u>	<u>13,458,965</u>	<u>8,320,999</u>	<u>3,858,165</u>	<u>4,776,052</u>
Total governmental activities net position	<u>\$ (141,718,406)</u>	<u>\$ (99,589,742)</u>	<u>\$ (98,930,927)</u>	<u>\$ 40,281,766</u>	<u>\$ 44,933,864</u>	<u>\$ 45,377,249</u>	<u>\$ 44,778,363</u>	<u>\$ 40,561,354</u>	<u>\$ 36,975,618</u>	<u>\$ 37,079,453</u>
Business-type activities										
Net investment in capital assets	\$ -	\$ -	\$ 0	\$ 499,417	\$ 522,455	\$ 513,718	\$ 478,541	\$ 560,670	\$ 667,501	\$ 764,118
Unrestricted	<u>-</u>	<u>-</u>	<u>0</u>	<u>1,574,919</u>	<u>1,595,342</u>	<u>1,734,355</u>	<u>1,207,924</u>	<u>167,830</u>	<u>(148,927)</u>	<u>145,373</u>
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ 2,074,336</u>	<u>\$ 2,117,797</u>	<u>\$ 2,248,073</u>	<u>\$ 1,686,465</u>	<u>\$ 728,500</u>	<u>\$ 518,574</u>	<u>\$ 909,491</u>
Total primary government										
Net investment in capital assets	\$ 22,389,890	\$ 23,562,485	\$ 26,109,796	\$ 26,155,470	\$ 24,620,036	\$ 23,443,789	\$ 22,840,966	\$ 23,765,682	\$ 24,010,792	\$ 25,776,370
Restricted	8,606,139	8,157,574	9,749,252	8,590,710	8,784,118	8,114,785	8,956,973	9,035,343	9,774,162	7,291,149
Unrestricted	<u>(172,714,435)</u>	<u>(131,309,801)</u>	<u>(134,789,975)</u>	<u>7,609,922</u>	<u>13,647,507</u>	<u>16,066,748</u>	<u>14,666,889</u>	<u>8,488,829</u>	<u>3,709,238</u>	<u>4,921,425</u>
Total primary government activities net position	<u>\$ (141,718,406)</u>	<u>\$ (99,589,742)</u>	<u>\$ (98,930,927)</u>	<u>\$ 42,356,102</u>	<u>\$ 47,051,661</u>	<u>\$ 47,625,322</u>	<u>\$ 46,464,828</u>	<u>\$ 41,289,854</u>	<u>\$ 37,494,192</u>	<u>\$ 37,988,944</u>

Table 1

ADAMS COUNTY SCHOOL DISTRICT 14
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2017	2016	2015	2014	2013
Expenses					
Governmental activities:					
Instructional services	\$ 61,922,957	\$ 40,456,798	\$ 40,359,843	\$ 39,958,656	\$ 40,827,701
Operations and maintenance	16,517,855	9,030,290	8,721,472	10,856,904	10,185,647
Pupil services	7,991,280	6,287,319	7,924,550	7,471,544	7,411,260
Central support services	8,106,344	4,845,945	5,056,863	4,521,097	4,887,399
School administration	7,738,609	6,560,067	5,245,988	4,954,754	3,332,084
Instructional staff	8,951,936	7,385,379	5,110,063	4,976,165	4,757,335
Pupil transportation	3,161,484	1,984,778	2,061,549	2,001,980	1,965,158
Business administration	2,103,394	1,360,493	1,646,335	1,323,702	1,250,496
General administration	1,971,712	1,692,565	1,305,793	1,141,060	897,594
Community services & education for adults	1,537,309	1,017,152	659,839	686,882	488,088
Other support services	623,265	111,016	451,005	689,553	974,016
Non-instructional services	-	-	-	-	7,504.00
Food service operations	5,781,057	4,227,985	4,443,612	203,210	284,423
Interest and fiscal charges	3,113,437	3,224,180	3,344,643	3,281,050	3,818,841
Education for Adults	844,666	502,933	469,677.00	-	-
Charter schools	-	-	-	-	-
Total governmental activities expenses	130,365,304	88,686,900	86,801,232	82,066,557	81,087,546
Business-type activities:					
Nutrition services	-	-	-	4,060,047	4,458,373
Child care services	-	-	-	-	-
Adult education	-	-	-	202,383	396,842
Total business-type activities expenses	-	-	-	4,262,430	4,855,215
Total primary government expenses	\$ 130,365,304	\$ 88,686,900	\$ 86,801,232	\$ 86,328,987	\$ 85,156,226
Program revenues					
Governmental activities:					
Charges for services	\$ 362,681	\$ 223,850	\$ 322,751	\$ 159,723	\$ 149,507
Operating grants and contributions	15,099,954	15,517,305	14,016,699	10,123,352	12,668,165
Total governmental activities program revenues	15,462,635	15,741,155	14,339,450	10,283,075	12,817,672
Business-type activities:					
Food services:					
Charges for services	-	-	-	62,581	75,498
Operating grants and contributions	-	-	-	4,113,478	4,143,045
Preschool and daycare:					
Charges for services	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Adult education:					
Charges for services	-	-	-	41,625	504,765
Total business-type activities program revenues	-	-	-	4,217,684	4,723,308
Total primary government revenues	\$ 15,462,635	\$ 15,741,155	\$ 14,339,450	\$ 14,500,759	\$ 17,540,980
Net (expense) / revenue					
Governmental activities	\$ (114,902,669)	\$ (72,945,745)	\$ (72,461,782)	\$ (71,783,482)	\$ (68,269,874)
Business-type activities	-	-	0	(44,746)	(131,907)
Total primary government net (expense) / revenue	\$ (114,902,669)	\$ (72,945,745)	\$ (72,461,782)	\$ (71,828,228)	\$ (67,615,246)
General revenues and other changes in net position					
Governmental activities:					
Property and specific ownership taxes	\$ 29,912,191	\$ 29,885,430	\$ 29,887,697	\$ 29,921,303	\$ 26,023,906
State equalization	38,759,964	38,554,537	36,011,262	33,216,587	32,991,855
Investment earnings	186,622	54,136	12,243	12,154	21,071
Grants not restricted to specific programs	3,105,282	2,660,849	2,682,835	2,891,498	7,313,489
Miscellaneous	809,946	1,131,978	1,121,265	1,089,842	1,476,168
Transfers and special items	-	-	-	-	-
Total governmental activities	72,774,005	72,286,930	69,715,302	67,131,384	67,826,489
Business-type activities:					
Investment earnings	-	-	-	1,285	1,631
Miscellaneous revenues	-	-	-	-	-
Transfers	-	-	-	-	-
Total business-type activities	-	-	-	1,285	1,631
Total primary government	\$ 72,774,005	\$ 72,286,930	\$ 69,715,302	\$ 67,132,669	\$ 67,828,120
Change in net position					
Governmental activities	\$ (42,128,664)	\$ (658,815)	\$ (2,746,480)	\$ (4,652,098)	\$ (443,385)
Business-type activities	-	-	-	(43,461)	(130,276)
Total primary government	\$ (42,128,664)	\$ (658,815)	\$ (2,746,480)	\$ (4,695,559)	\$ (573,661)

Table 2

	2012	2011	2010	2009	2008
\$	37,736,796	\$ 34,686,243	\$ 35,852,977	\$ 36,357,316	\$ 34,934,261
	9,008,428	8,674,271	9,806,015	8,375,355	6,894,201
	6,574,264	5,908,477	6,075,319	5,271,708	5,982,422
	4,301,242	3,281,133	3,249,458	3,033,224	3,861,785
	4,105,888	4,792,929	3,832,092	4,248,702	4,625,588
	4,479,727	4,219,442	5,153,995	4,365,083	3,704,366
	1,852,093	1,865,482	2,348,355	1,883,602	2,153,311
	1,071,252	1,006,205	1,075,206	1,078,572	2,186,755
	809,942	740,524	744,823	731,859	940,499
	982,298	1,437,829	390,788	103,991	55,753
	657,785	728,150	577,063	408,042	271,812
	-	-	-	442.00	-
	529,798	234,235	131,700	31,681.00	-
	4,174,576	4,268,348	3,208,339	4,614,771	4,848,089
	-	-	-	-	-
	-	3,442,596	3,367,398	3,134,349	3,084,601
	<u>76,284,089</u>	<u>75,285,864</u>	<u>75,813,528</u>	<u>73,638,697</u>	<u>73,543,443</u>
	3,791,818	3,529,311	2,990,867	3,105,226	2,660,863
	-	-	-	-	1,003,972
	443,171	398,361	552,879	556,261	557,358
	<u>4,234,989</u>	<u>3,927,672</u>	<u>3,543,746</u>	<u>3,661,487</u>	<u>4,222,193</u>
\$	<u>80,519,078</u>	<u>79,213,536</u>	<u>79,357,274</u>	<u>77,300,184</u>	<u>77,765,636</u>
\$	180,247	\$ 171,408.00	\$ -	\$ -	\$ -
	<u>12,760,903</u>	<u>11,016,989</u>	<u>11,819,682</u>	<u>9,838,136</u>	<u>10,450,685</u>
	<u>12,941,150</u>	<u>11,188,397</u>	<u>11,819,682</u>	<u>9,838,136</u>	<u>10,450,685</u>
	85,548	103,370	166,164	203,832	147,144
	4,046,090	4,243,148	2,966,365	2,613,710	1,925,508
	-	-	-	-	1,085,063
	-	-	-	-	54,286
	<u>565,702</u>	<u>538,835</u>	<u>621,123</u>	<u>452,488</u>	<u>358,278</u>
	<u>4,697,340</u>	<u>4,885,353</u>	<u>3,753,652</u>	<u>3,270,030</u>	<u>3,570,279</u>
\$	<u>17,638,490</u>	<u>16,073,750</u>	<u>15,573,334</u>	<u>13,108,166</u>	<u>14,020,964</u>
\$	(63,342,939)	\$ (64,097,467)	\$ (63,993,846)	\$ (63,800,561)	\$ (63,092,758)
	462,351	957,681	209,906	(391,457)	(651,914)
\$	<u>(62,880,588)</u>	<u>(63,139,786)</u>	<u>(63,783,940)</u>	<u>(64,192,018)</u>	<u>(63,744,672)</u>
\$	27,327,313	\$ 27,327,313	\$ 27,235,570	\$ 27,000,313	\$ 26,577,916
	34,452,245	34,452,245	36,775,469	32,960,291	31,296,829
	16,651	16,651	103,498	245,932	3,751,244
	4,601,222	4,601,222	1,601,233	1,614,789	2,335,192
	1,874,840	1,874,840	1,863,812	1,875,401	2,255,024
	-	-	-	-	410,215
	<u>68,272,271</u>	<u>68,272,271</u>	<u>67,579,582</u>	<u>63,696,726</u>	<u>66,626,420</u>
	284	284	20	540	18,891
	-	-	-	-	11,407.00
	-	-	-	-	(410,216)
	<u>284</u>	<u>284</u>	<u>20</u>	<u>540</u>	<u>(379,918)</u>
\$	<u>68,272,555</u>	<u>68,272,555</u>	<u>67,579,602</u>	<u>63,697,266</u>	<u>66,246,502</u>
\$	4,174,804	\$ 4,174,804	\$ 3,585,736	\$ (103,835)	\$ 3,533,662
	957,965	957,965	209,926	(390,917)	(1,031,832)
\$	<u>5,132,769</u>	<u>5,132,769</u>	<u>3,795,662</u>	<u>(494,752)</u>	<u>2,501,830</u>

