

Weld County School District 6

# Comprehensive Annual Financial Report

For the year ended June 30, 2017  
Greeley-Evans, Colorado

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WELD COUNTY SCHOOL DISTRICT 6



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Weld County School District 6  
**Comprehensive Annual  
Financial Report**  
For the Fiscal Year Ended June 30, 2017

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**Greeley-Evans**  
WELD COUNTY SCHOOL DISTRICT 6

# 2017 Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2017

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## **Introductory Section**

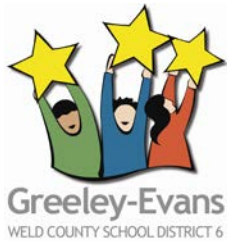
Letter of Transmittal

GFOA Certificate of Achievement  
for Excellence in Financial Reporting

ASBO Certificate of Excellence  
in Financial Reporting

Organizational Chart

List of Elected Officials



FINANCE DEPARTMENT  
1025 NINTH AVENUE  
GREELEY, COLORADO 80631

November 20, 2017

To the Members of the Board of Education and Citizens of Weld County School District 6,

Colorado law requires that every Colorado local government conduct an annual audit of their financial statements. The law states the audit must be performed by an independent certified public accountant and be in accordance with generally accepted auditing standards (GAAS). The Comprehensive Annual Financial Report for Weld County School District 6, for the fiscal year ended June 30, 2017, is submitted herewith to fulfill this state requirement.

The report consists of management's representations concerning the financial aspects of Weld County School District 6. Consequently, responsibility for both the accuracy of the data and the completeness and fairness of the information presented, including all disclosures, rests with the Finance Department of Weld County School District 6. To provide a reasonable basis for making these representations, management of Weld County School District 6 has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Weld County School District 6's financial statements in conformity with GAAP. Because the cost of the internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the attached data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of all operations of the District. All disclosures necessary to enable the reader to gain an understanding of Weld County School District 6's financial activities have been included.

CliftonLarsonAllen, LLP, a firm of licensed certified public accountants, have audited Weld County School District 6's financial statements. 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 audit concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2017 are fairly presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Independent Auditors' Report on the District's financial statements is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Weld County School District 6 was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's Single Audit Report for the fiscal year ended June 30, 2017.

Readers of this report are encouraged to consider the information presented here in conjunction with additional information presented in Management's Discussion and Analysis found on pages 19 through 33

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of this report. All disclosures necessary to enable the reader to gain an understanding of the financial activities for the fiscal year ended June 30, 2017, have been included.

## **Profile of the District**

Weld County School District 6 (the District) is a political subdivision of the State of Colorado and a corporate body organized in 1870. The District currently owns approximately 450 acres of land, and includes 36 schools and support sites. Our 36 schools and support facilities total 2.1 million square feet of building space and range in age of establishment from 1910-2015. The District boundaries have been redrawn numerous times over the last 135 years, the last redistricting occurring in 1964, enlarging District 6 to its current 75 square miles. The District is an independent school District that is a public corporation duly organized and existing under the constitution and laws of the State of Colorado.

Based in Greeley, Colorado, the District is located 50 miles north of Denver and 17 miles east of Loveland. A seven-member Board of Education bears overall responsibility for the District. The Board of Education adopts the budget, selects management, significantly influences operations and is primarily accountable for fiscal matters. Board members are elected by registered voters, each member is elected at-large (the District is not divided into representative areas), and serve four-year terms.

Approximately 22,500 students attend school at the District's 32 schools and educational programs. The District's K-12 enrollment has shown an increase for the last seven years. The 2017-2018 enrollment numbers are showing a slight increase over the prior fiscal year. There are over 7,800 students eligible to utilize the District's bus services each day, and the District's Nutrition Department serves over 18,500 meals daily for breakfast, lunch and snacks.

Weld County School District 6's excellent schools encompass eleven traditional elementary schools (K-5), five K-8 schools, four middle schools, one alternative middle school, three traditional high schools, two alternative high schools, one high school of innovation, five charter schools. The District offers additional opportunities including:

- Early College Academy is an opportunity for students to obtain a two-year associates degree from Aims Community College while simultaneously earning a high school diploma;
- A Performing Arts Magnet high school program (Central High School);
- A Science, Math, Engineering and Technology (STEM) high school magnet program at Northridge High School and a similar focus program at McAuliffe K-8;
- U.S. Marine JROTC Program at Northridge High School;
- The Health Science Academy was created at Greeley Central High School, and has enrolled 100+ students interested in careers in the healthcare industry;
- Numerous Advanced Placement (college level) courses at our three traditional high schools, and a regional International Baccalaureate Programme (Greeley West High School);
- Brentwood Middle School designated as an IB World School by the International Baccalaureate Programme;
- An alternative middle and high school, and a program focusing on improving educational and social realities of at-risk students in grades 6-12 (Jefferson Junior High School, Jefferson High School and Greeley Alternative Program);
- Bella Romero Academy of Applied Technology is a K-8 school leading the focus of blended learning;
- A program for Deaf and Hard of Hearing students, Kindergarten-8, at Chappelow Arts and Literacy Magnet School;
- An Arts and Literature Magnet K-8 School (Chappelow Arts and Literacy Magnet School);
- A premier learning resource facility (Poudre Learning Center) for interdisciplinary study of the Cache la Poudre River is shared by District 6 and three neighboring school districts.

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- Fred Tjardes School of Innovation is a K-8 School that focuses on a project-based learning model that engages a diverse population of students in authentic learning.
- Five Charter Schools focused on alternate instruction methods.

The District is fully accredited by the Colorado Department of Education Accreditation and Accountability Unit. The District is subject to periodic monitoring to ensure continued compliance with accreditation standards. Additionally, the District is in compliance with the state required financial policies and procedures.

The District has maintained agreements with five charter schools; Union Colony Schools, Frontier Academy, University Schools, West Ridge Academy and Salida del Sol Academy. The charter schools are public schools authorized by the District in accordance with the laws of the State of Colorado to provide alternatives for parents, pupils and teachers. Additionally, the schools have separate governing boards but are fiscally dependent on the District for the majority of funding as allowed under the school finance act and under the general supervision of the District's Board of Education. The charter schools meet the requirements under Governmental Accounting Standards to be presented as discrete component units.

The Board of Education is required to adopt a final budget no later than June 30 prior to the beginning of the subsequent fiscal year, but may be revised prior to January 31 of the budget year. This annual budget serves as the foundation for the District's financial planning and control. The District maintains extensive budgetary controls to ensure compliance with legal requirements, District administration guidelines, and Board of Education policies. The budget development process evaluates compensation and benefit expenses, utilities and fixed costs at the district level, and discretionary spending at the department and school level.

### **Academic Achievements**

- One of the most important goals of any public education entity is to support students in receiving their high school diploma. In 2016, District 6 had a graduation rate of 77.1 percent, keeping pace with the state of Colorado. Every year the district has seen marked improvement in its graduation rate; back in 2007, the graduation rate was only 68.7 percent. And, the District's most at-risk students are also graduating at high rates, which have improved significantly over the last decade. For example, the graduation rate for English language learners was 65.7 percent in 2016, which is four percentage points higher than the state average. In addition, District 6 students go on to a variety of colleges and universities, certificate programs, military service and careers.
- District 6 offers 7 Career Academies with 27 different career pathway programs for students, which not only provide career exploration, but also college credit and professional certificates in several areas. These popular programs range from a Health Sciences Academy to an Agriculture Pathway, including programs that focus on construction management, engineering, culinary arts, fine and performing arts, entrepreneurship and much more. District 6 also offers a Marine Junior Reserve Officer Training Corps program and International Baccalaureate as well as Career Academy partnerships with our local Aims Community College to provide our students a vast array of opportunities they may choose to explore.
- District 6 students are highly competitive for some of the most coveted scholarships in Colorado. Since 2007, the District has had 17 Boettcher scholars. Eight District 6 students received Daniels Fund Scholarships in 2017, joining 87 students who received the scholarships in the past eight years.

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- More than 1,000 District 6 students participate in Advanced Placement classes. In 2017, 66 District 6 students were named AP scholars and four received National AP Scholar recognition. The number of AP scholars continues to grow each year.
- Early College Academy opened in August, 2015 in partnership with Aims Community College. Early College Academy provides students the opportunity to earn an Associate's Degree and a high school diploma simultaneously. This rigorous program is a mix between traditional high school and community college classes. Students can graduate with 60 college credits that will automatically transfer to any four-year Colorado college at no cost to the student. Currently in its second year of existence, there are over 250 students enrolled in kindergarten- 12 grades.
- District 6 is in its fifth year of implementing blended learning district-wide. This instructional method allows educators to leverage technology to personalize learning for all their students, while getting real-time data to help guide teaching. Seventeen district schools implemented this personalized blended learning model in 2016-2017 including nine elementary schools, four middle schools, three K-8 schools and one high school. This year, the blended learning implementation enters phase five, where two of our district schools are piloting a one- device-per-child model.
- The state assessment program, Colorado Measures of Academic Success, was administered for a third time this past school year. This assessment program includes state and federal required testing in English Language Arts and Math in grades 3<sup>rd</sup>-9<sup>th</sup>, and Science in grades 5<sup>th</sup>, 8<sup>th</sup>, and high school. It also includes a college and career readiness assessment in the 10<sup>th</sup> and 11<sup>th</sup> grade years, an English Language assessment given to students whose first language is not English, and the PSAT in 10<sup>th</sup> and 11<sup>th</sup> grades.

## **Economic Condition and Outlook**

### ***National Economy***

The ongoing expansion in the U.S. and Colorado economies is expected to continue on a moderate and steady course through 2019. In the current year, the national economy has shown strength in the areas of business performance, employment, and consumer spending, and has benefited from recovering energy markets and an improved international economy. Colorado ranks among the nation's strongest economies, boasting low unemployment and better growth in personal income than elsewhere. However, the ongoing expansion has disappointed by historical standards. Growth is constrained by declining labor force participation, demographic change, and slow gains in productivity. The economy is projected to continue to grow as incomes rise and markets tighten, but these structural factors place an upper bound on the pace of expansion.

### ***Colorado Economy***

The economic expansion in Colorado will remain one of the strongest in the country. The state's unemployment rate is among the nation's lowest, contributing to high consumer confidence and more wage pressure than elsewhere. Additionally, Colorado's diverse collection of businesses make the state better equipped to weather shocks to individual industries. These protections do not extend to every region of the state, however. Regions that have historically relied on coal and gas extraction, steel refining, and agriculture will continue to expand at weaker rates than the mountain and northern Front Range regions.

The State General Fund revenue ended FY 2016-17 with a preliminary \$613.0 million reserve, equal to 6.3 percent of General Fund operating appropriations. This amount is \$28.7 million above the required 6.0

percent reserve. These figures incorporate the impact of a \$53.8 million diversion of income taxes from the General Fund to cover the costs of severance tax refunds pursuant to Senate Bill 16-218.

The year-end reserve is \$165.3 million higher than expected in June, when a \$136.6 million shortfall relative to the required reserve was predicted. Although actual General Fund revenue collections were \$41.1 million (0.4 percent) lower than expected in June, large accounting adjustments brought the fund balance into positive territory. These accounting adjustments included \$115.7 million in reversions from General Fund appropriations.

The General Fund is expected to end the year with a 6.3 percent reserve, \$16.6 million short of the 6.5 percent statutory reserve. Relative to the June forecast, expectations for General Fund revenue fell by \$18.1 million for FY 2017-18, and by a cumulative total of \$59.2 million for both FY 2016-17 and FY 2017-18. However, the budget situation improved relative to June expectations because of the improved FY 2016-17 year-end fund balance.

Projections for FY 2018-2019 indicate the General Assembly will have \$666.5 million, or 6.0 percent, more to spend or save in the General Fund than what is budgeted to be spent this year. This assumes current law, including a 6.5 percent required reserve. Any supplemental appropriations or other changes to revenue or expenditures in FY 2017-18 will change this amount.

The Colorado Constitution requires the State Education Fund to receive one-third of one percent of taxable income. In addition, the General Assembly has at different times authorized the transfer of additional moneys from the General Fund to the State Education Fund. Money in the State Education Fund is required to be used to fund kindergarten through twelfth grade public education. However, additional revenue in the State Education Fund does not affect the overall flexibility of the General Fund budget.

Article X, Section 20 of the Colorado Constitution (TABOR) limits state fiscal year spending, which is the amount of revenue the state may retain and either spend or save each year. The limit is equal to the previous year's limit or revenue, whichever is lower, adjusted for inflation, population growth, and any revenue changes approved by voters. Referendum C, approved by voters in 2005, is a permanent voter-approved revenue change that raises the amount of revenue the state may spend or save. When revenue exceeds the cap, TABOR requires the surplus to be refunded during the following fiscal year. The state most recently incurred a TABOR refund obligation in FY 2014-15. A TABOR refund obligation is not expected in the current year through at least FY 2019-20, the end of the forecast period.