Table 2

**ADAMS COUNTY SCHOOL DISTRICT 14
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	Fiscal Year				
	2017	2016	2015	2014	2013
General Fund					
Non Spendable					
Inventories	\$ 82,784	\$ 77,646	\$ 91,848	\$ 95,161	\$ 94,463
Prepaid items	102,445	92,699	123,618	182,436	267,616
Deposit in insurance pool	129,900	41,880	41,880	740,442	744,320
Restricted					
Tabor	2,297,229	2,553,486	3,435,539	3,088,733	2,154,269
Colorado preschool program	197,560	58,827	35,453	5,065	337,152
Committed	-	-	-	-	-
Assigned	3,736,785	4,190,333	3,948,844	3,569,132	741,538.00
Unassigned	11,499,306	7,384,414	2,875,391	2,459,831	10,423,323
Total General Fund Balance	<u>\$ 18,046,009</u>	<u>\$ 14,399,285</u>	<u>\$ 10,552,573</u>	<u>\$ 10,140,799</u>	<u>\$ 14,762,681</u>
All other governmental Funds					
Non spendable	\$ 295,380	\$ 186,805	\$ 133,432.00	\$ -	\$ -
Restricted					
Food service	631,640	546,444	426,277.00	-	-
Debt service	5,652,767	4,998,817	5,851,983	5,496,912	6,292,697
Assigned	3,841,479	6,071,452	1,351,288	980,636	2,193,505
Committed	1,387,647	-	-	-	-
Unassigned	-	-	(2,250.00)	-	-
Total other governmental funds	<u>\$ 11,808,913</u>	<u>\$ 11,803,518</u>	<u>\$ 7,760,730</u>	<u>\$ 6,477,548</u>	<u>\$ 8,486,202</u>
Total Governmental Funds	<u>\$ 29,854,922</u>	<u>\$ 26,202,803</u>	<u>\$ 18,313,303</u>	<u>\$ 16,618,347</u>	<u>\$ 23,248,883</u>

Table 3

Fiscal Year					
2012	2011	2010	2009	2008	
					General Fund
\$ 97,908	\$ 83,605	\$ 77,138	\$ 86,970	\$ 85,013	Inventories
93,830	98,345	124,497	31,658	6,000	Prepaid items
567,710	632,680	687,555	676,829.00	-	Deposit in insurance pool
2,098,716	2,053,853	2,421,178	2,269,525	2,078,000	
482,140	599,966	529,530	238,954	25,041	Colorado preschool program
409,535	475,000.00	-	-	-	Committed
-	2,060,650.00	-	-	222,884	Assigned
<u>15,184,147</u>	<u>11,846,338</u>	<u>7,365,032</u>	<u>5,526,752</u>	<u>5,901,600</u>	Unassigned
<u>\$ 18,933,986</u>	<u>\$ 17,850,437</u>	<u>\$ 11,204,930</u>	<u>\$ 8,830,688</u>	<u>\$ 8,318,538</u>	
					All other governmental Funds
\$ -	\$ -	\$ 31,366.00	\$ -	\$ -	Non spendable
-	-	-	-	-	Restricted
5,533,929	5,524,240	5,281,696	4,757,543	4,187,177	Debt service
734,885	796,976	2,084	1,380,439	821,700	Assigned
-	-	-	-	-	Committed
-	-	1,687,450	3,816,210	#####	Unassigned
<u>\$ 6,268,814</u>	<u>\$ 6,321,216</u>	<u>\$ 7,002,596</u>	<u>\$ 9,954,192</u>	<u>\$ 47,541,697</u>	Total other governmental funds
<u>\$ 25,202,800</u>	<u>\$ 24,171,653</u>	<u>\$ 18,207,526</u>	<u>\$ 18,784,880</u>	<u>\$ 55,860,235</u>	Total Governmental Funds

Table 3

ADAMS COUNTY SCHOOL DISTRICT 14
CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year				
	2017	2016	2015	2014	2013
Revenues					
Taxes	\$ 29,811,875	\$ 31,202,617	\$ 29,239,114	\$ 29,668,336	\$ 26,269,189
Intergovernmental	56,965,200	56,732,691	52,599,787	45,825,049	52,131,566
Investment income	186,622	54,136	12,243	12,154	21,071
Tuition	295,059	113,351	216,383	159,723	149,507
Miscellaneous	810,224	1,155,515	1,236,754	1,405,592	1,962,475
Total revenues	<u>88,068,980</u>	<u>89,258,310</u>	<u>83,304,281</u>	<u>77,070,854</u>	<u>80,533,808</u>
Expenditures					
Instructional services	37,220,596	35,353,002	35,771,554	37,439,874	38,263,206
Operations and maintenance	9,206,876	6,822,646	6,776,533	8,960,817	8,156,368
Pupil services	5,175,402	5,906,443	7,565,720	7,392,180	7,376,909
Central support services	4,413,536	4,544,196	4,136,858	4,113,673	4,015,129
School administration	4,883,844	5,425,302	5,009,684	4,914,962	3,725,211
Instructional staff	5,788,844	6,954,048	4,913,455	4,593,847	4,757,335
Pupil transportation	2,047,322	1,863,691	1,825,450	1,995,165	1,962,499
Business administration	1,355,118	1,243,847	1,359,153	1,321,442	1,235,139
General administration	1,276,034	1,594,010	1,258,258	1,130,916	882,895
Other supporting services	403,652	104,558	616,999	682,157	974,016
Non-instructional services	-	-	-	-	-
Community services & education for adults	1,540,898	1,431,310	873,326	685,923	488,088
Food service operations	3,737,752	3,974,289	4,305,733	203,210	283,403
Construction in progress and capital outlay	1,636,701	1,982,666	1,749,631	2,211,730	4,496,387
Charter school	-	-	-	-	-
Debt service					
Principal	2,618,032	4,397,877	3,869,619	3,904,813	2,677,648
Interest and fiscal charges	3,157,016	3,296,704	3,258,719	4,150,681	3,193,492
Bond issuance cost	1,750	2,101	117,652.00	-	541,451.00
Total expenditures	<u>84,463,373</u>	<u>84,896,690</u>	<u>83,408,344</u>	<u>83,701,390</u>	<u>83,029,176</u>
Excess of revenues over (under) expenditures	3,605,607	4,361,620	(104,063)	(6,630,536)	(2,495,368)
Other financing sources (uses)					
Transfers in	2,370,000	3,434,200	1,300,000	1,460,000	4,825,000
Transfers out	(2,370,000)	(3,434,200)	(1,300,000)	(1,460,000)	(4,825,000)
Bonds issued	-	-	11,590,000.00	-	62,797,630.00
Bond premium	-	-	2,033,058.00	-	8,721,976.00
Proceeds from Sale	46,512	3,527,880.00	-	-	-
Payment to refunded bond escrow agent	-	-	(13,505,406.00)	-	(70,978,155.00)
Capital Lease	-	-	-	-	-
Total other financing sources (uses)	<u>\$ 46,512</u>	<u>\$ 3,527,880</u>	<u>\$ 117,652</u>	<u>\$ -</u>	<u>\$ 541,451</u>
Net change in fund balances	<u>\$ 3,652,119</u>	<u>\$ 7,889,500</u>	<u>\$ 13,589</u>	<u>\$ (6,630,536)</u>	<u>\$ (1,953,917)</u>
Debt service as a percentage of noncapital expenditures	6.9%	9.2%	8.6%	9.7%	7.5%

		Fiscal Year				
		2012	2011	2010	2009	2008
\$	26,799,359	\$ 27,031,879	\$ 27,319,353	\$ 27,148,442	\$ 26,717,975	
	48,350,259	49,801,645	49,587,607	44,200,103	43,471,567	
	15,674	16,651	103,498	245,932	3,751,244	
	180,247	171,408.00	-	-	-	
	1,938,150	2,254,651	2,156,540	1,975,166	2,574,511	
	<u>77,283,689</u>	<u>79,276,234</u>	<u>79,166,998</u>	<u>73,569,643</u>	<u>76,515,297</u>	
	34,981,226	32,077,298	33,585,669	34,263,432	34,784,970	
	8,592,693	7,018,797	8,676,448	9,296,945	7,366,272	
	6,367,014	5,661,880	5,923,728	5,261,300	5,971,764	
	3,799,334	2,839,161	2,768,538	3,302,839	2,993,066	
	3,463,853	3,608,618	3,955,457	4,295,356	4,414,123	
	4,436,125	4,177,089	5,049,373	4,363,771	3,700,806	
	1,839,484	1,838,033	1,869,139	1,996,520	2,153,309	
	1,068,123	986,452	1,084,317	1,076,730	1,157,667	
	804,752	735,669	737,353	729,086	933,763	
	657,785	677,655	531,990	408,042	271,812	
	-	-	-	442.00	-	
	948,895	1,437,829	373,114	103,991	55,753	
	238,533	234,235	131,700	31,681.00	-	
	2,411,144	1,965,798	5,567,652	38,713,890	35,401,836	
	-	3,442,596	3,367,398	3,134,349	2,939,537	
	2,385,804	2,255,115	2,121,815	1,500,000	1,425,412	
	4,257,777	4,355,882	4,472,660	4,409,566	4,320,821	
	-	-	-	-	80,849	
	<u>76,252,542</u>	<u>73,312,107</u>	<u>80,216,351</u>	<u>112,887,940</u>	<u>107,971,760</u>	
	(2,077,526)	5,964,127	(1,049,353)	(39,318,297)	(31,456,463)	
	1,607,000	4,172,986	3,010,571	1,286,000	1,509,920	
	(1,607,000)	(4,172,986)	(3,010,571)	(1,286,000)	(1,317,800)	
	-	-	-	-	3,375,000	
	-	-	-	-	244,542	
	-	-	-	-	-	
	-	-	-	-	-	
	-	-	471,999	2,242,942.00	-	
\$	<u>-</u>	<u>\$ -</u>	<u>\$ 471,999</u>	<u>\$ 2,242,942</u>	<u>\$ 3,811,662</u>	
\$	<u>1,031,147</u>	<u>\$ 5,964,127</u>	<u>\$ (577,354)</u>	<u>\$ (37,075,355)</u>	<u>\$ (27,644,801)</u>	
	9.0%	9.3%	8.8%	8.0%	7.9%	

Revenue Capacity

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Table 5	Summary of Revenue by Source and Other Financing Sources, General Fund
Table 6	Assessed Value and Estimated Actual Value of Taxable Property
Table 7	Property Tax Rates – Direct and Overlapping Governments
Table 8	Principal Taxpayers
Table 9	Property Tax Levies and Collections



ADAMS COUNTY SCHOOL DISTRICT 14
SUMMARY OF REVENUE BY SOURCE AND OTHER FINANCING SOURCES
GENERAL FUND
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2017		2016		2015		2014		2013	
Revenue from Local Sources										
Property taxes	\$ 21,207,341	34.0 %	\$ 22,198,060	35.6 %	\$ 19,678,922	34.1 %	\$ 20,562,755	28.4 %	\$ 18,141,956	28.5 %
Specific ownership taxes	2,469,691	4.0 %	2,419,465	3.9 %	2,330,239	3.5 %	2,086,957	2.8 %	1,773,962	2.9 %
Investment income	130,726	0.2 %	33,948	0.1 %	6,318	0.0 %	7,346	0.0 %	13,802	0.2 %
Tuition	-	0.0 %	81,615	0.1 %	176,994	0.3 %	159,723	0.2 %	149,507	0.0 %
Other	656,654	1.0 %	634,567	1.0 %	1,019,028	1.6 %	999,204	1.9 %	1,218,770	1.7 %
Total local sources	<u>24,464,412</u>	<u>39.2 %</u>	<u>25,367,655</u>	<u>40.7 %</u>	<u>23,211,501</u>	<u>39.4 %</u>	<u>23,815,985</u>	<u>33.3 %</u>	<u>21,297,997</u>	<u>33.3 %</u>
Revenue from State Sources										
Equalization aid	38,759,964	62.2 %	38,554,537	61.8 %	36,011,262	55.0 %	33,216,587	51.8 %	32,991,855	52.2 %
Vocational education	89,792	0.1 %	221,264	0.4 %	145,976	0.2 %	105,520	0.2 %	117,436	0.2 %
Exceptional children's act (ECEA)	1,438,929	2.3 %	1,532,900	2.5 %	1,549,382	2.8 %	1,661,595	2.2 %	1,428,409	2.3 %
Transportation reimbursement	460,421	0.7 %	495,824	0.8 %	479,526	0.8 %	469,214	0.7 %	472,049	0.7 %
ELPA reimbursement	460,537	0.7 %	419,549	0.7 %	381,488	0.6 %	367,442	0.5 %	286,791	0.5 %
Other	-	0.0 %	-	0.0 %	-	(0.3) %	(191,593.00)	0.0 %	-	0.0 %
Total state sources	<u>41,209,643</u>	<u>66.1 %</u>	<u>41,224,074</u>	<u>66.1 %</u>	<u>38,567,634</u>	<u>59.0 %</u>	<u>35,628,765</u>	<u>55.4 %</u>	<u>35,296,540</u>	<u>55.8 %</u>
Revenue from Federal Sources										
Impact aid	3,105,282	5.0 %	2,660,849	4.3 %	2,679,175	4.6 %	2,801,979	11.4 %	7,238,982	11.4 %
Other	-	0.0 %	-	0.0 %	3,660	0.1 %	89,519	0.1 %	74,507	0.1 %
Total federal sources	<u>3,105,282</u>	<u>5.0 %</u>	<u>2,660,849</u>	<u>4.3 %</u>	<u>2,682,835</u>	<u>4.8 %</u>	<u>2,891,498</u>	<u>11.5 %</u>	<u>7,313,489</u>	<u>11.6 %</u>
Total revenue	<u>\$ 68,779,337</u>	<u>100.0 %</u>	<u>\$ 69,252,578</u>	<u>100.0 %</u>	<u>\$ 64,461,970</u>	<u>100.0 %</u>	<u>\$ 62,336,248</u>	<u>100.0 %</u>	<u>\$ 63,908,026</u>	<u>100.0 %</u>

Fiscal Year									
2012		2011		2010		2009		2008	
\$ 18,719,780	28.5 %	\$ 18,765,531	29.7 %	\$ 18,941,786	30.0 %	\$ 18,692,716	31.6 %	\$ 18,310,153	31.2 %
1,667,424	2.9 %	1,759,336	2.8 %	1,742,041	2.8 %	1,940,348	3.3 %	2,048,647	3.5 %
11,642	0.2 %	9,553	0.0 %	7,133	0.0 %	66,907	0.1 %	276,350	0.5 %
180,247	0.0 %	171,408.00	0.3 %	-	0.0 %	-	0.0 %	-	0.0 %
1,061,163	1.7 %	1,755,892	2.8 %	1,755,713	2.8 %	1,735,767	2.9 %	2,198,948	3.7 %
<u>21,640,256</u>	<u>33.3 %</u>	<u>22,461,720</u>	<u>35.5 %</u>	<u>22,446,673</u>	<u>35.5 %</u>	<u>22,435,738</u>	<u>37.9 %</u>	<u>22,834,098</u>	<u>38.9 %</u>
32,205,865	52.2 %	34,452,245	54.5 %	36,775,469	58.1 %	32,872,044	55.5 %	31,296,829	53.4 %
137,977	0.2 %	(11,274)	(0.0) %	310,827	0.5 %	114,366	0.2 %	108,280	0.2 %
1,399,736	2.3 %	1,599,090	2.5 %	1,326,514	2.1 %	1,389,331	2.3 %	1,342,921	2.3 %
428,513	0.7 %	352,331	0.6 %	431,658	0.7 %	475,045	0.8 %	475,703	0.8 %
315,245	0.5 %	266,455	0.4 %	350,616	0.6 %	295,526	0.5 %	235,314	0.4 %
-	0.0 %	-	0.0 %	210	0.0 %	1,020	0.0 %	1,988	0.0 %
<u>34,487,336</u>	<u>55.8 %</u>	<u>36,658,847</u>	<u>58.0 %</u>	<u>39,195,294</u>	<u>62.0 %</u>	<u>35,147,332</u>	<u>59.4 %</u>	<u>33,461,035</u>	<u>57.1 %</u>
3,904,909	11.4 %	2,636,733	4.2 %	1,487,646	2.4 %	1,501,390	2.5 %	2,243,392	3.8 %
355,569	0.1 %	1,954,307	3.1 %	113,587	0.2 %	113,399	0.2 %	91,800	0.2 %
4,260,478	11.6 %	4,591,040	7.3 %	1,601,233	2.5 %	1,614,789	2.7 %	2,335,192	4.0 %
<u>\$ 60,388,070</u>	<u>100.0 %</u>	<u>\$ 63,711,607</u>	<u>100.0 %</u>	<u>\$ 63,243,200</u>	<u>100.0 %</u>	<u>\$ 59,197,859</u>	<u>100.0 %</u>	<u>\$ 58,630,325</u>	<u>100.0 %</u>