Preliminary data indicate that revenue fell short of the Referendum C cap by \$435.9 million in FY 2016-17. Revenue subject to TABOR came in \$113.4 million (or 0.9 percent) lower in FY 2016-17 than expected in June. State revenue is expected to continue to fall below the Referendum C cap each year through the forecast period. These expectations incorporate the impact of Senate Bill 17-267, which reduces the Referendum C cap by \$200 million in FY 2017-18, repeals the state's existing hospital provider fee at the end of FY 2016-17, and creates a similar fee in a TABOR-exempt enterprise beginning in FY 2017-18.

### ***Local Economy***

Larimer and Weld Counties make up the northern region. After weathering weakness in the oil and gas sector in 2016, the regional economy is accelerating year-to-date.

Oil production in the northern region, particularly in Weld County, has dominated statewide production for over a decade. Oil production declined 7.3 percent in 2016 and has declined 4.9 percent in through the first five months of 2017. Energy companies active in the northern region significantly slowed their investments in 2015 and 2016 in response to low oil prices, which has a lagged effect on production. While the number of active drilling rigs is only about half the number that were operating in Colorado before oil prices

collapsed, during the first week of September 2017 it was 94.7 percent higher than the same period in 2016. In contrast to crude oil, natural gas production in the northern region has continued to increase through 2017, reflecting the energy industry's effort to capture natural gas from wells that produce oil.

Greeley metro areas continued to see double-digit home price appreciation through the first half of the year, according to the Federal Housing Finance Agency All-Transaction Home Price Index. In spite of higher housing costs, the northern region remains more affordable than the metro Denver region, attracting commuters as well as new residents seeking work in the area. Robust economic and population growth and the availability of land for development in the region have supported strong growth in residential construction. Residential construction in Weld County, which declined in 2016 with the slowdown in energy activity, has rebounded in the first seven months of 2017 by growing 8.8 percent year-to-date.

Nonresidential construction activity in the region is growing through the first seven months of 2017, although it has not reached peak levels that occurred during 2015. Several large health care centers and hotels were constructed during 2015 and the first half of 2016, which largely explains lower levels of activity in more recent months.

### **Long-Term Financial Planning**

Each year the state budget is crafted by the governor and legislature to determine how much of the total budget will be allocated to K-12 education. The state economic picture is important to the district because the primary source of funding for the district's General Operating Fund is received through the state's School Finance Act established by the state legislature. During the Great Recession, state revenue shortfalls forced cuts to K-12 education even though expectations for constitutionally mandated funding increases existed under Amendment 23. After the state sets the total funding for K-12 public education, each local district determines how to fund its specific system and allocate resources to every school within its district.

The 2017-18 state average per pupil funding (PPF) by formula is estimated to be \$8,619; however the negative factor reduces that amount to \$7,662, a reduction of \$957 per student. In comparison, Weld County School District 6 per pupil funding prior to the negative factor would be \$8,515 reduced by the negative factor of \$945 to \$7,570. The total negative factor for Weld County School District 6 in 2017-18 will be approximately \$20.7 million.

The "Negative Factor" reduction to statewide total program funding as calculated in the School Finance Act is projected to remain flat at \$828.3 million, the same amount as in 2016-17. This is down from \$894.3 million in 2014-15 and \$1.004 billion in the 2013-14 fiscal year. In other words, had the economy not suffered through the recession, K-12 education would be funded with \$828.3 million more. In total, the state will fund K-12 education with over \$5.7 billion for fiscal year 2017-18.

The goals utilizing the District's financial resources for the 2017-2018 school year are very strategic. These goals include –

- After several years of reducing support level positions within the district, the 2016-2017 budgeted FTE increased by approximately 179 FTE. 65% of those new positions were school based staff hired to support students as the district grows. For the 2017-2018 school year, overall FTE has reduced slightly due to cuts made to streamline the operations of the district. School based staff is nearly the same as the 2016-2017 school year.
- The District shall reserve 6% of the prior year's operating revenue designated as a 3% TABOR reserve and a 3% Board reserve.

- The Academic Achievement and School Leadership Department has many goals and initiatives for 2017-2018 that require strategic budget planning in order to support their expected outcomes.
  - Implement comprehensive turnaround plans for Franklin Middle School and Prairie Heights Middle School that will result in an increase in student achievement and growth.
  - Implement innovation plan at Martinez Elementary and develop plans for improving student achievement and growth at other schools in priority improvement.
  - Increase the graduation rate for all student groups and for disaggregated student groups.
  - Increase the percentage of minority students who successfully complete advanced placement classes.
  - Implement new programming for English Language Learners to better support their educational needs.
  - Continue/expand cultural proficiency training and support for all employee groups.
- Blended Learning is taking place in traditional school buildings and adds the effective use of education technology to transform the learning experience for students. It combines teacher-led instruction with high-quality digital educational content that is customized to a student’s needs and abilities. Blended learning has the potential to significantly improve K-12 education throughout the country and specifically in District 6. Blended Learning directly aligns to the goal of Student Learning and Achievement in the District’s Strategic Plan, relating to:

Priority 1: Provide a personalized learning experience for all students and  
 Priority 3: Implement an instructional framework that reflects both the art and science of teaching to ensure all students learn.

#### District 6 Blended Learning Implementation Schedule

Year	Schools
<b>2015-2016</b>	<ul style="list-style-type: none"> <li>• Ann K. Heiman Elementary K-5</li> <li>• Brentwood Middle School</li> <li>• Chappelow K-8 Arts Magnet</li> <li>• Franklin Middle School</li> </ul> <ul style="list-style-type: none"> <li>• Heath Middle School</li> <li>• Meeker Elementary K-5</li> <li>• Prairie Heights Middle School</li> <li>• Winograd K-8</li> </ul>
<b>2016-2017</b>	<ul style="list-style-type: none"> <li>• Jackson Elementary</li> <li>• McAuliffe Elementary</li> <li>• Madison Elementary</li> </ul> <ul style="list-style-type: none"> <li>• Monfort Elementary</li> <li>• Scott Elementary</li> <li>• Shawsheen Elementary</li> </ul>
<b>2017-2018</b>	<ul style="list-style-type: none"> <li>• Central High School</li> <li>• West High School</li> <li>• Northridge High School</li> </ul> <ul style="list-style-type: none"> <li>• Centennial Elementary</li> <li>• Dos Rios Elementary</li> <li>• Bella Academy K-8</li> </ul>

The district intends to expand blended learning to additional schools in 2018-2019 as funding permits.

- There are some very serious capital needs arising in the district. Capital improvements have been deferred during the economic downturn as a way to balance the budget. During the past few years the district has contracted with educational facility planners and architects to develop a Facilities Master Plan. The team was hired to conduct an analysis of the current educational program, assess the facilities, and study options and priorities for resolving the schools’ challenges and needs for continued growth and success. The consultant’s reports describe the adequacy and conditions of the district’s schools. Many of the facilities tend to be plagued with asbestos or other hazardous materials, making

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expansions and renovations slow and expensive undertakings. Such lack of flexibility has led the district to turn to a great number of modular classroom trailers on many of the school sites, to provide space for classrooms. A high percentage of district classrooms are located in portable modulars, in fact District 6 has the highest percentage of portable classrooms of all districts in Colorado. The master plan reports presented by the consultants evaluates the conditions of each location as well as the educational suitability. The urgency of needed repairs was prioritized and an estimated cost of those repairs was calculated using current costs of labor and materials. The District currently has over \$320 million of deferred maintenance needs.

- The region in which the District is located is currently experiencing notable population growth. Based on the demographic studies conducted by Davis Demographics & Planning, Inc., this population growth is likely to continue. As a result of this growth, many District schools, particularly in the west of the District, are currently experiencing challenges related to building capacity. Proposed solutions to address immediate needs include: ongoing school choice management, relocation of district placed programs to alternate facilities as well as discussions of potential bond issues in the future.
- Activities which support sound fiscal management include balancing of the budget for the 2017-2018 school year by monitoring of expenditures, seeking new grant funding and aligning current grant resources, identifying cost-cutting measures, developing and enhancing revenue streams.
- In order to balance the budget, the district had used a portion of fund balance in 2015-2016. The District did not spend any fund balance for 2016-2017 and based on the adopted budget for 2017-2018, there are no intentions to spend any fund balance for operations.

### **Relevant Financial Policies**

The District's system of internal controls is designed to provide reasonable, but not absolute, assurance that assets are adequately safeguarded, transactions are accurately recorded and expenditures are properly authorized. Those controls also assure the reliability of financial records for preparing financial statements and maintaining the accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that control. The evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework.

The District's accounting and budget systems are integrated and this facilitates budgetary control. Also, the systems include integrity checks and balances which help assure that only valid transactions occur. The District's existing systems of budgetary and accounting controls are designed to provide reasonable assurance that errors or irregularities of a material nature are prevented or are detected in a reasonable period of time. We believe that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The District's internal control structure is subject to periodic review by management and the internal audit staff.

### **Major Initiatives**

#### ***Strategic Plan***

Weld County School District 6 recognizes the need to be focused and strategic in order to raise student achievement, close achievement gaps, strengthen school-community relationships and improve organizational effectiveness. The first generation of the strategic plan, Reaching for Excellence 2006-09 provided a guide that was followed and began to reap rewards in terms of improved student achievement, organizational effectiveness and community relations. Having completed 95% of the actions outlined in Reaching for Excellence 2006-09 by 2009, a new plan, Reaching for Excellence 2009-15 was developed.

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Throughout the 2015-16 school year, the Board of Education actively engaged the community with a series of listening sessions to obtain input into a new strategic plan. During the 2015-16 school year the board adopted Innovation 2020, that spells out the Mission, Vision, Values and Beliefs and Goals of the district. In the 2016-17 school year, action teams were developed to implement the strategic plan throughout the system.

**Greeley-Evens**  
WELD COUNTY SCHOOL DISTRICT 6

**GREELEY-EVANS SCHOOL DISTRICT 6**  
**INNOVATION 2020**

**MISSION:** *Engage, Empower, Inspire*  
District 6 provides every student with a personalized, well-rounded and excellent education in a safe, caring environment.

**VISION:** District 6 educates today's students in partnership with families and communities to succeed in tomorrow's world.

**STUDENT LEARNING AND ACHIEVEMENT**  
Students will engage in a challenging, personalized, well-rounded education preparing every student to be college and career ready with the skills needed to be successful in the community and world.

**CLIMATE AND CULTURE**  
We will cultivate a safe and supportive learning environment for all, embracing our diversity, honoring and engaging all stakeholders, and promoting safety.

**STRENGTHENING PARTNERSHIPS**  
District 6 will increase engagement and interest in learning through community and school partnerships with our students, parents, and community to enhance student success.

**OPERATIONAL AND ORGANIZATIONAL EFFECTIVENESS**  
We will be innovative and accountable to the community, through measurable outcomes and continuous improvement.

**VALUES AND BELIEFS**

- Our students come first.
- We know every child can achieve.
- We commit to excellence, innovation and continuous improvement.
- We ensure safe and healthy schools.
- We view diversity as an asset.
- We provide opportunity and choice.
- We partner with families and communities.

This plan provides a framework for collaboration and partnerships. Most importantly this plan identifies how the district will make a difference in the lives of over 22,500 children every single day.

### Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* and the Association of School Business Officials International (ASBO) awarded a *Certificate of Excellence in Financial Reporting* to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2016. In order to be awarded a Certificate of Achievement and the Certificate of Excellence, the District published an easily readable and efficiently

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Engage, Empower, Inspire  
District 6 provides every student with a personalized, well-rounded and excellent education in a safe, caring environment.

organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement and the Certificate of Excellence are valid for a period of one year. The District has received a Certificate of Achievement for fourteen consecutive years and a Certificate of Excellence for the last sixteen years. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement and Certificate of Excellence programs' requirements and we are submitting it to both GFOA and ASBO to determine its eligibility for another certification. The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. We would like to express our sincere appreciation to all members of the department for the contributions made in the preparation of this report. We also thank the District's independent auditors, CliftonLarsonAllen, LLP, for the professional manner in which they accomplished the audit. We would also like to thank the members of the Weld County School District 6 Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Meggan Sponsler, CPA  
Chief Financial Officer



Mandy Hydock  
Finance Director



Government Finance Officers Association

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

Presented to

**Greeley-Evans Weld County  
School District 6, Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Weld County School District 6**