**ADAMS COUNTY SCHOOL DISTRICT 14
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Assessment Year	Residential Property	Commercial Property	Personal Property	Industrial, Agricultural, and Natural Resources	State Assessed, Vacant Land, And Other	Total Assessed Value	Total Direct Tax Rate Per \$1,000 of Valuation	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value	Assessment Rate	
										Residential	All Others
2007	110,229,390	179,036,050	209,620,020	24,188,130	19,626,910	542,700,500	45.279	2,876,050,891	18.87%	7.96%	29.00%
2008	110,503,470	191,136,810	212,244,550	25,585,290	19,001,000	558,471,120	44.961	2,932,950,578	19.04%	7.96%	29.00%
2009	85,196,620	201,631,020	241,542,710	24,684,940	19,059,300	572,114,590	44.813	2,772,628,789	20.63%	7.96%	29.00%
2010	86,314,120	200,703,510	233,626,070	24,293,490	17,745,300	562,682,490	44.908	2,726,997,791	20.63%	7.96%	29.00%
2011	82,505,250	201,805,490	230,348,730	24,245,400	17,953,670	556,858,540	44.977	2,672,199,115	20.84%	7.96%	29.00%
2012	82,597,020	209,345,790	229,850,500	24,068,320	19,493,360	565,354,990	44.917	2,713,476,371	20.84%	7.96%	29.00%
2013	83,631,300	226,156,950	259,219,100	25,700,090	19,842,720	614,550,160	45.080	2,894,428,250	21.23%	7.96%	29.00%
2014	83,726,930	225,178,420	258,247,350	25,318,080	19,749,270	612,220,050	45.080	2,896,617,498	21.14%	7.96%	29.00%
2015	106,045,440	241,802,090	244,511,400	26,535,930	21,819,700	640,714,560	45.080	3,233,091,493	19.82%	7.96%	29.00%
2016	107,122,670	241,334,810	240,437,200	26,784,270	21,925,730	637,604,680	43.154	3,196,328,364	19.95%	7.96%	29.00%

Source: Adams County Assessor's Office.

ADAMS COUNTY SCHOOL DISTRICT 14
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)
LAST TEN CALENDAR YEARS
(Unaudited)

<u>Taxing Authority</u>	<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>
<u>Adams County School District 14</u>										
General Fund	33.804	33.486	33.338	33.433	33.502	33.442	33.605	32.975	34.799	33.492
Bond Redemption Fund	<u>11.475</u>	<u>11.475</u>	<u>11.475</u>	<u>11.475</u>	<u>11.475</u>	<u>11.475</u>	<u>11.475</u>	<u>12.105</u>	<u>10.281</u>	<u>9.681</u>
Adams County School District 14 Total	<u>45.279</u>	<u>44.961</u>	<u>44.813</u>	<u>44.908</u>	<u>44.977</u>	<u>44.917</u>	<u>45.080</u>	<u>45.080</u>	<u>45.080</u>	<u>43.173</u>
Adams County	26.899	26.809	26.824	26.883	26.806	26.903	26.815	27.042	26.817	27.055
Cities & Towns										
Commerce City	3.280	3.280	3.280	3.206	3.280	3.269	3.280	3.280	3.280	3.128
City of Thornton	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210
Fire Districts										
North Metro Fire Rescue District #1	11.301	11.268	11.307	11.225	11.176	11.375	11.246	14.903	14.713	14.810
Adams County Fire Protection District	13.562	13.451	13.335	17.403	17.318	17.344	17.274	17.286	16.892	16.841
South Adams Fire District #4	4.300	4.300	4.300	4.300	4.300	4.300	9.900	9.900	9.900	9.900
North Metro Fire Dist #1 Bond	-	-	-	-	-	-	1.400	1.400	1.400	1.400
North Metro Fire Dist #1 Fire Pension	0.500	0.500	0.500	0.500	0.500	0.500	0.500	-	-	-
Sanitation & Water Districts										
South Adams Water & Sanitation District	3.102	3.102	3.102	3.102	3.102	3.102	3.102	3.102	3.102	3.102
Hazeltine Heights Water & Sanitation District	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500
Metropolitan Districts										
Eagle Creek Metropolitan District	45.000	54.000	80.000	80.000	95.000	85.000	88.000	88.000	83.000	80.000
Special Districts										
Central Colo Water Conservancy District	0.487	0.540	0.425	0.425	0.392	1.856	1.887	1.737	1.533	2.004
Central Colo. Ground Water Subdistrict	0.746	1.306	1.338	1.339	1.319	1.291	1.301	1.309	1.272	1.583
City of Commerce City North GID	-	-	-	-	-	-	27.000	27.000	27.000	27.000
Urban Drainage & Flood Control District	0.507	0.528	0.508	0.523	0.566	0.599	0.632	0.608	0.553	0.559
Urban Drainage South Platte	0.061	0.063	0.061	0.053	0.057	0.058	0.068	0.064	0.058	0.061
Rangeview Library										
f/k/a Anythink Libraries	3.504	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.659

Notes:

Industrial Park Water & Sanitation District, Cherry Lane Metro District and Regional Transportation District also overlap the School District, but have not assessed a mill levy.

Source: Adams County Assessor's Office.

**ADAMS COUNTY SCHOOL DISTRICT 14
PRINCIPAL TAXPAYERS
FOR THE ASSESSMENT YEARS ENDING**

Taxpayer	Type of Business	December 31, 2016			December 31, 2007		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Suncor Energy USA Inc. (formerly Conoco, Inc.)	Oil refinery	\$ 119,814,800	1	19.60%	\$ 107,262,370	1	24.60%
Public Service CO of Colorado	Public utility	17,656,020	2	2.90%	7,268,020	3	1.70%
Qwest Corp (formerly U.S. West, Inc.)	Telecommunications	8,283,800	3	1.40%	9,544,900	2	2.20%
BT-OH LLC	Real estate	7,781,600	4	1.30%	3,899,390	6	2.06%
Kew Realty Corporation	Real estate leasing	7,028,290	5	1.10%	3,669,140	8	0.80%
ARC3 FECMCCO01 LLC (Fed Ex)	Air delivery & freight services	6,498,070	6	1.10%			
CalEast Nat, LLC	Distribution warehouse	4,909,560	7	0.80%			
United Parcel Service - Rocky Mountain	Air delivery & freight services	4,703,820	8	0.80%	3,261,690	10	0.70%
FEDEX Ground Package System	Air delivery & freight services	4,622,790	9	0.80%	6,931,000	4	1.60%
Shamrock Foods Company	Food Service	4,048,840	10	0.70%			
1480 Welton, Inc	Subsidiary of Public Service CO				3,717,990	7	0.90%
Rocky Mountain Pipeline System	Oil & Gas				3,316,600	9	0.80%
Con Agra Flour Milling Company	Process and packed food				6,751,660	5	1.50%
Totals		<u>\$ 185,347,590</u>		<u>30.50%</u>	<u>\$ 155,622,760</u>		<u>36.86%</u>
Total Assessed Valuation		<u>\$ 612,220,050</u>			<u>\$ 435,847,140</u>		

Source: Adams County Assessors Office.

**ADAMS COUNTY SCHOOL DISTRICT 14
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Assessment Year	Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy ⁽¹⁾	Estimated Outstanding Delinquent Taxes	Ratio of Estimated Delinquent Taxes to Total Tax Levy
2007	2008	\$ 24,572,936	\$ 24,480,450	99.62%	\$ 42,291	\$ 24,522,741	99.80%	\$ 92,500	0.38%
2008	2009	25,109,420	25,061,903	99.81%	32,844	25,094,747	99.94%	47,500	0.19%
2009	2010	25,579,243	25,468,476	99.57%	25,053	25,493,529	99.66%	110,800	0.43%
2010	2011	25,268,945	25,303,253	100.14%	(108,636)	25,194,617	99.71%	(34,300)	-0.14%
2011	2012	25,045,827	25,119,784	100.30%	12,152	25,131,936	100.34%	(74,000)	-0.30%
2012	2013	25,394,050	24,379,780	96.01%	(510,266)	23,869,514	94.00%	1,014,300	3.99%
2013	2014	27,703,921	27,490,741	99.23%	(29,546)	27,461,195	99.12%	213,200	0.77%
2014	2015	27,598,880	26,806,988	97.13%	(496,179)	26,310,809	95.33%	791,900	2.87%
2015	2016	28,883,412	29,261,158	101.31%	(553,096)	28,708,062	99.39%	(377,700)	-1.31%
2016	2017	27,515,001	27,206,714	98.88%	35,140	27,241,854	99.01%	308,300	1.12%

Note:

(1) Tracking of paid delinquent taxes by levy year is currently not available, instead delinquent taxes are recorded in the year collected.

The district is working to ensure future reports include this information. Ratios above 100% represent collections of prior year delinquent taxes.

Source: Adams County Abstract of Assessments.



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Debt Capacity

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Table 10	Ratio of Outstanding Debt by Type
Table 11	Ratio of General Obligation Debt to Assessed Value and Bonded Debt per Capita
Table 12	Ratio of Direct and Overlapping Debt
Table 13	Legal Debt Margin Information
Table 14	Ratio of Debt Service Expenditures for General Bonded Debt to General Fund Expenditures

**ADAMS COUNTY SCHOOL DISTRICT 14
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Governmental Activities		Total Primary Government	Less; Debt Redemption	Net Debt	Net Debt as a Percentage of	
	General Obligation Bonds	Capital Leases		Fund Available		Personal Income (1)	Per Capita (1)
2008	\$ 97,092,511	\$ -	\$ 97,092,511	\$ 4,187,177	\$ 92,905,334	685.46%	\$ 2,453
2009	95,442,617	2,242,943	97,685,560	4,757,543	92,928,017	660.10%	2,187
2010	93,567,723	2,318,126	95,885,849	5,281,696	90,604,153	647.57%	2,133
2011	91,452,829	2,023,011	93,475,840	5,524,240	87,951,600	622.40%	2,063
2012	89,062,935	1,877,207	90,940,142	5,533,929	85,406,213	589.28%	1,849
2013	86,109,025	1,724,559	87,833,584	6,292,697	81,540,887	540.75%	1,729
2014	89,158,912	1,564,746	90,723,658	5,496,912	85,226,746	534.48%	1,757
2015	85,984,970	1,385,292	87,370,262	5,851,983	81,518,279	479.24%	1,681
2016	81,068,335	1,197,415	82,265,750	4,998,817	77,266,933	454.24%	1,593
2017	77,988,084	979,383	78,967,467	5,652,767	73,314,700	403.69%	1,336

(1) See the Schedule of Demographic Statistics for personal income and population data.

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**ADAMS COUNTY SCHOOL DISTRICT 14
RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE
AND BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(Unaudited)**

Assessment Year	Collection Year	Assessed Value	General Bonded Debt	Less Debt Service Fund Available	Net Debt	Ratio of General Bonded Debt to Assessed Value	Population	Net Bonded Debt Per Capita
2007	2008	\$ 542,700,500	\$ 97,092,511	\$ 3,540,506	\$ 91,477,044	17.89%	37874 (1)	\$2,453
2008	2009	558,471,120	95,442,617	4,187,177	92,905,334	17.09%	42,500 (2)	2134
2009	2010	572,114,590	93,567,723	4,757,543	88,810,180	16.35%	42,473 (3)	2079
2010	2011	562,682,490	91,452,829	5,281,696	86,171,133	16.25%	42,630 (3)	2016
2011	2012	556,858,540	89,062,935	5,524,240	83,538,695	15.23%	43,193 (3)	1865
2012	2013	565,354,990	86,109,025	5,533,929	80,575,096	14.01%	43,193 (3)	1848
2013	2014	614,550,160	89,158,912	6,292,697	82,866,215	14.51%	45,913 (3)	1822
2014	2015	612,220,050	85,984,970	5,851,983	80,132,987	14.04%	45,913 (3)	1745
2015	2016	640,714,560	81,068,335	4,998,817	76,069,518	12.65%	45,913 (3)	1657
2016	2017	637,604,680	77,988,084	5,652,767	72,335,317	12.23%	54,869 (3)	1575

Source: (1) Colorado Department of Local Affairs, Demography Section, last modified November 2008

(2) City of Commerce City - estimate

(3) US Census Bureau

**ADAMS COUNTY SCHOOL DISTRICT 14
RATIO OF DIRECT AND OVERLAPPING DEBT (1)
JUNE 30, 2017
(Unaudited)**

	<u>2016 Assessed Valuation (3)</u>	<u>Outstanding General Obligation Debt (4)</u>	<u>Percent Applicable To The District</u>	<u>Overlapping Debt (2)</u>
Direct Debt:				
Adams County School District 14	\$ 640,714,560	\$ 77,988,084	100.000%	\$ 77,988,084
Overlapping Debt: (1)				
Commerce City North GID	214,968,180	89,990,000	1.281%	1,152,952
Anythink Library	3,909,482,500	41,567,394	15.660%	6,509,412
North Metro Fire Rescue District	339,218,670	20,365,000	0.147%	29,937
Central CO. Water Conservancy	521,209,530	27,015,000	17.687%	4,778,089
Central CO. Well Augmentation Subdistrict	6,992,700	15,192,163	644.474%	97,909,541
Central CO. Ground Water Subdistrict	122,815,190	13,498,925	36.694%	4,953,336
Aberdeen Metropolitan District No 1	1,010,360	7,870,000	57.734%	4,543,658
Eagle Creek Metropolitan District	<u>5,971,450</u>	<u>3,435,000</u>	<u>65.227%</u>	<u>2,240,547</u>
Total Overlapping Debt	<u>1,704,504,120</u>	<u>87,376,088</u>		<u>114,455,108</u>
 TOTAL	 <u>\$ 6,469,669,360</u>	 <u>\$ 296,921,566</u>		 <u>\$ 200,105,556</u>

Notes:

- (1) Adams County, City of Commerce City, City of Thornton, Cherrylane Metro GID, Hazeltine Heights Water and Sanitation District, Industrial Park Water and Sanitation District, South Adams County Fire District #4, Regional Transportation District, Urban Drainage Flood Control, and Urban Drainage South Platte also overlap the School District, but have no general obligation debt outstanding.
- (2) Overlapping debts are general obligations of local and county governments that apply to property owners within Adams County School District 14. Not all overlapping rates apply to all District property owners because the rates for special districts apply only to those property owners who are within the geographic boundaries of both districts.
- (3) Sources: Adams County Assessor's Office
- (4) Sources: Overlapping debt confirmed with overlapping entities

**ADAMS COUNTY SCHOOL DISTRICT 14
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Fiscal Year	Assessment Year	Assessed Value	DEBT LIMIT COMPUTATIONS			Percentage of Total net debt applicable to the limit to Debt limit
			Debt limit (20% of Assessed Value)	Total net debt applicable to the limit	Legal debt margin	
2008	2007	\$ 542,700,500	\$ 108,540,100	- \$ 92,905,334	= \$ <u>15,634,766</u>	85.60%
2009	2008	\$ 558,471,120	\$ 111,694,224	- \$ 90,685,074	= \$ <u>21,009,150</u>	81.19%
2010	2009	\$ 572,114,590	\$ 114,422,918	- \$ 88,286,027	= \$ <u>26,136,891</u>	77.16%
2011	2010	\$ 562,682,490	\$ 112,536,498	- \$ 85,928,589	= \$ <u>26,607,909</u>	76.36%
2012	2011	\$ 556,858,540	\$ 111,371,708	- \$ 83,529,006	= \$ <u>27,842,702</u>	75.00%
2013	2012	\$ 565,354,990	\$ 113,070,998	- \$ 79,816,328	= \$ <u>33,254,670</u>	70.59%
2014	2013	\$ 614,550,160	\$ 122,910,032	- \$ 83,662,000	= \$ <u>39,248,032</u>	68.07%
2015	2014	\$ 612,220,050	\$ 122,444,010	- \$ 80,132,987	= \$ <u>42,311,023</u>	65.44%
2016	2015	\$ 640,714,560	\$ 128,142,912	- \$ 76,069,518	= \$ <u>52,073,394</u>	59.36%
2017	2016	\$ 637,604,680	\$ 127,520,936	- \$ 72,335,317	= \$ <u>55,185,619</u>	56.72%

Table 13

**ADAMS COUNTY SCHOOL DISTRICT 14
RATIO OF DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO GENERAL FUND EXPENDITURES
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Annual Debt Service Expenditures for General Bonded Debt	Total General Fund Expenditures (1)	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures
2008	\$ 5,746,233	\$ 54,715,672	10.50%
2009	5,909,566	54,265,360	10.89%
2010	6,036,769	54,490,989	11.08%
2011	6,210,145	53,278,566	11.66%
2012	6,405,581	57,697,521	11.10%
2013	5,633,140	63,254,331	8.91%
2014	7,817,494	65,498,130	11.94%
2015	7,128,338	62,750,196	11.36%
2016	5,755,706	61,971,666	9.29%
2017	5,896,881	62,762,613	9.40%

Notes:

(1) The expenditures are net of charter school expenditures in the General Fund.

Demographic and Economic Information

Demographic and Economic Information

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

Table 15 Demographic Statistics

Table 16 Property Values and Construction

Table 17 City of Commerce City Principal Employers

**ADAMS COUNTY SCHOOL DISTRICT 14
DEMOGRAPHIC STATISTICS
LAST TEN CALENDAR YEARS
(Unaudited)**

<u>Year Ending December 31,</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Median Age (in years) (4)</u>	<u>School Enrollment</u>	<u>Unemployment Rate (5)</u>
2007	37,874	\$13,553,627	32.30	6,591	4.8%
2008	42,500	\$14,077,872 (3)	32.10	6,731	5.5%
2009	42,473	\$13,991,470 (3)	32.80	7,058	8.6%
2010	42,630	\$14,131,000 (3)	32.40	7,048	10.0%
2011	46,193	\$14,493,196 (3)	32.50	7,321	9.5%
2012	47,150	\$15,079,147 (3)	32.50	7,500	9.2%
2013	48,500	\$15,945,588 (3)	32.50	7,598	5.7%
2014	48,500	\$16,578,475 (3)	32.50	7,663	5.6%
2015	48,500	\$17,010,005 (3)	32.40	7,577	3.8%
2016	54,869	\$18,160,959 (3)	33.00	7,467	3.6%

Sources:

- (1) 2013, 2014 & 2015 data is from the City of Commerce City's website at c3gov.com. 2012 and earlier data from Colorado Bureau of Labor Statistics for Commerce City, Colorado. The District boundaries include parts of two different cities and unincorporated Adams County, however, the majority of the District is located within the City of Commerce City. The 2009 population is an estimate provided by the City of Commerce City.
- (2) U.S. Department of Commerce, Bureau of Economic Analysis for Adams County, Colorado.
- (3) Estimate based upon information from U.S. Department of Commerce, Bureau of Economic Analysis for Adams County, Colorado.
- (4) 2010 US Census for Adams County, Colorado.
- (5) Colorado Department Labor & Employment and for Adams County, Colorado.