**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.

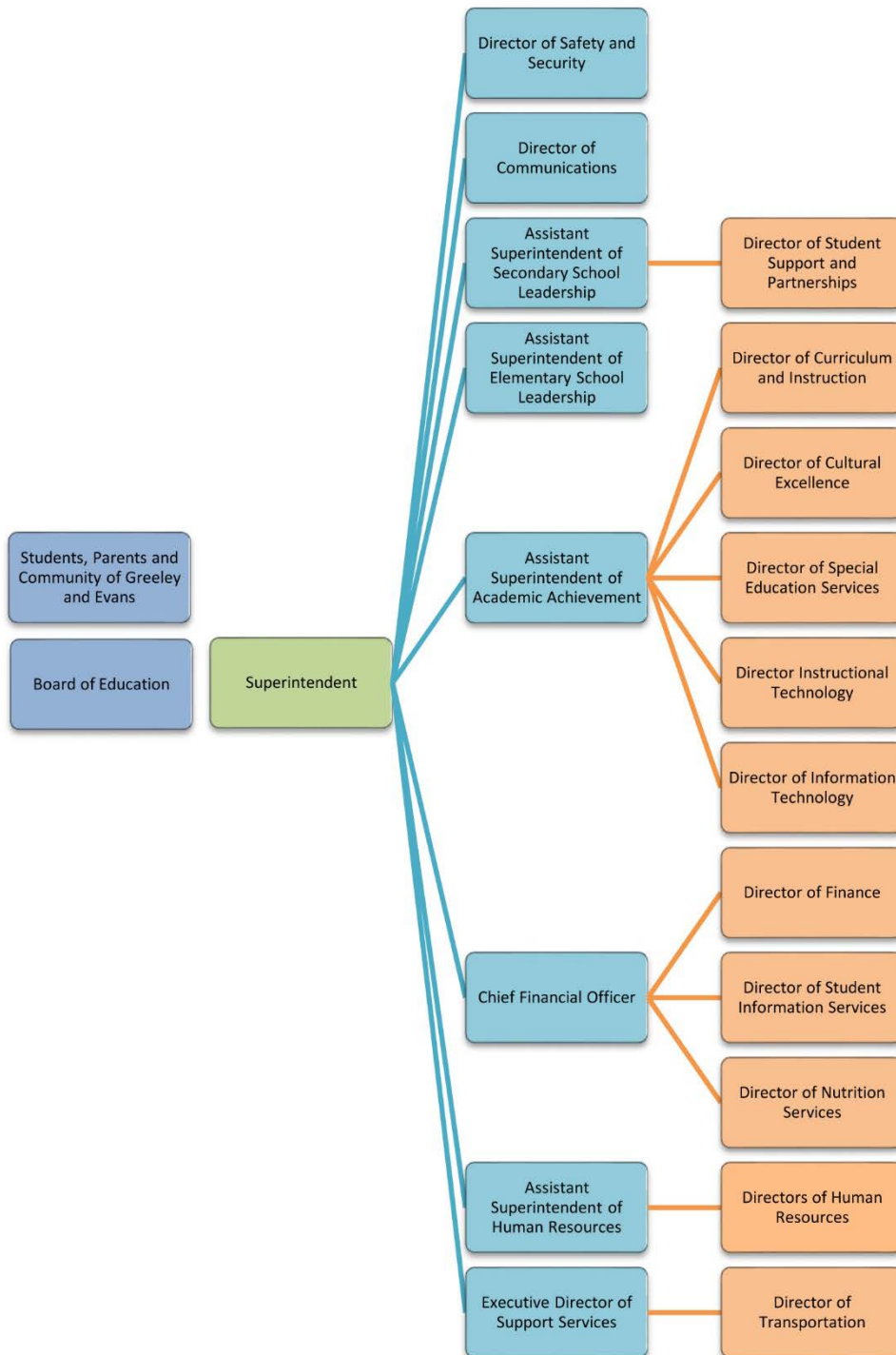
**Anthony N. Dragona, Ed.D., RSBA**  
President

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



# Organizational Chart





**List of Elected Officials  
June 30, 2017**

<b>Elected Officials – Board of Education</b>		<u><i>Term Expires</i></u>
President	Roger DeWitt	2017
Vice President	Steve Hall	2017
Director	John Haefeli	2017
Director	Doug Lidiak	2019
Director	Terri Pappas	2019
Director	Julia Richard, Ed.D.	2019
Director	Rhonda Solis	2017

**Appointed Officials – Board of Education**

Secretary	Kristina Crain
Treasurer	Meggan Sponsler

**Superintendent’s Executive Cabinet**

Superintendent of Schools.....	Deirdre Pilch, Ed.D.
Assistant Superintendent of Academic Achievement.....	Stacie Datteri, Ed.D.
Assistant Superintendent of Secondary Leadership .....	Rhonda Haniford, Ph.D.
Assistant Superintendent of Elementary Leadership .....	Wes Tuttle
Chief Financial Officer.....	Meggan Sponsler
Assistant Superintendent of Human Resources .....	Annette Overton
Director of Communications.....	Theresa Myers
Director of Safety and Security .....	John Gates
Executive Director of Support Services.....	Brad Johnson



**2017  
CAFR**

# **Financial Section**

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Supplementary Information





## INDEPENDENT AUDITORS' REPORT

Board of Education  
Weld County School District 6  
Greeley, Colorado

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weld County School District 6 (the District), 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 19 – 33, budgetary schedules for the General Fund, Food Service Fund and Designated Special Purpose Grants Fund on pages 75 – 78, and pension information on pages 80 – 81 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 District's basic financial statements. The budgetary comparison schedules for the Capital Projects Fund, the Platte Valley Youth Services Center Fund, and the Bond Redemption Fund, Statement of Changes in Assets and Liabilities for the Agency Funds, the combining component unit statements, and the Auditors Integrity Report 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 budgetary comparison schedules for the Capital Projects Fund, the Platte Valley Youth Services Center Fund, and the Bond Redemption Fund, the Statement of Changes in Assets and Liabilities for the Agency Funds, the combining component unit statements, the Auditors Integrity 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 budgetary comparison schedules, the Statement of Changes in Assets and Liabilities for the Agency Funds, the Auditors Integrity Report and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents 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 20, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District'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 the District's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Broomfield, Colorado  
November 20, 2017



# 2017 CAFR





**2017  
CAFR**

## **Management's Discussion and Analysis**

The Management's Discussion and Analysis (MD&A) is a component of required supplementary information used to introduce the basic financial statements and provide an analytical overview of the District's financial activities.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### June 30, 2017

As management of Weld County School District 6 (the District), Greeley-Evans, Colorado, we offer readers of the District's Comprehensive Annual Financial Report this narrative, overview 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 we have furnished in our letter of transmittal, basic financial statements and notes to the basic financial statements to enhance their understanding of the school District's financial performance.

#### Financial Highlights

At June 30, 2017:

- GASB 68 revised and established new financial reporting requirements for governments that provide their employees with pension benefits. The District provides its employees with pension benefits through a multiple employer cost-sharing defined retirement program administered by the Public Employees' Retirement Association of Colorado (PERA).
- Among other requirements, the District is required to report its proportionate share of the total PERA net pension liability (NPL) in its government-wide financial statements. The District's share of the PERA NPL is \$610.2 million as of June 30, 2017. Inclusion of this figure in the government-wide financial statements does not indicate that the District has a liability to pay the amount shown. The District's liability is limited to the annually required contributions established by the State Legislature.
- Fund level statements, including the General Fund statements, are not impacted by GASB 68 reporting.
- Due to the effect of GASB 68, the District has a negative net position. The governmental liabilities and deferred inflows of resources exceed its assets and deferred outflows of resources by \$252 million.
- The net position of the District governmental activities includes \$79 million net investment in capital assets; net position of \$20.8 million restricted for debt payments, required emergency reserves, operational funds, and food service operations; and an unrestricted net position negative balance of \$352 million. The unrestricted balance is negative due to the effects of GASB 68. The unrestricted balance is also different than what would be reflected on a governmental fund accounting basis due to the accounting treatment in the government-wide statements. Under governmental fund accounting, long-term compensated absences and long-term debt are not recorded in governmental funds as a liability because they are not payable with current funds.
- The total net position of the District's governmental activities decreased by \$80.2 million during fiscal year 2016-2017. The decrease in net position on a government-wide basis is similar to the increase in fund balance on a governmental fund basis, however, several large factors impact differences between the two methods. The reconciliation between the two methods is found on page 40. The pension expense reconciling items on page 40 shows the effect of GASB 68 on net position. If not for the effect of GASB 68, the District would show an increase in net position.
- Fund balance of the District's governmental funds increased by \$8.1 million resulting in an ending fund balance of \$47.5 million. The General Fund had the largest increase in fund balance of \$4.8 million as a result of multiple projects not complete as of the fiscal year end, unfilled classified positions, contracted services were less than budgeted and unanticipated revenues were earned.
- During the current fiscal year, the fund balance in the General Fund increased by \$4.8 million. The per pupil funding for the District for the 2016-2017 fiscal year was \$7,329, compared to the fiscal year 2015-2016 funding of \$7,194, an increase of \$135. The State was able to stabilize the amount of the Negative Factor in the school funding formula and State funding included a 2% increase in base per pupil funding in accordance with the annual increase in the 2014 Consumer Price Index. The State also funded enrollment growth along with additional English Language Learner funding.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### June 30, 2017

- Total actual revenue received in the General Fund was positive to the revised budgeted revenue in total. The anticipated local revenues exceeded the budgeted figures as a result of increased specific ownership taxes and abatement revenues. State funding exceeded budgeted revenues by \$.6 million as a result of additional special education funding and \$.2 million of student count audit adjustments due to Colorado Department of Education not completing their review of student count data
- The District was also able to reduce actual expenditures by \$2.8 million against the budget. The positive expenditure variances include salaries and benefits for unfilled classified positions, utilities, facilities operations, and general supplies.
- The District's long-term obligations decreased by \$8 million to \$51.1 million. Additional discussion on long-term debt may be found on page 31.

#### Overview of the Financial Statements

The annual report consists of four parts: Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information and Supplementary Information. The Basic Financial Statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements, which provide additional and more detailed information. Included as Required Supplementary Information is budget-to-actual information related to the District's General Fund, Designated Special Purpose Grants Fund, the Food Service Fund, and required pension information. The Supplementary Information section contains budget-to-actual information for all other funds (as required by law), as well as additional information that further explains and supports the financial statements, including combining schedules.

#### Government-Wide Financial Statements

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

The statement of net position presents information about all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between assets and 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 even though the resulting cash flow may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the District that are supported from taxes and intergovernmental revenues (governmental activities). Governmental activities consolidate governmental funds including the General Fund, Debt Service Fund, Capital Projects Funds, and Special Revenue Funds.

The government-wide financial statements can be found on pages 35-36 of this report.

#### Significant Accounting Pronouncements

PERA adopted GASB No. 67, *Financial Reporting for Pension Plans (GASB 67)*, effective for the year ending December 31, 2014. GASB 67 established a shift in financial disclosure requirements from a funding-based approach to an accounting-based approach. The actuarial valuation for accounting purposes emphasizes the obligation an employer incurs to employees through the employment exchange process. The primary purpose of the valuation for accounting purposes is to provide a consistent, standardized methodology that allows

**MANAGEMENT'S DISCUSSION AND ANALYSIS****June 30, 2017**

comparability of amounts and increased transparency of the pension liability. GASB 67 required a different approach for determining the net pension liability (NPL) as opposed to the previously disclosed unfunded accrued actuarial liability (UAAL).

Actuarially determined contributions ("ADC") have replaced annual required contributions ("ARC") as the gauge of the adequacy of the State's statutory contribution rates. GASB 67 required the disclosure of the amount of contributions, the ADC amount and the difference between those amounts. The ADC is calculated using the investment rate of return and discount rate assumptions according to the PERA Board's Funding policy (currently 7.5%). An ADC deficiency arises when contributions are less than the ADC. For 2017, the School Division's ADC deficiency was \$177.6 million; over the past ten years, the ADC cumulative shortfall in School Division funding (without adjustment for investment earnings) has been \$1,661.3 million.

The District has no legal obligation to fund PERA's UAAL or ADC, nor does it have any ability to affect funding, benefits or annual required contribution decisions made by PERA in administering the defined benefit pension plan.

Effective with fiscal year 2014-2015, the District was required to apply GASB 68. GASB 68 significantly changed pension accounting and financial reporting by separating pension accounting methodologies from pension funding methodologies and by requiring a NPL on the statement of net position. Historically, an unfunded pension obligation for employers in a cost-sharing plan, such as PERA, was considered a liability to be reported in future periods. Information about the total liability, unfunded and funded, was disclosed only in the notes to the financial statements and as required supplementary information.

GASB 68 established standards for a more comprehensive measure of pension expense. It has changed pension expense variables by identifying the method and assumptions that should be used to project and discount benefit payments, as well as how to attribute the actuarial present value to periods of employee service.

The current period pension expense primarily results from changes in the components of the NPL. NPL is computed as the difference between the employer's obligation to provide pension benefits earned and funding of those benefits (the plan assets held in trust); pension amounts earned by current and former employees for past services are recorded as a liability in current statements, not in future statements. Most causes of change in the NPL are included in pension expense immediately. Changes resulting from certain causes are introduced into pension expense over multiple periods.

See Note 9 on pages 63-70 in the Notes to Basic Financial Statements for the full disclosure related to PERA.

***Fund Financial Statements***

Funds are accounting devices the District uses to track specific sources of funding and spending on particular programs. Some funds are required by state law. Other funds control and manage money for particular purposes (such as repaying its long-term debt) or to demonstrate proper expenditure of certain revenues (such as federal grants). All of the funds of the District have been divided into two categories: governmental funds and fiduciary funds.

***Governmental Funds***

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

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **June 30, 2017**

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 six different governmental funds. The major funds are the General Fund, the Capital Projects Fund, Food Service Fund, Designated Special Purpose Grants Fund, and the Bond Redemption Debt Service Fund. They are presented separately in the fund financial statements with the remaining governmental funds combined into a single aggregated presentation labeled other governmental funds. Individual fund information for the other governmental (non-major) funds is presented as supplementary information elsewhere in this document.