**PROPERTY VALUES AND CONSTRUCTION
LAST TEN CALENDAR YEARS
(Unaudited)**

Year Ending December 31,	City of Commerce City Commercial and Residential Construction (1)		Adams County School District 14 Property Values (2)	
	No. of Permits	Value	Assessed	Estimated Actual (3)
2007	2,856	\$ 123,055,856	\$ 542,700,500	\$ 2,876,050,891
2008	1,604	129,165,777	558,471,120	2,932,950,578
2009	1,477	49,765,432	572,114,590	2,772,628,789
2010	4,770	116,568,290	562,682,490	2,726,997,791
2011	1,940	124,178,841	556,858,540	2,672,199,115
2012	1,773	82,416,720	565,354,990	2,713,476,371
2013	1,934	94,990,823	614,550,160	2,894,428,250
2014	2,332	110,582,651	612,220,050	2,896,617,498
2015	2,591	141,544,696	640,714,560	3,233,091,493
2016	8,755	128,334,457	637,604,680	3,196,328,364

Notes:

- (1) Source: Commerce City Building Department.
- (2) Source: Adams County Assessor's Office.
- (3) Actual value in the above table is defined as base year for assessment purposes. The base year is from 6 to 9 years prior to the collection year. Current market values are considerably higher than the actual values shown in the above table.

ADAMS COUNTY SCHOOL DISTRICT 14
CITY of COMMERCE CITY, COLORADO PRINCIPAL EMPLOYERS
For the Calendar Years Ended December 31, 2016 and 2007
(Unaudited)

Name of Employer (1)	Industry (1)	December 31, 2016			December 31, 2007		
		Number of Employees (1)	Rank	Percentage to Total City Employment	Number of Employees (1)	Rank	Percentage to Total City Employment
United Parcel Service	Parcel Delivery Service	2,700	1	9.2%	2,733	1	12.8%
Adams County School District 14	Public School District	1,079	2	3.8%	954	2	4.5%
Shamrock Foods(United Food Service)	Food Service Distribution	860	3	3.0%	582	3	2.7%
FedEx Freight	Trucking	630	4	2.2%			
FedEX Ground Package System INC	Parcel Delivery Service	600	5	2.1%			
City of Commerce City	City Government	449	6	1.6%	427	6	2.0%
Suncor Energy USA Inc.	Energy Production	420	7	1.5%			
Douglas Colony Group	Refinery	400	8	1.4%			
Waste Management of Colorado Inc	Waste Removal	390	9	1.4%			
Old Dominion Freight Lines	Trucking	370	10	1.3%			
Viking Freight, Inc.	Trucking				504	4	2.4%
Navajo Express, Inc.	Trucking				501	5	2.3%
Northern Pipeline Const Co	Construction				352	8	1.7%
Laidlaw Transit Inc.	Transportation				378	7	1.8%
United States Postal Service	Postal Service				340	9	1.6%
Wal-Mart Super Center	Retail				315	10	1.5%
	Total	<u>7,898</u>		27.6%	<u>7,086</u>		33.2%
	Total Employers' Employees	<u>28,631</u>			<u>21,332</u>	(2)	

Sources:
(1) Denver Business Journal
(2) US 2000 Census

Operating Information

Operating Information

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

- Table 18 Full-time Equivalent Employees by Fund
- Table 19 Miscellaneous Statistical Data
- Table 20 Capital Asset Statistics by Function/Program

**ADAMS COUNTY SCHOOL DISTRICT 14
FULL-TIME EQUIVALENT EMPLOYEES BY FUND
(Unaudited)**

Fund Type	Full Time Equivalents									
	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Total general fund	756.06	793.76	786.10	840.06	809.69	780.05	749.36	736.41	753.12	737.33
Total grants fund	71.13	59.02	58.95	72.39	67.89	41.42	38.90	88.04	78.32	71.09
Total other special revenue funds	52.91	55.93	46.62	43.53	42.53	47.65	39.88	43.76	53.73	79.23
Total all funds	<u>880.10</u>	<u>908.71</u>	<u>891.67</u>	<u>955.98</u>	<u>920.11</u>	<u>869.12</u>	<u>828.13</u>	<u>868.21</u>	<u>885.17</u>	<u>887.65</u>

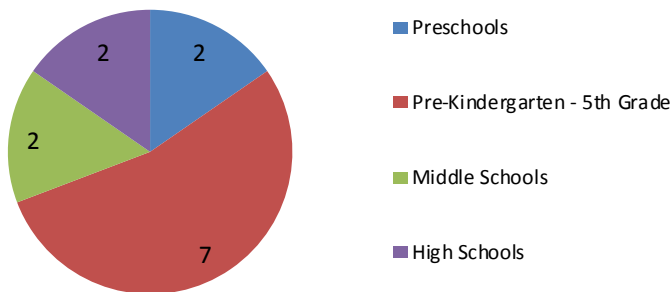
(1) Source: Adams County School District 14; Position Control

**ADAMS COUNTY SCHOOL DISTRICT 14
MISCELLANEOUS STATISTICAL DATA
(Unaudited)**

District Statistics:

- * Year of organization: 1902
- * Year of consolidation: 1947
- * Geographical area: 52 Square miles all within Adams County
- * Accreditation: North Central Association of Colleges and Schools
- * Twenty-sixth (26th) largest school district (by student population) in the state fiscal year 2016-17
- * Fifth (5th) largest school district (by student population) in Adams County fiscal year 2016-17

Number of Schools in FY2016-17



Enrollment and Funded Pupil Count (1)

School Year	Student Enrollment	Funded Pupil Count
2007-2008	6,296	5,952
2008-2009	6,606	6,098
2009-2010	6,950	6,424
2010-2011	7,048	7,020
2011-2012	7,321	6,757
2012-2013	7,500	6,925
2013-2014	7,598	6,978
2014-2015	7,663	7,205
2015-2016	7,577	7,126
2016-2017	7,467	7,125

Summary of Teachers by Education Level

Summary of Teachers by Years of Service

Teacher FTE	Education Level	% of Total
79.8	Bachelor of Arts (BA)	17.20%
32.5	BA + 15 Qtr Hrs	7.00%
22.25	BA+ 30 Qtr Hrs	4.79%
11	BA + 45 Qtr Hrs	2.37%
6	BA + 60 Qtr Hrs	1.29%
197	BA + 75 Qtr Hrs or Master's Degree	42.45%
27	Master's Degree + 15 Qtr Hrs	5.82%
24	Master's Degree + 30 Qtr Hrs	5.17%
21	Master's Degree + 45 Qtr Hrs	4.53%
41	Master's Degree + 60 Qtr Hrs	8.84%
2.5	Doctorate (EDD or PhD)	0.54%
<u>464.05</u>		<u>100.00%</u>

Teacher FTE	Years of Service	% of Total
38.05	Less than 1 year	8.20%
77.5	At least 1 year, but less than 2	16.70%
83	At least 2 years, but less than 3	17.89%
60	At least 3 years, but less than 4	12.93%
55	At least 4 years, but less than 5	11.85%
27	At least 5 years, but less than 6	5.82%
39.5	At least 6 years, but less than 10	8.51%
28.5	At least 10 years, but less than 15	6.14%
29	At least 15 years, but less than 20	6.25%
11	At least 20 years, but less than 25	2.37%
15.5	25 or more years	3.34%
<u>464.05</u>		<u>100.00%</u>

(1) Source: Colorado Department of Education - exclusive of Charter Schools

(2) Number of persons employed as teachers during the fiscal year ending June 30, 2017

ADAMS COUNTY SCHOOL DISTRICT 14
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
Last Ten Fiscal Years
(Unaudited)

Schools	Year of Original Construction	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Sanville Preschool	1954										
Square feet		5,440	5,440	5,440	5,440	5,440	5,440	5,440	5,440	5,440	5,440
Capacity (students)		50	50	50	50	50	50	50	50	50	50
Enrollment (head count)		92	91	89	92	90	89	83	92	90	92
Stars Early Learning Center Preschool	1981										
Square feet		7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005
Capacity (students)		94	94	94	94	94	94	94	94	94	94
Enrollment (head count)		120	105	104	115	76	80	78	110	140	115
Alsop Elementary	1959										
Square feet		50,114	50,114	50,114	50,114	50,114	50,114	50,114	50,114	50,114	47,762
Capacity (students)		477	477	477	477	477	477	477	477	477	477
Enrollment (head count)		532	545	521	504	484	598	640	591	581	537
Central Elementary	1954										
Square feet (3)		54,790	54,790	54,790	54,790	54,790	54,790	54,790	54,790	54,790	54,790
Capacity (students)		548	548	548	548	548	548	548	548	548	548
Enrollment (head count)		577	580	544	577	609	624	634	638	605	563
Dupont Elementary	1956										
Square feet		51,599	51,599	51,599	51,599	51,599	51,599	51,599	51,599	51,599	51,599
Capacity (students)		516	516	516	516	516	516	516	516	516	516
Enrollment (head count)		589	642	698	699	622	562	586	572	549	551
Kemp Elementary	1951										
Square feet (3)		46,403	44,963	44,963	44,963	44,963	44,963	44,963	44,963	44,963	44,963
Capacity (students)		475	450	450	450	450	450	450	450	450	450
Enrollment (head count)		569	566	625	587	555	482	483	432	387	365
Monaco Elementary	1956										
Square feet		37,496	37,496	37,496	37,496	37,496	37,496	37,496	37,496	37,496	37,496
Capacity (students)		375	375	375	375	375	375	375	375	375	375
Enrollment (head count)		449	472	490	501	525	583	480	494	475	435
Rose Hill Elementary	1952										
Square feet (3)		56,542	56,542	56,542	56,542	56,542	56,542	56,542	56,542	56,542	56,542
Capacity (students)		565	565	565	565	565	565	565	565	565	565
Enrollment (head count)		472	536	521	539	543	535	453	424	417	418
Hanson PK-8	1968										
Square feet (3)		50,355	50,355	50,355	50,355	50,355	50,355	50,355	50,355	50,355	50,355
Capacity (students)		419	419	419	419	419	419	419	419	419	419
Enrollment (head count)		416	426	446	461	488	388	501	513	511	425
Adams City Middle School	2009										
Square feet		96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900
Capacity (students)		808	808	808	808	808	808	808	808	808	808
Enrollment (head count)		818	798	761	774	762	740	717	691	653	611
Kearney Middle School	1953										
Square feet		120,601	120,601	120,601	120,601	120,601	120,601	120,601	120,601	120,601	120,601
Capacity (students)		1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005
Enrollment (head count)		792	821	820	783	742	697	538	525	470	543
Lester Arnold Alternative High School	1949										
Square feet		19,972	19,972	19,972	19,972	19,972	19,972	19,972	19,972	19,972	19,972
Capacity (students)		133	133	133	133	133	133	133	133	133	133
Enrollment (head count)		239	213	182	220	147	149	160	203	213	213
Adams City High School	2009										
Square feet		293,000	293,000	293,000	293,000	293,000	293,000	293,000	293,000	296,000	258,062
Capacity (students)		1,720	1,720	1,720	1,720	1,720	1,720	1,720	1,720	1,720	1,720
Enrollment (head count)		1,799	1,782	1,783	1,749	1,748	1,689	1,695	1,665	1,515	1,428
Other capital assets (Square feet)											
ESS Building	1971	43,020	43,020	43,020	43,020	43,020	43,020				
Administration building	1956	14,020	14,020	14,020	14,020	14,020	14,020				
Bus Terminal	1956	15,113	15,113	15,113	15,113	15,113	15,113				
Warehouse	1971	12,096	12,096	12,096	12,096	12,096	12,096				
Operations and Maintenance	1971	5,568	5,568	5,568	5,568	5,568	5,568				