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the General Fund, Designated Purpose Grants Fund, and Food Service Fund 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.

The basic governmental fund financial statements can be found on pages 37-40 of this report.

#### *Fiduciary Funds*

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because these sources of funds are not available to support the District's direct educational programs. The accounting method used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statement is presented on page 41.

#### *Component Units*

A statement of net position and statement of activities for the discretely presented component units (charter schools) has been included. The component units have been included to provide more complete information regarding public school activities within the District. Each component unit has a separately issued financial statement available.

The combining Component Unit Statements are presented on pages 42-43.

#### *Notes to Basic Financial Statements*

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 44-73 of this report.

#### *Supplementary Information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (General Fund, major Special Revenue Funds budget-to-actual schedules and pension schedules) and supplementary information. Supplementary information includes budget-to-actual information for all funds (other than the General Fund, Designated Special Purpose Grants Fund, and Food Service Fund, which are included as required supplementary information) as dictated by state law.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### June 30, 2017

#### Government-Wide Financial Analysis

The assets of the District are classified as current assets and noncurrent assets. Cash, investments, receivables, inventories, and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the District.

Noncurrent assets include capital assets used in the operations of the District. Capital assets are land, water rights, improvements, buildings, equipment and vehicles. Capital assets are discussed in greater detail later in the analysis.

Deferred outflows of resources are a consumption of net position that is applicable to a future reporting period. This has a positive effect on net position, similar to assets.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2017-2018. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2017-2018.

Deferred inflows of resources are an acquisition of net position that is applicable to a future reporting period. This has a negative effect on net position, similar to liabilities.

Net position is the residual of all elements presented in a statement of financial position equal to assets plus deferred outflows less liabilities less deferred inflows.

The assets and deferred outflows of resources of the government exceed the liabilities and deferred inflows of resources by \$252 million with an unrestricted negative balance of \$352 million at June 30, 2017.

The largest portion of the District's net position, \$79 million, represents its investment in capital assets (e.g., land, land improvements, buildings, equipment, and vehicles), less related debt used to acquire these assets that are still outstanding. The District uses these capital assets to provide services to its constituents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets cannot be liquidated to pay the debt.

Net position of \$13.3 million, accumulated due to voter approved bonded debt mill levy assessments, has been restricted to provide resources to liquidate the current general obligation bond principal and related interest payments.

The net position of Preschool, Dental and Food Service Funds of \$2.3 million are restricted for the respective funds use only. The required emergency reserves of \$5.2 million have also been restricted.

Unrestricted net position is different than what would be reflected on a governmental fund accounting basis. This is due to GASB 68 along with the accounting treatment in the government-wide statements of accrued salaries and benefits earned but unpaid and compensated absences payable. The \$2.7 million compensated absences payable is reported as a portion of the noncurrent liabilities on the government-wide statements because they are not payable with current funds. The GASB net pension liability is reported similarly with a balance of \$610.2 million.

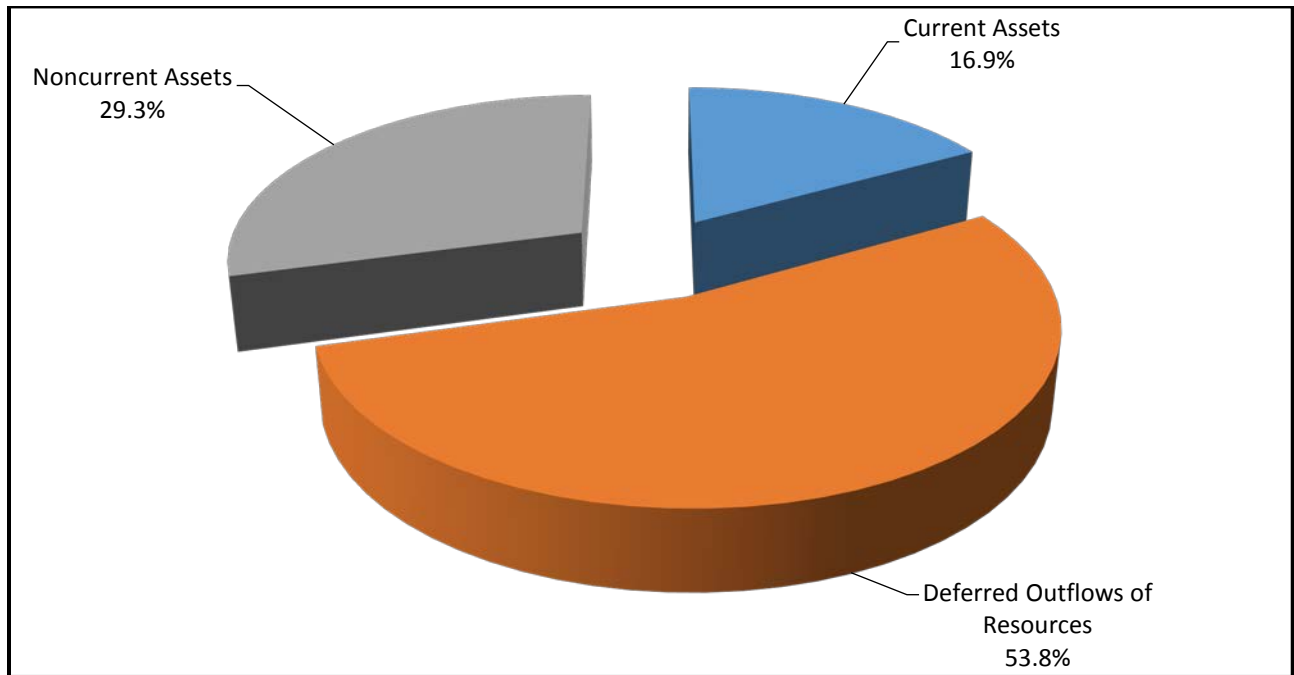
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2017**

**Table 1**  
**Comparative Summary of Net Position**  
**as of June 30, 2017 and 2016**

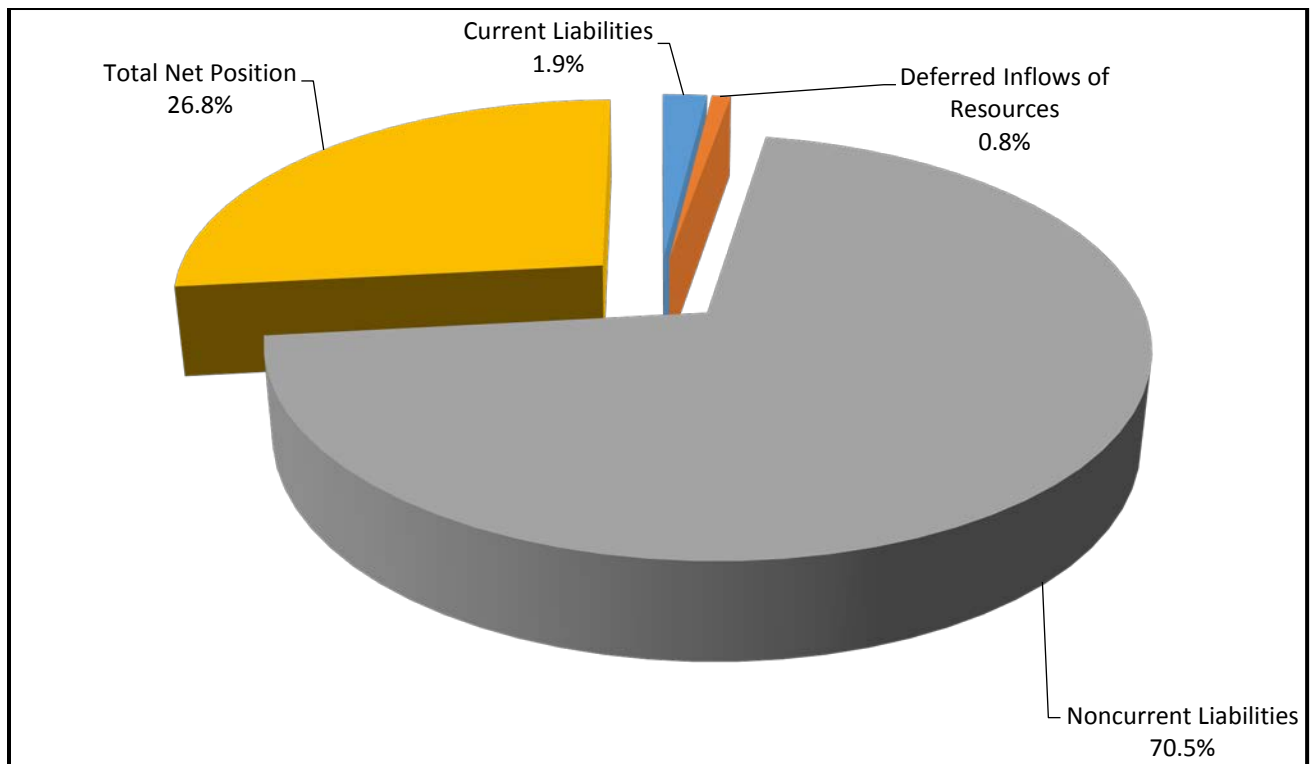
	Governmental Activities		
	2017	2016	Percentage Change
<b>Assets</b>			
Current and Other Assets	\$ 74,081,208	\$ 64,494,387	14.9%
Capital Assets, Net	128,520,801	129,384,942	-0.7%
<b>Total Assets</b>	<b>202,602,009</b>	<b>193,879,329</b>	<b>4.5%</b>
<b>Deferred Outflows of Resources</b>			
Deferred Charges on Bond Refunding	1,720,434	2,174,328	-20.9%
Deferred Pension Outflows	234,729,881	39,190,961	498.9%
<b>Total Deferred Outflows of Resources</b>	<b>236,450,315</b>	<b>41,365,289</b>	<b>471.6%</b>
<b>Liabilities</b>			
Current Liabilities	18,328,836	16,741,812	9.5%
Noncurrent Liabilities	664,881,645	376,109,014	76.8%
<b>Total Liabilities</b>	<b>683,210,481</b>	<b>392,850,826</b>	<b>73.9%</b>
<b>Deferred Inflows of Resources</b>			
Deferred Pension Inflows	7,831,979	14,161,702	-44.7%
<b>Total Deferred Inflows of Resources</b>	<b>7,831,979</b>	<b>14,161,702</b>	<b>-44.7%</b>
<b>Net Position</b>			
Net Investment in Capital Assets	79,009,836	72,239,769	9.4%
Restricted	20,765,141	21,428,949	-3.1%
Unrestricted	(351,765,113)	(265,436,628)	32.5%
<b>Total Net Position</b>	<b>(251,990,136)</b>	<b>(171,767,910)</b>	<b>46.7%</b>

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2017**

**Government-Wide Total Assets and Deferred Outflows of Resources**



**Government-Wide Total Liabilities and Total Net Position**



Governmental activities decreased the net position of the district by \$80.2 million.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

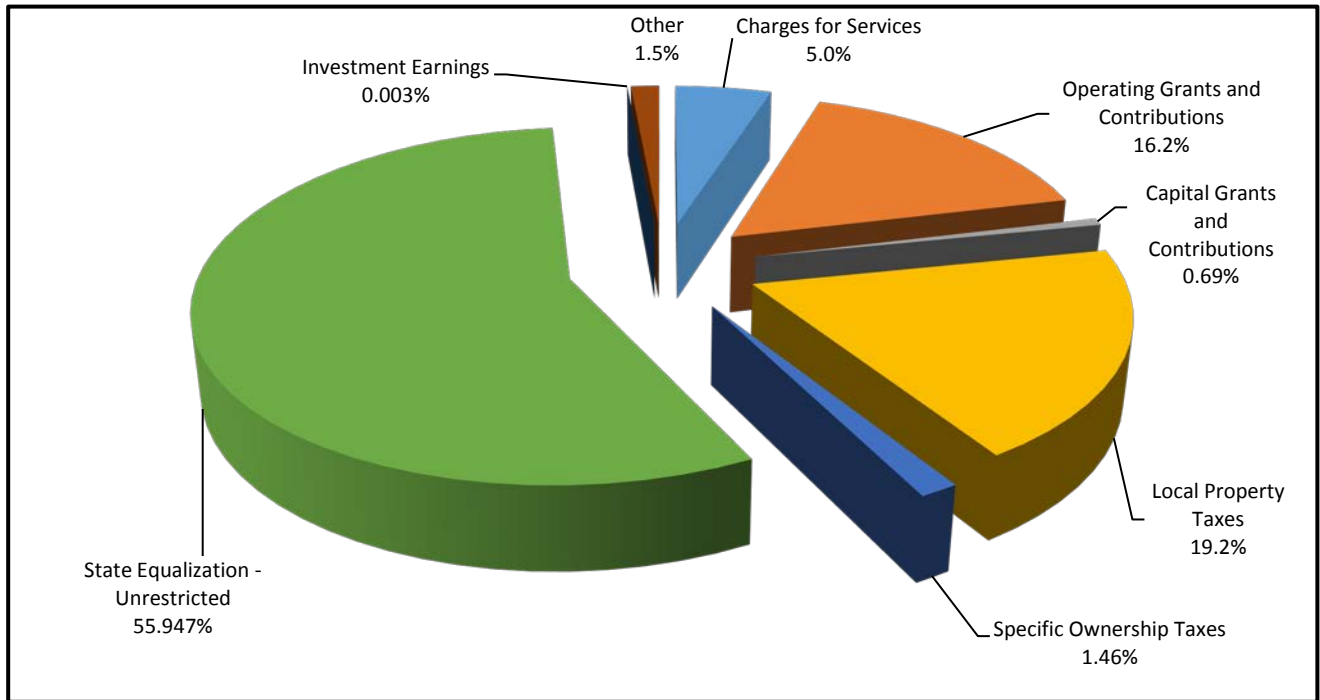
### June 30, 2017

**Table 2**  
**Changes in Net Position from Operating Results**  
**For the Years Ended June 30, 2017 and 2016**

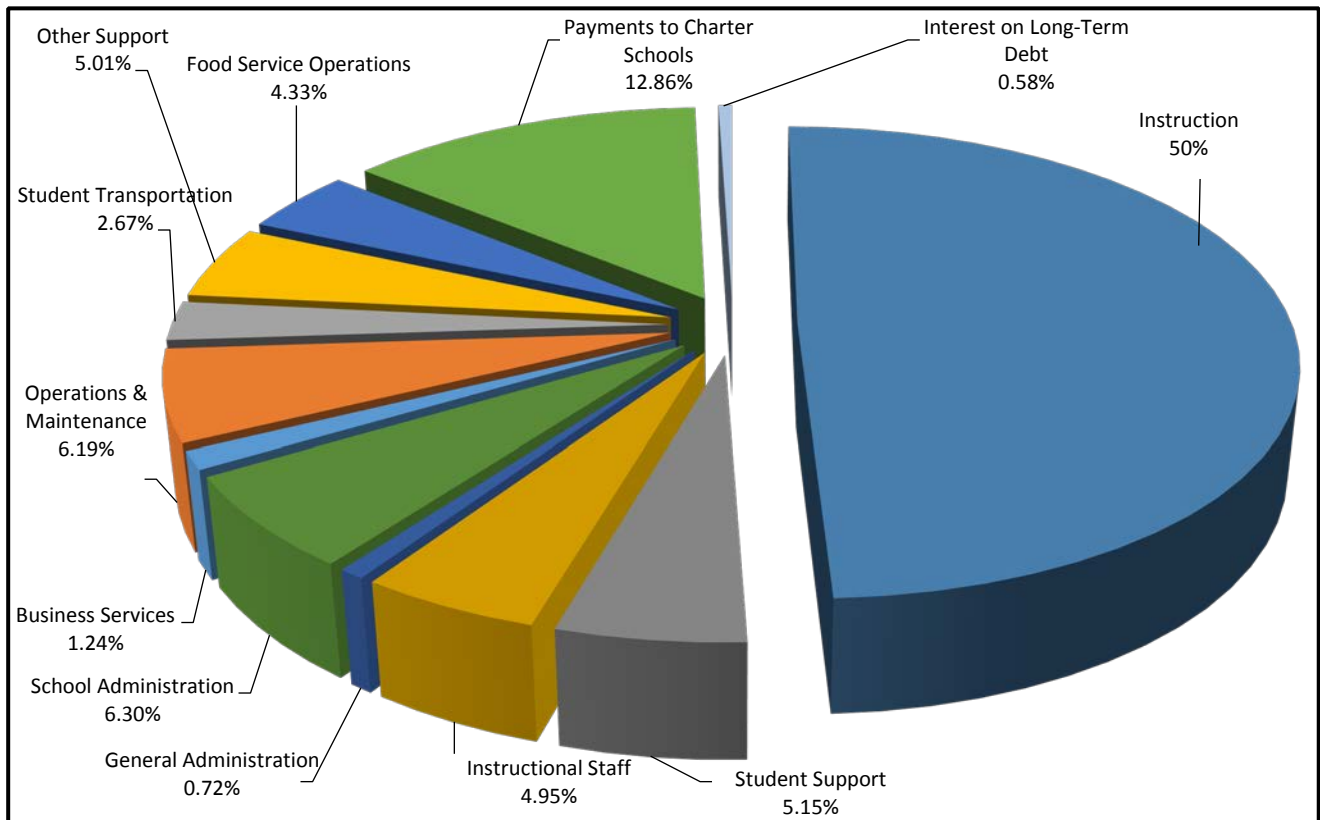
	Governmental Activities		Percentage Change
	2017	2016	
<b>Revenues:</b>			
<b>Program Revenues</b>			
Charges for Services	\$ 10,989,409	\$ 7,501,018	46.5%
Operating Grants	35,763,262	34,540,506	3.5%
Capital Grants and Contributions	1,391,089	1,286,434	8.1%
<b>General Revenues</b>			
Property Taxes	42,411,975	40,876,489	3.8%
Specific Ownership Taxes	3,215,524	2,551,459	26.0%
State Equalization	123,550,014	117,590,043	5.1%
Investment Earnings	7,697	238,304	-96.8%
Other	3,216,620	3,113,100	3.3%
<b>Total Revenues</b>	<b>220,545,590</b>	<b>207,697,353</b>	<b>6.2%</b>
<b>Expenses:</b>			
<b>Governmental Activities</b>			
Instruction	150,394,095	96,103,663	56.5%
Support Services			
Student Support	15,477,975	9,714,310	59.3%
Instructional Staff	14,881,871	11,674,959	27.5%
General Administration	2,156,144	1,287,829	67.4%
School Administration	18,949,844	11,081,811	71.0%
Business Services	3,719,905	2,617,899	42.1%
Operations & Maintenance	18,630,666	14,281,259	30.5%
Student Transportation	8,031,063	5,153,426	55.8%
Other Support	15,060,073	13,151,035	14.5%
Food Service Operations	13,014,203	9,609,672	35.4%
Payments to Charter Schools	38,697,080	35,797,138	8.1%
Interest on Long-Term Debt	1,754,895	1,946,531	-9.8%
<b>Total Expenses</b>	<b>300,767,816</b>	<b>212,419,532</b>	<b>41.6%</b>
Increases (Decreases) in Net Position	(80,222,226)	(4,722,179)	1,599%
Net Position – Beginning	(171,767,910)	(167,045,731)	2.8%
Net Position - Ending	(251,990,136)	(171,767,910)	46.7%

## MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2017

### Government-Wide Revenues



### Government-Wide Expenses



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### June 30, 2017

#### **Governmental Activities**

Key elements of the change in net position for governmental activities are as follows -

- The Colorado Public School Finance Act provides for the majority of the funding of local school districts based on a funded per pupil count formula and a maximum property tax mill levy for each school district. State equalization aid increased by \$6 million during the fiscal year, with property taxes increasing by \$1.3 million during the year. The economic condition of the State continued to improve during the 2016-2017 fiscal year which enabled the State Legislature to increase school funding for the 2017-2018 fiscal year. The State was able to hold the Negative Factor neutral in the school funding formula and State funding included a 2% increase in base per pupil funding in accordance with the annual increase in the 2014 Consumer Price Index. The State also funded enrollment growth along with additional English Language Learner funding. The per pupil funding for the District for the 2016-2017 fiscal year was \$7,329, compared to the fiscal year 2015-2016 funding of \$7,194, an increase of \$135.
- The State did continue to provide partial funding of full day kindergarten for the 2016-2017 school year at an additional .08 FTE for each kindergartener enrolled. The District continues to provide full day kindergarten at all elementary and K-8 schools.
- The District received additional \$1.9 million of state funding through the English Language Proficiency Act to support at-risk students and an additional \$1.1 million of READ Act funding which was used to fund salaries and after school programs.
- Total governmental activities expenses increased by \$88.3 million. Approximately \$95 million of the total governmental activities expenses relates to the way pension expenses are recorded as a result of GASB 68. Prior to fiscal year 2015-2016, pension expense was equal to the amount the District was legally obligated to contribute at the established statutory amount.
- Instructional expenses increased as a result of increased enrollment and related staffing and direct expenses related to those students. Teachers received a minimum of 3.75% increase on the salary schedule and horizontal advancement. Other employee groups also received a 3.75% increase. Health insurance contributions were maintained at existing levels and expenses increased due to employer's retirement costs.
- The District's expenses predominantly relate to instruction and support services, which include support for students and instructional staff, administration, operations and maintenance, and transportation. Given that Weld County School District 6 is a service organization providing educational services to students, the majority of the expenses are paid in the form of compensation (salaries and benefits) to the District's employees.

#### **Financial Analysis of the Government's Funds**

As noted earlier, the district uses fund accounting to ensure and demonstrate compliance with finance-related legal, federal and state requirements.

#### **Governmental Funds**

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 balances may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's Board of Education.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### June 30, 2017

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$47.5 million, an increase of \$8.1 million in comparison with the prior year. Approximately 33% of this total amount, \$16.2 million, constitutes unassigned fund balance. The remainder of the fund balance is classified as follows –

- Nonspendable – Inventory in the amount of \$174,327 and prepaid items of \$236,780, which in total is .8% of total fund balances.
- Restricted – the following fund balances have restricted uses and include TABOR (\$5.2 million and 10.9% of fund balance), debt service of \$13.4 million (28.2%) of total fund balance and food services of \$1.7 million (3.5%) of total fund balance. Additionally, the General Fund (which includes Dental Fund and the Preschool Fund), has fund balances which are limited in use by the Board of Education or program requirements. The total fund balance for these funds was \$.6 million.
- Committed – The General Fund includes an emergency reserve balance of \$5.2 million (10.9% of fund balance) and the Risk Management Fund (\$281,373 and .6%).
- Assigned – the Capital Projects Fund ended the year with a balance of \$4.5 million (9.6% of fund balance).

The fund balance of the District's general fund increased by \$4.8 million during the current fiscal year. This increase is a result of additional state equalization funding and Exceptional Children's Educational Act funding due to a high cost claim. Additionally, contracted services expenditures were not utilized as expected and there were several classified positions unfilled.

The Debt Service Fund has a total fund balance of \$13.4 million, all of which is restricted for the payment of debt service. The fund balance of the Debt Service Fund has adequate resources accumulated to carry forward to the 2018 fiscal year to fund the District's long-term debt principal and interest payments.

The fund balance of the Capital Projects fund increased by \$2.8 million, for a total ending fund balance of \$4.5 million. This increase is a result of a gift from the City of Greeley for the installation of a new FieldTurf football field and track at Greeley West High School and Heath Middle School. Additionally, the funds are to support the installation of new tennis courts at Greeley West High School and Greeley Central High School.

The Food Service Fund ended the fiscal year with a fund balance of \$1.8 million, which is a decrease of \$.3 million. The decrease was a result of meal participation dropping at the schools and the increase in salaries to meet new state minimum wage laws.

The Designated Special Purpose Grants Fund met the criteria to be reported as a major special revenue fund. Revenues of \$15.3 million were offset by equal expenditures.

#### **General Fund Budgetary Highlights**

Colorado local government uniform accounting and budget laws require that a budget be adopted and reported for all funds. Total expenditures for each fund may not exceed the amount appropriated. Appropriations for a fund may be increased provided they are offset by unanticipated revenue. All appropriations lapse at the end of the fiscal year. Supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

All District budgets are prepared and adopted in accordance with Colorado school district budget law with annual appropriated budgets for each of the District's funds. Expenditures and adopted budgets are compared on a regular basis by the finance department to ensure that budgets are not exceeded at the fund level, which is the legal level of compliance.

The 2017 fiscal year budget was adopted in June, 2016, with revised budget additional appropriations authorized by the Board of Education in January, 2017 which included certification of the mill rate for taxation purposes for the fiscal year. Final budgeted revenues increased from original budgeted revenues, from \$176.5 million to \$177.7 million, due to increased state funding and e-rate funding. Final budgeted expenditures increased from

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### June 30, 2017

\$174.8 million to \$175.7 million due to an increase to benefit requirements (PERA required contributions increased .8%), healthcare and utility costs, and additional certified staff hired to support educational initiatives.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Actual expenditures of the General Fund including other financing uses amount to \$175 million. Unassigned fund balance represents 8.9% of expenditures while total fund balance represents 15.8% of budget expenditures.

The components of the fund balance are as follows -

**Table 3**  
**Fund Balance Components: General Fund**  
**June 30, 2017 and 2016**

	General Fund	
	2017	2016
Nonspendable for:		
Prepayments	\$ 225,454	\$ 174,143
Inventories	2,167	2,789
Restricted for:		
TABOR	5,182,106	5,064,081
Preschool Fund	242,831	212,076
Dental Fund	343,660	427,695
Committed for:		
General Fund	5,182,106	5,064,081
Risk Management Fund	281,373	196,424
Unassigned	16,240,794	10,950,957
<b>Total Fund Balance</b>	<b>\$ 27,700,491</b>	<b>\$ 22,942,554</b>

### **Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2017, amounts to \$128.5 million (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings, equipment, and construction in progress. The District's investment in capital assets for the current fiscal year decreased by .7% primarily due to depreciation.