- (1) Source: District Facilities Office (Original Construction, Square Feet & Capacity)
(2) Source: Colorado Department of Education (Enrollment)
(3) Increases in square footage are the result of renovations and additions.



**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 14
Commerce City, 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 14, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Adams County School District 14's basic financial statements, and have issued our report thereon dated November 3, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Adams County School District 14'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 Adams County School District 14's internal control. Accordingly, we do not express an opinion on the effectiveness of the Adams County School District 14'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 and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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. We did identify certain deficiencies in internal control, described in the accompanying scheduling of findings and questioned costs as items 2017-001 and 2017-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Adams County School District 14'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*.

Adams County School District 14's Responses to Findings

Adams County School District 14's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Adams County School District 14's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result 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.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
November 3, 2017



**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 14
Commerce City, Colorado

Report on Compliance for Each Major Federal Program

We have audited Adams County School District 14's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Adams County School District 14's major federal programs for the year ended June 30, 2017. Adams County School District 14'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 Adams County School 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* (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 Adams County School District 14'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, Adams County School District 14 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items accompanying schedule of findings and questioned costs as items 2017-003 and 2017-004. Our opinion on each major federal program is not modified with respect to these matters.

Adams County School District 14's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Adams County School District 14's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of Adams County School 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 Adams County School District 14'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 Adams County School District 14'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 have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2017-003 and 2017-004 that we consider to be significant deficiencies.

Board of Education
Adams County School District 14

Adams County School District 14's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Adams County School District 14's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
November 3, 2017

Adams County School District 14
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor / Program Title	Federal CFDA Number	Grant Expenditures 2016-17
<u>U.S. Department of Education</u>		
Passed Through the Colorado Department of Education:		
<u>Special Education Cluster</u>		
Special Education (4027)	84.027	\$ 1,015,837
Special Education - Preschool (4173)	84.173	52,441
Total Special Education Cluster		<u>\$ 1,068,278</u>
Title I (4010, 5010, 6010, 7010, 8010)	84.010	\$ 2,287,102
Tiered Intervention Grant (7377)	84.377	81,307
Improving Teacher Quality (4367)	84.367	345,361
English Language Acquisition (4365)	84.365	176,764
McKinney Vento Homeless Children and Youth (5196)	84.196	22,683
Adult Education (5002, 6002)	84.002	297,297
21st Century Community Learning Centers (5287,6287)	84.287	569,188
Passed through Colorado Community College System:		
Career and Technical Education (4048)	84.048	65,064
Direct Program:		
Impact Aid (4041)	84.041	3,105,282
Total U.S. Department of Education		<u>\$ 8,018,326</u>
<u>U. S. Department of Agriculture</u>		
<u>Child Nutrition Cluster</u>		
Passed Through the Colorado Department of Education:		
School Breakfast Program (4553)	10.553	\$ 977,221
National School Lunch Program (4555)	10.555	2,161,738
Summer Food Service Program for Children (4559)	10.559	70,161
Passed Through the Colorado Department of Human Services:		
Food Donation (4555)	10.555	285,351
Total Child Nutrition Cluster		<u>\$ 3,494,471</u>
Passed Through the Colorado Department of Public Health and the Environment:		
Child and Adult Care Food Program (4558)	10.558	\$ 181,170
Passed Through the Colorado Department of Education:		
Nutrition Equipment Assistance (5579)	10.579	\$ 15,801
Fresh Fruit & Vegetable Program (4582)	10.582	125,076
Total U.S. Department of Agriculture		<u>\$ 3,816,518</u>
<u>U.S. Department of Defense</u>		
Direct Program		
ROTC (9001)	12.000	\$ 85,345
Total U.S. Department of Defense		<u>\$ 85,345</u>
Total		<u>\$ 11,920,189</u>

1) Modified Accrual Basis of Accounting was used to prepare this report.
See Notes to Schedule of Expenditures of Federal Awards.

ADAMS COUNTY SCHOOL DISTRICT 14
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2017

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards, which includes the federal grant activity of the Adams County School District 14 (District), is presented on the modified accrual basis of accounting, except for the U.S. Department of Education grants, which are presented on the full accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the District's financial statements for the year ended June 30, 2017.

NOTE B – NON-CASH

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 expenses when used by the schools. The majority of the commodities are stored at the individual schools, instead of a central warehouse. As such, the District has determined that the title to the commodities passes to the District upon receipt of the commodities. Since the District has received title to the commodities, the unused commodities are not reflected as unearned revenue.

NOTE C – INDIRECT COSTS

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

**ADAMS COUNTY SCHOOL DISTRICT 14
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2017**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

CFDA Number(s)

84.027, 84.173

84.010

Name of Federal Program or Cluster

Special Education Cluster

Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish between Type A and Type B programs:

\$ \$750,000

Auditee qualified as low-risk auditee?

 x yes _____ no

**ADAMS COUNTY SCHOOL DISTRICT 14
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2017**

Section II – Financial Statement Findings

2017 – 001

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

Condition: Internal controls over financial reporting should be in place to ensure the financial statements are fairly presented in accordance with the accounting principles general accepted in the United States of America (U.S. GAAP). The District should have controls in place to properly review and approve journal entries before they are recorded in the general ledger to prevent material misstatements in the financial statements.

Criteria or specific requirement: The District should have a process and control structure in place where by all journal entries posted to the general ledger are required to go through a formal review and approval prior to posting to the general ledger. This should include a control structure for all month end processes performed by the District, specifically, related to the bank reconciliation process performed at the conclusion of each month.

Context: Five manual journal entries were haphazardly selected for testing and it was identified that four were not approved before being posted to the general ledger. We also noted that no supporting documentation for these journal entries was maintained by the District. In addition, the Cash Bank Rec module within the financial software allows for posting to the general ledger without a formal approval to ensure accuracy of the bank reconciliation process.

Effect: Posting entries to the general ledger without prior review and approval could lead to potential material misstatements or falsified entries.

Cause: The financial system used by the District does not require approval before posting to the general ledger if performed by certain District personnel. This includes the Cash Bank Rec module utilized during the month end bank reconciliation process.

Repeat Finding: No

Recommendation: The District should implement a process and control structure which requires all journal entries to go through a formal review and approval process prior to posting to the general ledger. This process and control structure should include the filing and maintenance of all supporting documentation for entries posted to the general ledger.

Views of responsible officials and planned corrective actions: The District agrees that manual journal entries should go through a formal review prior to posting to the general ledger. Moving forward the District will restructure the approval process to ensure entries have supporting documentation and are preapproved. If emergency situations occur where an entry needs to be posted before it can be reviewed the entry will be reviewed and approved by the end of the next business day.

**ADAMS COUNTY SCHOOL DISTRICT 14
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2017**

2017 – 002

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

Condition: Internal controls over financial reporting should be in place to ensure the financial statements are fairly presented in accordance with the accounting principles general accepted in the United States of America. (U.S. GAAP). The District should have controls in place to properly record grant related activity as a means to prevent material misstatements in the financial statements.

Criteria or specific requirement: The District should record all financial activity for services performed during the fiscal year which are either paid or received subsequent to June 30, 2017. The District is also required to record all federal expenditures incurred during the fiscal year on the schedule of expenditures of federal awards (SEFA).

Context: The District did not record the financial activity related to the BEST Grant based on the final pay application received for services incurred during 2017. This resulted in: 1) Account payable, retainage payable and expenditures were understated by \$266,822; and 2) Account receivable and grant revenue were understated by \$266,822. In addition, the SEFA was understated by \$302,173 which was a result of the District recording expenditures in the wrong account and subsequently, not being recorded on the 2017 SEFA.

Effect: General ledger balances for accounts payable, expenditures, accounts receivable and grant revenue were understated as of June 30, 2017 and the SEFA was understated as of June 30, 2017.

Cause: The District did not record the final three months of activity related to the BEST grant and the District did not properly identify all federal expenditures for recording on the 2017 SEFA.

Repeat Finding: No

Recommendation: The District should implement a tracking process related to grant expenditures to ensure that all expenditures incurred during a fiscal year are properly recorded within the District's general ledger. A tracking process will also assist in the SEFA preparation process to ensure all federal expenditures incurred during a fiscal year are properly recorded on the SEFA.

Views of responsible officials and planned corrective actions: The District does have a grant expenditure tracking process in place that has functioned without error for many years. This process however doesn't include specific procedures for tracking and recording grant funded construction projects as these projects have been very infrequent for the District. This year the District had an ongoing construction project at year end, and being an infrequent occurrence the District failed to recognize when the vendor didn't send the invoice for the work completed prior to year-end. The District will implement a construction project financial tracking process where the current invoice will be compared to work completed, expenses recorded, the original contract amount, change orders and retainage booked. The District will also add documentation to year end paperwork which will require a verification that all construction related payables are booked at year end.

**ADAMS COUNTY SCHOOL DISTRICT 14
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2017**

Section III – Findings and Questioned Costs – Major Federal Programs

2017 – 003

Federal agency: U.S. Department of Education

Federal program title: Special Education Cluster

CFDA Number: 84.027, 84.173

Pass-Through Agency: Colorado Department of Education

Pass-Through Number(s): N/A

Award Period: July 1, 2016 through June 30, 2017

Type of Finding:

- Significant Deficiency in Internal Control over Compliance and Other Matter

Criteria or specific requirement: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR Section 180.220. All non-procurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR Section 180.215. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR Section 180.995 and agency-adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transactions. When entering into a covered transaction, to determine if the entity or person is excluded or disqualified, this can be done by one of the following: (1) checking the Government wide System for Award Management Exclusions (SAM) to determine if an entity is debarred or suspended, (2) collecting a certification from that person, or (3) adding a clause or condition to the covered transaction.

Condition: Upon review of the entire population of three, it was noted that no SAM check was completed on one entity. In addition to this, the SAM checks done for the other two entities were performed after the contracts were signed but prior to any payments being made to the entity.

Questioned costs: N/A

Context: For the entire population of three, review of suspension and debarment was not properly completed.

Cause: Due to insufficient controls over Procurement, the controls are not operating as designed.

Effect: Failure to perform the appropriate procedures related to excluded or disqualified SAM checks in a timely manner may result in contracting with an entity that is suspended or debarred.

Repeat Finding: No

Recommendation: We recommend that the District review the approval and documentation process for Procurement to ensure that the design and implementation of proper effective and timely controls.

Views of responsible officials: There is no disagreement with the audit finding. At the end of the fiscal year the District updated its contract template to include a clause noting the vendor can't be suspended or debarred. In addition to this step the District grant accountant will perform a verification step for each vendor paid by grant funds prior to contracting with them to ensure they are not suspended or debarred, completion of this verification will also be verified by the purchasing department.

**ADAMS COUNTY SCHOOL DISTRICT 14
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2017**

2017 – 004

Federal agency: U.S. Department of Education

Federal program title: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Pass-Through Agency: Colorado Department of Education

Pass-Through Number(s): N/A

Award Period: July 1, 2016 through June 30, 2017

Type of Finding:

- Significant Deficiency in Internal Control over Compliance and Other Matter

Criteria or specific requirement: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR Section 180.220. All non-procurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR Section 180.215. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR Section 180.995 and agency-adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transactions. When entering into a covered transaction, to determine if the entity or person is excluded or disqualified, this can be done by one of the following: (1) checking the Government wide System for Award Management Exclusions (SAM) to determine if an entity is debarred or suspended, (2) collecting a certification from that person, or (3) adding a clause or condition to the covered transaction.

Condition: Upon review of the entire population of three, it was noted that SAM check was completed for one entity and the SAM check for another entity had expired before entering into covered transactions and another check was not completed.

Questioned costs: N/A

Context: Out of the entire population of three, two did not have review of suspension and debarment that was properly completed.

Cause: Due to insufficient controls over Procurement, the controls are not operating as designed.

Effect: Failure to perform the appropriate procedures related to excluded or disqualified SAM checks in a timely manner may result in contracting with an entity that is suspended or debarred.

Repeat Finding: Yes

Recommendation: We recommend that the District review the approval and documentation process for Procurement to ensure that the design and implementation of proper effective and timely controls.

Views of responsible officials: At the end of the fiscal year the District updated its contract template to include a clause noting the vendor can't be suspended or debarred. In addition to this step the District grant accountant will perform a verification step for each vendor paid by grant funds prior to contracting with them to ensure they are not suspended or debarred, completion of this verification will also be verified by the purchasing department.

**ADAMS COUNTY SCHOOL DISTRICT 14
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2017**

Adams County School District 14 respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2017.

Audit period: June 30, 2017

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2016 – 001

Condition: Comparability report is compiled and submitted without review by an individual independent of the preparation process.

Status: The District's procedures were updated to add a secondary signoff prior to submission of the Comparability report. This procedure was followed in the current year.

2016 – 002

Condition: We noted that SAM checks were done after the contracts were signed. However, the District did have the SAM checks performed prior to any payments being made to the entity.

Status: See current year finding 2017-003 and 2017-004.

Reason for finding's recurrence: Upon review of the SAM checks during the FY17 audit, it was noted that a SAM check was not completed for one entity and one SAM check expired before entering into covered transactions and a new check was not completed.

Corrective Action: This finding reoccurred during the year. From discussions with remaining purchasing staff the District's prior year plan to eliminate this finding was to perform a SAM check in advance for all vendors previously paid from grant fund. This plan also required that new vendors paid from grant funds be screened as the year progressed, however this part of the plan was never implemented within the purchasing department. To ensure the issue is resolved moving forward the grants accountant will review all POs for grant vendors prior to approval to ensure the vendors have been reviewed on SAM.gov by purchasing staff and the purchasing department will verify this has been completed. As an additional control the District's standard template has been updated to include a clause related to suspension and debarment.

If there are questions regarding this schedule, please call Eduard Storz, Director at 303-853-3209.

**ADAMS COUNTY SCHOOL DISTRICT 14
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2017**

Adams County School District 14 respectfully submits the following corrective action plan for the year ended June 30, 2017.

Audit period: June 30, 2017

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCY

2017-001 Lack of proper review and approval of journal entries before they are recorded into the general ledger.

Recommendation: All manual journal entries should be reviewed using proper supporting documentation and approved before they are entered into the general ledger.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned in response to finding: Moving forward the District will restructure the approval process to ensure entries have supporting documentation and are preapproved. This may require working with our external software vendor. If emergency situations occur where an entry needs to be post before it can be reviewed the entry will be reviewed and approved by the end of the next business day.

Names of the contact persons responsible for corrective action: Eduard Storz, Director

Planned completion date for corrective action plan: December 31, 2017

SIGNIFICANT DEFICIENCY

2017-002 Retainage payable was not properly recorded as of yearend. Also, Impact Fee revenue was not recorded correctly and SEFA was not properly reporting all CACF program expenditures.

Recommendation: Proper controls should be in place to make sure that all retainage payable, revenue and expenditures are being properly coded so that they are properly reported.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned in response to finding: The District will implement a construction project financial tracking process where the current invoice will be compared to work completed, expenses recorded, the original contract amount, change orders and retainage booked. The District will also add documentation to year end paperwork which will require a verification that all construction related payables are booked at year end.

Name(s) of the contact person(s) responsible for corrective action: Eduard Storz, Director

Planned completion date for corrective action plan: November 30, 2017

**ADAMS COUNTY SCHOOL DISTRICT 14
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2017**

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S Department of Education

2017-003 Special Education Cluster – CFDA No. 84.027, 84.173

Recommendation: We recommend that the District review the approval and documentation process for Procurement to ensure that the design and implementation of proper effective and timely controls.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned in response to finding: At the end of the fiscal year the District updated its contract template to include a clause noting the vendor can't be suspended or debarred. In addition to this step the District grant accountant will perform a verification step for each vendor paid by grant funds prior to contracting with them to ensure they are not suspended or debarred, completion of this verification will also be verified by the purchasing department.

Name(s) of the contact person(s) responsible for corrective action: Eduard Storz, Director

Planned completion date for corrective action plan: November 30, 2017

U.S. Department of Education

2017-004 Title I Grants to Local Educational Agencies – CFDA No. 84.010

Recommendation: We recommend that the District review the approval and documentation process for Procurement to ensure that the design and implementation of proper effective and timely controls.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned in response to finding: At the end of the fiscal year the District updated its contract template to include a clause noting the vendor can't be suspended or debarred. In addition to this step the District grant accountant will perform a verification step for each vendor paid by grant funds prior to contracting with them to ensure they are not suspended or debarred, completion of this verification will also be verified by the purchasing department.

Name(s) of the contact person(s) responsible for corrective action: Eduard Storz, Director

Planned completion date for corrective action plan: November 30, 2017

If there are any questions regarding this plan, please call Eduard Storz, Director at 303-853-3209.



Colorado Department of Education
Auditors Integrity Report
 District: 0030 - ADAMS COUNTY 14
 Fiscal Year 2015-16
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
	+		-	=
Governmental				
10 General Fund	9,129,113	61,811,226	57,205,842	13,734,497
18 Risk Mgmt Sub-Fund of General Fund	1,393,071	329,621	1,116,731	605,962
19 Colorado Preschool Program Fund	30,388	3,677,531	3,649,092	58,827
Sub- Total	10,552,572	65,818,378	61,971,665	14,399,285
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	104,230	358,289	366,046	96,473
21 Food Service Spec Revenue Fund	557,460	3,948,988	3,773,198	733,249
22 Govt Designated-Purpose Grants Fund	0	9,161,147	9,161,147	0
23 Pupil Activity Special Revenue Fund	0	616,228	610,650	5,578
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	5,851,984	6,593,515	7,446,682	4,998,817
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	1,247,058	6,289,644	1,567,302	5,969,400
Totals	18,313,304	92,786,189	84,896,690	26,202,802
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	236,012	412,224	381,924	266,312
79 GASB 34 Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	236,012	412,224	381,924	266,312

FINAL

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