Major capital asset events during the current fiscal year included the following –

- The District disposed of several school buses that no longer could be salvaged and were more than fifteen years old.
- The City of Greeley provided the District with \$4.1 million as of the fiscal year end to update the track and field at both Greeley West High School and Heath Middle School. Additionally, the gift provided funding to replace the tennis courts at Greeley Central and Greeley West High Schools.
- Additional significant projects included the purchase of two CNG buses with the support of Noble Energy grant funds, facility upgrades for the new Fred Tjardes School of Innovation K-8 school that opened in August 2017, as well as the addition of a modular at McAuliffe STEM Academy K-8 school for the expansion to seventh grade. The total cost of construction in progress at the close of the fiscal year was \$2.7 million.

The following table summarizes the capital assets for governmental activities:

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### June 30, 2017

**Table 4**  
**Capital Assets (net of accumulated depreciation)**  
**As of June 30, 2017 and 2016**

	Governmental Activities	
	2017	2016
Land	\$ 7,313,341	\$ 7,313,341
Water Rights	200,605	200,605
Construction in Progress	2,660,291	1,233,557
Buildings	112,961,034	114,690,824
Transportation Equipment	1,588,469	1,619,954
Other Equipment	3,797,061	4,326,661
<b>Total Capital Assets</b>	<b>\$ 128,520,801</b>	<b>\$ 129,384,942</b>

Additional information on the District's capital assets can be found in Note 4 on pages 55-57 of this report.

#### **Long-Term Debt**

At June 30, 2017, the District had total bonded debt outstanding of \$51.1 million backed by the full faith and credit of the District, with \$8.7 million due in one year.

**Table 5**  
**General Obligation Bonds**  
**As of June 30, 2017 and 2016**

	Total School District	
	2017	2016
<b>Governmental Activities:</b>		
General Obligation Bonds	\$ 51,082,559	\$ 59,119,853
<b>Total Long-Term Debt</b>	<b>\$ 51,082,559</b>	<b>\$ 59,119,853</b>

The District's general obligation bonds decreased by \$8 million, which is due to the scheduled current year payments of existing debt.

The District's taxpayers approved, through election, in fiscal year 2012-2013, a bond of \$8.2 million to assist in the funding of a Building Excellent Schools Today (BEST) grant through the Colorado Department of Education. The grant will contribute \$21 million to assist in the building of Prairie Heights Middle School which will replace John Evans Middle School. The total cost of the project is \$29.2 million.

Colorado Revised Statute (C.R.S.) 22-42-104 states that a school district shall have a limit of bonded indebtedness determined by a specified formula. The District's outstanding debt is below the limit. At June 30, 2016, overall legal debt limit was \$645 million with a legal debt margin of \$608 million.

The District maintains an "AAAm" rating from Standard & Poor's and Fitch Ratings and an "Aaa" rating from Moody's Investors Services.

Additional information on the District's long-term obligations can be found in Note 6 on pages 58-61 of this report.

#### **Factors Bearing on the District's Future**

The State Constitutional Amendment 23, passed by the voters in November 2000, is meant to provide an increase in per pupil funding by at least inflation plus 1% through the 2010 -2011 fiscal year and then at inflation thereafter. However, the State has not been able to fulfill that commitment.

**MANAGEMENT'S DISCUSSION AND ANALYSIS****June 30, 2017**

Due to the Great Recession and the lack of available resources at the State level, the State has not been able to fund at that level and introduced a negative factor into the State funding formula starting during the 2010-2011 fiscal year which reduces State per pupil funding. While the State still faces budget constraints, the economy improved during the last three fiscal years.

At the State level, the Negative Factor for 2017-2018 is expected to remain flat at \$828.3 million, the same amount as in 2016-2017.

- The District will be receiving approximately \$7,570 per pupil (FTE basis) in 2017-2018, compared to the 2016-2017 funding of \$7,329 (as of the end of the fiscal year) per pupil. If the District was fully funded, as described by the School Finance Act, an additional \$24.5 million to support student education would be available. For Weld County School District 6, the negative factor is \$20.7 million.
- Fluctuations in student enrollment directly impact the financial resources the District uses to operate since the primary source of revenue is per pupil funding. District K-12 enrollment has been relatively stable for the past few years. However, the District has seen a growth in enrollment of approximately 2% for the 2017-2018 year. This is partially attributed to the economic expansion in the Greeley-Evans community.
- The Success Foundation, a Colorado nonprofit corporation, has been established for the purpose of supporting the students, staff and community involved with Weld County School District 6. This foundation is a legally separate entity created to secure and distribute contributions from individuals and businesses to enhance the educational opportunity of the students of the Greeley-Evans community.
- A combination of online, teacher-led and collaborative learning with peers, blended learning continues to show incredible results in improving student achievement in the areas of math and language arts. In classrooms that have implemented blended learning, students are outperforming students in traditional classrooms that have not yet implemented this learning tool. District 6 is working to bring blended learning to all schools, but a lack of funding resources has inhibited expansion, especially at the high school level. In 2016-17, 17 of 25 non-charter schools had implemented blended learning. Thanks to the Success Foundation serving Greeley-Evans Schools, six elementary schools that began using blended learning in 2017 will complete implementation in 2018.
- In 2017, 15 of the district's 31 schools achieved the highest rating for academic performance given by the state of Colorado: Performance. In 2014, the last time ratings were given by the state, the number of schools rated at Performance was 11. Most District 6 schools improved their rating by at least one level, or maintained their 2014 rating. Two schools – Shawsheen Elementary School and Brentwood Middle School – jumped two categories to achieve the Performance rating.
- The overarching goal of the Graduation Initiative is that by 2021, students graduating on time within four-years will reach 90 percent, and the number of students dropping out will reach 1.4 percent. The current graduation rate is 77.1 percent and the dropout rate is 3.4%. The goal is fueled by the strategic plan for on-time graduation. To support this initiative, a College and Career Prep program has been started to bring students back to the district that have dropped out. There are approximately 100 students enrolled in the program.
- Support School of Innovation efforts. The 2017-2018 budget allocates additional funding for curriculum and other supports as the District works to improve academic achievement at its middle schools.
- The State continues to provide partial funding of full-day kindergarten. The State is funding all kindergarten students at a .58 full time equivalent. This additional funding of .08 FTE per kindergarten student has allowed the District to provide full-day kindergarten at all but two elementary schools and all three K-8 schools. Originally, the legislature intended to increase this funding level each year to enable school districts to expand full day kindergarten. However, due to the economic downturn and State funding issues, the funding level of .58 will remain for the 2017-2018 fiscal year.

**MANAGEMENT'S DISCUSSION AND ANALYSIS****June 30, 2017**

- Under state law, the District may contract with individuals and organizations for the operation of schools, referred to as "charter schools," within the District. For purposes of the School Finance Act, pupils enrolled in a charter school in the District are included in the pupil enrollment of the District. Such charter schools are financed, in part, from a portion of the District's revenues received under the School Finance Act. The District is required to pay a charter school a certain percentage of per pupil revenues for each pupil enrolled in such charter school, less certain central administrative costs. The addition of new charter schools or expansion of existing charter schools could negatively impact the District's finances.
- Colorado's public school finance laws are subject to review and examination through the judicial process, and are subject to legislative changes as well. Appropriation decisions regarding the State's share of Total Program Funding are made on an annual basis by the State legislature. It is likely that the General Assembly may cut public school funding as part of overall State spending cuts in the future. As a result, the District cannot anticipate, with certainty, all of the factors which may influence the financing of its future activities. There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws (including but not limited to the School Finance Act), provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the District.
- The Public Employees' Retirement Association (PERA) of Colorado, the pension plan that covers all District employees, will continue increasing employer contribution rates. Cost increases for PERA continue to impact the District. Current employer contribution rates are 19.65% of salary. This rate increases and caps out to 20.15% on January 1, 2018. The increase in contribution rates was enacted by the state legislature and the PERA Board in order to increase pension plan funding levels in relation to actuarial calculations. The annual increased costs will impact the District financially, and the District will need to consider the increase in annual budgets.
- With the ongoing uncertainty with State funding, the District continues to review budget reductions, cost containment measures, and funding reallocations to continue focusing its financial resources on student achievement in the classroom in its long-term planning.
- Rising nationwide healthcare costs are a consideration as the District evaluates the benefits provided to employees. The District has a growing concern about how to manage increases in benefits costs that significantly exceed the increases in revenues from year to year. The District's Benefits Committee will continue to meet to discuss, analyze and recommend the level of benefits being offered to employees.
- Funding for the 2018-2019 fiscal year generally takes into consideration recent quarterly economic forecasts, primarily the March 2017 economic forecast. The School Finance Act is considered during the 2018 Legislative Session, which convenes in January 2018 and adjourns in May 2018.

**Request for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Director, Weld County School District 6, 1025 9<sup>th</sup> Avenue, Greeley, CO 80631.

Complete financial statements for each component unit (charter school) are available at each school's administrative office.

Frontier Academy  
2560 W 29th Street  
Greeley, CO 80631

Salida del Sol Academy  
111 East 26th Street  
Greeley, CO 80631

University Schools  
6525 18th Street  
Greeley, CO 80634

Union Colony Schools  
2000 Clubhouse Drive  
Greeley, CO 80634

West Ridge Academy  
6200 West 20<sup>th</sup> Street  
Greeley, CO 80634



# 2017 CAFR



## 2017 CAFR

# Basic Financial Statements

Financial statements presented in this section comprise the minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP.

## STATEMENT OF NET POSITION

June 30, 2017

	Component	
	Primary Government	Units
	Governmental Activities	Charter Schools
<b>Assets</b>		
Cash and Investments	\$ 45,724,890	\$ 19,917,678
Restricted Cash and Investments	-	11,134,466
Cash Held by Trustee	13,217,236	-
Intergovernmental Receivable	-	122,597
Accounts Receivable	196,304	168,423
Due From Primary Government	-	147,003
Taxes Receivable	1,175,774	-
Grants Receivable	4,689,788	-
Other Receivables	473,351	-
Inventories	174,327	12,291
Prepaid Expenses and Deposits	251,547	95,887
Long Term Receivable	8,177,991	-
Capital Assets, Not Being Depreciated	10,174,237	16,053,627
Capital Assets, Net of Accumulated Depreciation	118,346,564	48,569,342
<b>Total Assets</b>	<b>202,602,009</b>	<b>96,221,314</b>
<b>Deferred Outflows of Resources</b>		
Deferred Charges on Bond Refundings	1,720,434	2,165,326
Deferred Pension Outflows	234,729,881	50,554,418
<b>Total Deferred Outflows of Resources</b>	<b>236,450,315</b>	<b>52,719,744</b>
<b>Liabilities</b>		
Accounts Payable	1,327,608	2,840,181
Accrued Liabilities	673,889	279,678
Accrued Salaries and Benefits	14,386,809	1,749,528
Accrued Interest	95,292	-
Due to Component Units	147,003	-
Unearned Revenues	1,698,235	11,825
Noncurrent Liabilities		
Due Within One Year	9,337,956	1,299,025
Due in More Than One Year	45,344,603	83,933,125
Net Pension Liability	610,199,086	119,683,845
<b>Total Liabilities</b>	<b>683,210,481</b>	<b>209,797,207</b>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Inflows	7,831,979	595,870
<b>Total Deferred Inflows of Resources</b>	<b>7,831,979</b>	<b>595,870</b>
<b>Net Position</b>		
Net Investment in Capital Assets	79,009,836	(7,643,518)
Restricted for Debt Service	13,330,581	1,668,397
Restricted for Emergencies	5,182,106	1,304,967
Restricted for Preschool Fund	242,831	-
Restricted for Dental Fund	343,660	-
Restricted for Food Services Fund	1,665,963	-
Restricted for Repair and Maintenance	-	420,192
Restricted for Capital Projects	-	1,688,466
Restricted for Donations	-	143,926
Restricted for Technology Grant	-	100,000
Restricted for Foundation	-	140,784
Unrestricted	(351,765,113)	(59,275,233)
<b>Total Net Position</b>	<b>\$ (251,990,136)</b>	<b>\$ (61,452,019)</b>

The accompanying notes are an integral part of the basic financial statements.

## STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Component Units
<b>PRIMARY GOVERNMENT</b>						
Governmental Activities:						
Instruction	\$ 150,394,095	\$ 5,494,092	\$ 15,461,680	\$ -	(129,438,323)	\$ -
Supporting Services						
Student Support	15,477,975	120	7,010,160	-	(8,467,695)	-
Instructional Staff Support	14,881,871	-	2,467,857	-	(12,414,014)	-
General Administration	2,156,144	-	-	-	(2,156,144)	-
School Administration	18,949,844	-	134,164	-	(18,815,680)	-
Business Services	3,719,905	427,697	-	-	(3,292,208)	-
Operations & Maintenance	18,630,666	4,294,199	364,553	-	(13,971,914)	-
Student Transportation	8,031,063	4,193	1,165,097	-	(6,861,773)	-
Other Support	15,060,073	241,523	-	1,391,089	(13,427,461)	-
Food Service Operations	13,014,203	527,585	9,159,751	-	(3,326,867)	-
Payments to Charter Schools	38,697,080	-	-	-	(38,697,080)	-
Interest on Long-Term Debt	1,754,898	-	-	-	(1,754,898)	-
<b>Total Governmental Activities</b>	<b>300,767,819</b>	<b>10,989,409</b>	<b>35,763,262</b>	<b>1,391,089</b>	<b>(252,624,059)</b>	<b>-</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 300,767,819</b>	<b>\$ 10,989,409</b>	<b>\$ 35,763,262</b>	<b>\$ 1,391,089</b>	<b>\$ (252,624,059)</b>	<b>\$ -</b>
<b>Component Units - Charter Schools</b>	<b>\$ 65,410,624</b>	<b>\$ 1,808,743</b>	<b>\$ 2,418,649</b>	<b>\$ 2,977,251</b>	<b>\$ -</b>	<b>\$ (58,205,981)</b>
<b>General Revenues:</b>						
					42,411,975	-
Local Property Taxes					3,215,524	-
Specific Ownership Taxes					123,550,014	36,737,938
State Equalization - Unrestricted					7,697	124,556
Investment Earnings					3,216,623	926,579
Other					<b>172,401,833</b>	<b>37,789,073</b>
<b>Total General Revenues</b>						
Change in Net Position					(80,222,226)	(20,416,908)
Net Position - Beginning					(171,767,910)	(41,035,111)
Net Position - Ending					<b>\$ (251,990,136)</b>	<b>\$ (61,452,019)</b>

The accompanying notes are an integral part of the basic financial statements.

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
 June 30, 2017

	General	Food Service	Grants	Bond Redemption	Capital Projects	Non Major Special Revenue Fund Platte Valley Youth Services Center	Total Governmental Funds
<b>Assets</b>							
Cash and Investments	\$ 38,970,255	\$ 972,558	\$ -	\$ -	\$ 5,782,077	\$ -	\$ 45,724,890
Cash Held by Trustee	-	-	-	13,217,236	-	-	13,217,236
Due From (To) Governmental Funds	857,112	-	(752,785)	-	-	(104,327)	-
Accounts Receivable, Net	78,685	34,125	83,328	-	-	166	196,304
Taxes Receivable	967,676	-	-	208,098	-	-	1,175,774
Grants Receivable	-	856,084	3,833,704	-	-	-	4,689,788
Other Receivable	181,934	12,772	-	-	-	278,645	473,351
Inventories	2,167	172,160	-	-	-	-	174,327
Prepaid Items	225,454	11,120	14,767	206	-	-	251,547
<b>Total Assets</b>	<b>\$ 41,283,283</b>	<b>\$ 2,058,819</b>	<b>\$ 3,179,014</b>	<b>\$ 13,425,540</b>	<b>\$ 5,782,077</b>	<b>\$ 174,484</b>	<b>\$ 65,903,217</b>
<b>Liabilities</b>							
Accounts Payable	\$ 105,492	\$ 68,904	\$ 1,745	\$ -	\$ 1,151,467	\$ -	\$ 1,327,608
Accrued Liabilities	579,136	-	-	-	94,753	-	673,889
Accrued Salaries and Benefits	12,739,622	56,762	1,415,941	-	-	174,484	14,386,809
Unearned Revenues	-	83,910	1,614,325	-	-	-	1,698,235
Due to Component Unit	-	-	147,003	-	-	-	147,003
<b>Total Liabilities</b>	<b>13,424,250</b>	<b>209,576</b>	<b>3,179,014</b>	<b>-</b>	<b>1,246,220</b>	<b>174,484</b>	<b>18,233,544</b>
<b>Deferred Inflows of Resources</b>							
Unavailable Property Tax Revenue	158,542	-	-	51,900	-	-	210,442
	<u>158,542</u>	<u>-</u>	<u>-</u>	<u>51,900</u>	<u>-</u>	<u>-</u>	<u>210,442</u>
<b>Fund Balances</b>							
Nonspendable:							
Inventory	2,167	172,160	-	-	-	-	174,327
Prepaid Items	225,454	11,120	-	206	-	-	236,780
Restricted for:							
TABOR	5,182,106	-	-	-	-	-	5,182,106
Debt Service	-	-	-	13,373,434	-	-	13,373,434
Preschool Fund	242,831	-	-	-	-	-	242,831
Dental Fund	343,660	-	-	-	-	-	343,660
Food Service Fund	-	1,665,963	-	-	-	-	1,665,963
Committed to:							
General Fund	5,182,106	-	-	-	-	-	5,182,106
Risk Management Fund	281,373	-	-	-	-	-	281,373
Assigned to:							
Capital Projects Fund	-	-	-	-	4,535,857	-	4,535,857
Unassigned	16,240,794	-	-	-	-	-	16,240,794
<b>Total Fund Balances</b>	<b>27,700,491</b>	<b>1,849,243</b>	<b>-</b>	<b>13,373,640</b>	<b>4,535,857</b>	<b>-</b>	<b>47,459,231</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 41,283,283</b>	<b>\$ 2,058,819</b>	<b>\$ 3,179,014</b>	<b>\$ 13,425,540</b>	<b>\$ 5,782,077</b>	<b>\$ 174,484</b>	<b>\$ 65,903,217</b>

The accompanying notes are an integral part of the basic financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
June 30, 2017**

<b>Total fund balances - governmental funds</b>		\$ 47,459,231
Amounts reported for governmental activities in the statement of net position are different because:		
Long term receivable is due to the district receiving bond proceeds which were advanced as matching funds for the BEST grant. This is the amount not included in the governmental funds.		8,177,991
Capital assets used in governmental activities are not financial resources and are not reported as assets in the governmental funds.		
The cost of capital assets is	\$ 208,044,613	
Accumulated depreciation is	<u>(79,523,812)</u>	128,520,801
Unearned property taxes will be collected this year, but are not available to pay for the current period's expenditure, and therefore are not recorded as revenue in the funds.		210,442
Deferred charges on bond refundings		1,720,434
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
Bonds payable	\$ (51,082,559)	
Bond premium, net of accumulated amortization	(41,881)	
Forward delivery agreement	(741,758)	
Capital lease obligation	(106,959)	
Accrued interest payable	(95,292)	
Compensated absences	(2,709,402)	
Net pension liability	<u>(610,199,086)</u>	(664,976,937)
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		234,729,881
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		(7,831,979)
Net Position of Governmental Activities		<u><u>\$ (251,990,136)</u></u>

The accompanying notes are an integral part of the basic financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
 For the Year Ended June 30, 2017

	General	Food Service	Grants	Bond Redemption	Capital Projects	Non Major Special Revenue Fund Platte Valley Youth Services Center	Total Governmental Funds
<b>Revenues</b>							
Local Sources	\$ 44,286,294	\$ 1,296,824	\$ 1,221,088	\$ 10,329,746	\$ 4,200,602	\$ 503,970	\$ 61,838,524
State Sources	135,451,628	155,131	901,297	-	-	762,998	137,271,054
Federal Sources	-	8,230,203	13,212,782	-	-	-	21,442,985
<b>Total Revenues</b>	<b>179,737,922</b>	<b>9,682,158</b>	<b>15,335,167</b>	<b>10,329,746</b>	<b>4,200,602</b>	<b>1,266,968</b>	<b>220,552,563</b>
<b>Expenditures</b>							
<b>Current</b>							
Instruction	81,144,559	-	7,458,256	-	-	1,186,761	89,789,576
<b>Supporting Services</b>							
Student Support Services	7,007,312	-	2,815,310	-	-	-	9,822,622
Instructional Staff Support Services	6,695,439	-	2,664,399	-	-	45,170	9,405,008
General Administration Services	1,509,523	-	-	-	-	-	1,509,523
School Administration Services	10,103,993	-	777,682	-	-	269,571	11,151,246
Business Services	2,190,479	-	92,098	-	-	-	2,282,577
Operations & Maintenance	11,858,699	18,923	-	-	196,604	-	12,074,226
Student Transportation	4,607,306	-	75,954	-	-	-	4,683,260
Other Support Services	8,450,016	-	5,179	-	-	-	8,455,195
Food Service Operations	-	9,787,192	-	-	-	-	9,787,192
Capital Outlay	588,004	182,034	1,446,289	-	3,174,308	-	5,390,635
<b>Payments Made to Charter Schools</b>							
<b>Union Colony Preparatory School</b>							
Per Pupil Revenue	3,286,019	-	-	-	-	-	3,286,019
Capital Construction	124,807	-	-	-	-	-	124,807
Other State and Local Funding	33,646	-	-	-	-	-	33,646
<b>Union Colony Elementary School</b>							
Per Pupil Revenue	3,056,083	-	-	-	-	-	3,056,083
Capital Construction	116,199	-	-	-	-	-	116,199
Other State and Local Funding	110,229	-	-	-	-	-	110,229
<b>University Schools</b>							
Per Pupil Revenue	12,682,236	-	-	-	-	-	12,682,236
Capital Construction	483,012	-	-	-	-	-	483,012
Other State and Local Funding	140,540	-	-	-	-	-	140,540
<b>Frontier Academy</b>							
Per Pupil Revenue	10,644,433	-	-	-	-	-	10,644,433
Capital Construction	403,713	-	-	-	-	-	403,713
Other State and Local Funding	92,918	-	-	-	-	-	92,918
<b>Salida del Sol Academy</b>							
Per Pupil Revenue	5,299,397	-	-	-	-	-	5,299,397
Capital Construction	196,026	-	-	-	-	-	196,026
Other State and Local Funding	237,171	-	-	-	-	-	237,171
<b>West Ridge Academy</b>							
Per Pupil Revenue	1,708,703	-	-	-	-	-	1,708,703
Capital Construction	67,332	-	-	-	-	-	67,332
Other State and Local Funding	14,616	-	-	-	-	-	14,616
<b>Debt Service</b>							
Principal	-	-	-	8,037,294	-	-	8,037,294
Fiscal Charges	-	-	-	7,040	-	-	7,040
Interest	-	-	-	1,483,963	-	-	1,483,963
<b>Total Expenditures</b>	<b>172,852,410</b>	<b>9,988,149</b>	<b>15,335,167</b>	<b>9,528,297</b>	<b>3,370,912</b>	<b>1,501,502</b>	<b>212,576,437</b>
Excess of revenues over (under) expenditures	6,885,512	(305,991)	-	801,449	829,690	(234,534)	7,976,126
<b>Other Financing Sources (Uses)</b>							
Capital Lease Issuance	106,959	-	-	-	-	-	106,959
Transfers In	-	-	-	-	2,000,000	234,534	2,234,534
Transfers Out	(2,234,534)	-	-	-	-	-	(2,234,534)
<b>Total Other Financing Sources</b>	<b>(2,127,575)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>234,534</b>	<b>106,959</b>
Net Changes in Fund Balance	4,757,937	(305,991)	-	801,449	2,829,690	-	8,083,085
<b>Fund Balance, Beginning</b>	<b>22,942,554</b>	<b>2,155,234</b>	<b>-</b>	<b>12,572,191</b>	<b>1,706,167</b>	<b>-</b>	<b>39,376,146</b>
<b>Fund Balance, Ending</b>	<b>\$ 27,700,491</b>	<b>\$ 1,849,243</b>	<b>\$ -</b>	<b>\$ 13,373,640</b>	<b>\$ 4,535,857</b>	<b>\$ -</b>	<b>\$ 47,459,231</b>

The accompanying notes are an integral part of the basic financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2017

<b>Total net change in governmental funds fund balances</b>	<b>\$ 8,083,085</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense (\$5,025,653) and disposal of assets (\$7,446) are more than capital expenditures \$4,168,958.	(864,141)
Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds. They are, however, recorded as revenues in the statement of activities.	(115,520)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	8,037,294
Repayment of capital lease principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.	2,846
Governmental funds report the issuance of debt, including capital leases, as an other financing source. In the governmental activities however, the issuance of debt is reflected as a liability instead.	(106,959)
Governmental funds report the effect of premiums and loss on refundings when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Premium amortization	154,921
Loss on refunding amortization	<u>(453,894)</u>
	(298,973)
In the statement of activities, certain operating expenses, such as employee compensated absences, are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.	(169,371)
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The (increases) decreases in these activities consist of:	
Pension expense	(94,931,269)
Accrued interest payable was recognized for governmental activities, but is not due and payable in the current period and therefore the change in the accrual is not reported as a liability in the governmental funds.	32,232
Amortization of forward delivery agreement.	108,550
<b>Change in Net Position of Governmental Activities</b>	<b><u><u>\$ (80,222,226)</u></u></b>

The accompanying notes are an integral part of the basic financial statements.

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES****AGENCY FUNDS**

June 30, 2017

	<u>Agency</u>
<b>Assets</b>	
Cash and Investments	\$ 1,712,534
Total Assets	<u>1,712,534</u>
<b>Liabilities</b>	
Accrued Liabilities	
Due to Third Parties	\$ 6,595
Due to Student Groups	<u>1,705,939</u>
Total Liabilities	<u>\$ 1,712,534</u>

The accompanying notes are an integral part of the basic financial statements.

**COMBINING STATEMENT OF NET POSITION**  
**COMPONENT UNITS**  
**June 30, 2017**

	Union Colony Schools School	Frontier Academy	University Schools	West Ridge Academy	Salida del Sol Academy	Total Component Units
<b>Assets</b>						
Cash and Investments	\$ 2,611,597	\$ 5,092,551	\$ 4,614,633	\$ 6,079,567	\$ 1,519,330	\$ 19,917,678
Restricted Cash and Investments	966,165	5,371,803	3,810,167	-	986,331	11,134,466
Intergovernmental Receivable	-	-	-	-	269,600	269,600
Accounts Receivable	9,576	14,492	136,217	8,138	-	168,423
Due From Primary Government	-	-	-	-	-	-
Prepaid Expenses	7,018	81,717	-	7,152	-	95,887
Inventory	-	12,291	-	-	-	12,291
Capital Assets, Not Being Depreciated	1,054,875	7,076,606	2,163,231	5,157,674	601,241	16,053,627
Capital Assets, Net of Accumulated Depreciation	8,823,108	10,532,373	20,189,301	90,345	8,934,215	48,569,342
<b>Total Assets</b>	<b>13,472,339</b>	<b>28,181,833</b>	<b>30,913,549</b>	<b>11,342,876</b>	<b>12,310,717</b>	<b>96,221,314</b>
<b>Deferred Outflows of Resources</b>						
Loss on Refunding	-	-	1,425,216	-	-	1,425,216
Deferred Charges on Bond Refunding	-	740,110	-	-	-	740,110
Deferred Pension Outflows	8,469,387	13,875,279	16,648,869	2,138,609	9,422,274	50,554,418
<b>Total Deferred Outflows of Resources</b>	<b>8,469,387</b>	<b>14,615,389</b>	<b>18,074,085</b>	<b>2,138,609</b>	<b>9,422,274</b>	<b>52,719,744</b>
<b>Liabilities</b>						
Accounts Payable and Accrued Expenses	43,949	1,212,687	66,396	1,467,645	49,504	2,840,181
Accrued Salaries and Benefits	232,896	466,957	844,675	-	205,000	1,749,528
Accrued Expenses	-	-	-	838	-	838
Accrued Interest Payable	52,307	70,336	56,236	41,414	58,547	278,840
Unearned Revenue	-	11,825	-	-	-	11,825
Noncurrent Liabilities	-	-	-	-	-	-
Due within one year	220,000	469,025	535,000	-	75,000	1,299,025
Due in more than one year	11,106,319	22,422,317	28,674,489	9,490,000	12,240,000	83,933,125
Net Pension Liability	21,210,100	33,796,518	41,420,485	4,940,296	18,316,446	119,683,845
<b>Total Liabilities</b>	<b>32,865,571</b>	<b>58,449,665</b>	<b>71,597,281</b>	<b>15,940,193</b>	<b>30,944,497</b>	<b>209,797,207</b>
<b>Deferred Inflows of Resources</b>						
Deferred Pension Inflows	125,998	152,702	212,090	22,321	82,759	595,870
<b>Total Deferred Inflows of Resources</b>	<b>125,998</b>	<b>152,702</b>	<b>212,090</b>	<b>22,321</b>	<b>82,759</b>	<b>595,870</b>
<b>Net Position</b>						
Net Investment in Capital Assets	(1,448,336)	940,668	(4,266,465)	(1,004,379)	(1,865,006)	(7,643,518)
Restricted for						
Emergencies	216,003	421,487	430,947	55,853	180,677	1,304,967
Debt Service	793,763	61,782	380,793	-	432,059	1,668,397
Technology Grant	-	-	-	100,000	-	100,000
Capital Projects	-	1,688,466	-	-	-	1,688,466
Repair and Maintenance	120,095	-	300,097	-	-	420,192
Donations	-	-	-	-	143,926	143,926
Foundation	-	-	140,784	-	-	140,784
Unrestricted	(10,731,368)	(18,917,548)	(19,807,893)	(1,632,503)	(8,185,921)	(59,275,233)
<b>Total Net Position</b>	<b>\$ (11,049,843)</b>	<b>\$ (15,805,145)</b>	<b>\$ (22,821,737)</b>	<b>\$ (2,481,029)</b>	<b>\$ (9,294,265)</b>	<b>\$ (61,452,019)</b>

The accompanying notes are an integral part of the basic financial statements.



## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Weld County School District 6 (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units. In addition, the District conforms to the Colorado Financial Policies and Procedures Handbook in all material aspects as required by Colorado statutes. The following is a summary of the District's significant accounting policies.

#### Reporting Entity

Weld County School District 6 is a political subdivision of the State of Colorado governed by an elected seven-member Board of Education. The District is the primary government financially accountable for all activities of public school instruction within the geographical area organized as Weld County School District 6, Greeley-Evans, Colorado. The District meets the criteria of a primary government in that the Board of Education is the publicly elected governing body, it is a legally separate entity, and it is fiscally independent.

Weld County School District 6 meets the financial accountability criteria established by the Governmental Accounting Standards Board to be considered a governmental entity for financial reporting purposes. As required by generally accepted accounting principles, these financial statements present the primary government and its component units. Component units are legally separate organizations that are financially accountable to the primary government. The component units have been included in the District's financial reporting entity because of the significance of their operational or financial relationship with the District.

#### Discretely Presented Component Units – Charter Schools

The Legislature of the State of Colorado enacted the "Charter School Act – Colorado Revised Statutes (CRS) Section 22-30.5-101" in 1993. This Act permits the District to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as "Charter Schools." Charter schools are financed from a portion of the District's School Finance Act revenues and from revenues generated by the charter schools, within the limits established by the Charter School Act. Charter schools have separate governing boards; however, Weld County School District 6's Board of Education must approve all charter school applications and budgets. There are five charter schools in the District: Frontier Academy, Salida del Sol Academy, University Schools, Union Colony Schools, and West Ridge Academy. The charter schools are discretely presented component units because of the significance of their financial relationship with the District.

The Charter schools have issued separate financial statements for the fiscal year ended June 30, 2017. Complete financial statements for each of the discretely presented component units may be obtained at each entity's administrative offices as listed below.

Frontier Academy  
2560 W 29<sup>th</sup> Street  
Greeley, CO 80631

Salida del Sol Academy  
111 East 26<sup>th</sup> Street  
Greeley, CO 80631

University Schools  
6525 18<sup>th</sup> Street  
Greeley, CO 80634

Union Colony Schools  
2000 Clubhouse Drive  
Greeley, CO 80634

West Ridge Academy  
6200 West 20<sup>th</sup> Street  
Greeley, CO 80634

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

#### 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 and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the District is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to students or other customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources 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 government-wide financial statements. Major individual funds are reported in separate columns in the fund financial statements.

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the District's governmental activities and component units. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Governmental fund revenues are recognized as soon as they are both measurable and available. "Measurable" means that the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered to be available when they are collected within 60 days after year-end. Grant revenues are recognized in the period earned if receipt of the money is expected within 90 days.

Property taxes are reported as receivables and deferred inflows of resources when levied and as revenues when due for collection in the following year and determined to be available. Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue earned.

Expenditures are recorded when the related fund liability is incurred with the exception of debt and capital leases, which are recognized when due, as well as expenditures related to compensated absences, which are accounted for as expenditures in the year the payment is due.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued****Measurement Focus, Basis of Accounting, and Financial Statement Presentation - continued**

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Accounting**

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

**Major Governmental Funds**

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

*Special Revenue Fund – Designated Special Purpose Grants:* The Designated Special Purpose Grants Fund is used to account for financial resources related to federal, state and local grant awards.

*Debt Service Fund – Bond Redemption Fund:* The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest, and related costs of long-term general obligation debt of governmental funds.

*Capital Projects – Capital Projects Fund:* The Capital Projects Fund is used to account for revenues assigned for ongoing capital needs such as site acquisition, building additions and equipment purchases.

*Special Revenue – Food Service Fund:* The Food Services Fund accounts for all financial activities associated with the District's school breakfast and lunch programs.

**Non-Major Funds**

*Non-Major Special Revenue Fund – Platte Valley Youth Services Center:* This fund accounts for the activities of the Platte Valley Youth Services Center, which is operated on behalf of the District and other districts within the State.

*Agency Funds – Fiduciary Funds:* The Agency Funds are used to account for resources used to support each school's student and fundraising activities. The District holds all resources in a purely custodial capacity.

**Budgets and Budgetary Accounting**

Annual budgets are established for all funds of the District as required by Colorado statutes. Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued****Budgets and Budgetary Accounting - continued**

Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budget amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Colorado law allows the Board of Education to review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. A supplemental budget may also be adopted if a school district is authorized to raise and expend local property tax revenues at a November election. Other amendments to the budget are allowed by law if money for specific purposes from other than ad valorem taxes subsequently becomes available.

Budget amounts included in the financial statements are based on the final budget as adopted by the Board of Education in January 2017. Original budgets for all funds were adopted by the Board of Education in June 2016. Budget appropriations lapse at the end of each fiscal year.

The following is a summary of the significant dates and procedures used in establishing budgeted data reflected in the financial statements.

- On or before June 1, the Superintendent submits to the Board of Education a proposed budget for the succeeding fiscal year. The budget includes proposed expenditures and the means of financing them.
- Within ten days after submission of the proposed budget, public notice is published stating the time and place of public hearing(s) to be conducted to obtain taxpayer comments on the budget prior to adoption.
- On or before June 30, the budget is adopted by formal resolution.
- On or before January 31, any changes to the budget are adopted by formal resolution.
- November 10, pupil count information is provided by school districts to the Colorado Department of Education, for use in determining the state funding level for the current fiscal year.
- December 15, school districts certify to county commissioners, copied to CDE, the mill levies for the various property tax-supported funds for the district.

**Cash and Investments**

In order to facilitate the recording of cash transactions and to maximize earnings, the District has combined the cash resources of its funds and maintains accountability for such funds' equity in the pooled cash. The District is allowed to invest in the following types of investments: money market deposit accounts, government pools, U.S. Agencies, U.S. Treasury Obligations, and corporate security bonds. The District records nonparticipating interest-earning investment contracts at amortized cost. All remaining securities are recorded at fair value. It is the intention of the investment pool to maximize interest income, and securities are selected according to their risk, marketability, and diversification. CSAFÉ and money markets are value at amortized cost while COLOTRUST is recorded at net asset value (NAV).

**Receivables**

Property taxes are levied on December 15. Property taxes are payable in full by April 30, or in two equal installments due February 28 and June 15. The County bills and collects property taxes for all taxing districts within the County. Property tax receipts are remitted to the District in the subsequent month. Delinquent property taxes are subject to the sale of tax certificates in the following November. Property taxes levied in the current year but not received at year-end are identified as property taxes receivable.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

**Receivables - continued**

All trade and property tax receivables are shown net of an estimated allowance for uncollectible amounts, where considered necessary by management of the District.

Grants receivables of \$4,689,788 includes amounts due from grantors for specific program grants. Program grants are recorded as receivable and revenues at the time reimbursable project costs are incurred.

**Inventories and Prepaid Items**

Inventories consist of food and non-food items in the Food Service Fund and expendable supplies in the warehouse (General Fund). Inventories purchased are valued at cost using the weighted average method. The United States Department of Agriculture (USDA) donates food commodities to the District which are valued at estimated fair market value at the date of receipt. USDA commodities are recorded as both operating revenue and an expenditure/expense when consumed. Commodities on hand are included in inventory and are reported as unearned revenue. All other inventory items are recorded as expenditure/expenses when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both government-wide and fund financial statements.

**Capital Assets**

Capital assets, which include property, vehicles and equipment, are utilized for District operations and are capitalized at actual cost or estimated cost if actual cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at estimated acquisition value. Capital assets are reported in the government-wide financial statements.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized. When assets used in the operation of the governmental fund types are sold, the proceeds of the sale are recorded as revenues in the appropriate fund. The District does not capitalize interest on the construction of capital assets.

The monetary threshold for capitalization of assets is \$1,000 for technology equipment and \$5,000 for all other capital assets. All reported capital assets, except for land and water rights, are depreciated. Depreciation of all capital assets used in governmental activities is charged as an expense against their operations. Depreciation is recorded starting in the month the asset is placed in service. Property and equipment of the District is depreciated using the straight line method over the following estimated useful lives.

Buildings	50 years
Site Improvements	5 to 20 years
Transportation Vehicles	8 years
Equipment	5 to 20 years

**Deferred Outflows of Resources**

The District’s governmental activities report a separate section for deferred outflows of resources. This separate financial statement element reflects a decrease in net position that applies to a future period. The District has certain items classified as deferred outflows of resources related to its defined benefit pension plan. See Note 9 for additional information. The District also has another item classified as deferred charges on bond refundings, which is equal to the difference in the carrying value of refunded debt and reacquisition price. The District amortizes this amount using the effective interest method.

**Employee Compensated Absences**

The liability and expense for unpaid vacation (employee compensated absences) is recorded when the vacation leave is earned in the District-wide financial statements. The governmental funds record expenditure for unpaid vacation leave only to the extent of the expected liquidation of unpaid vacation in current operations. This expected liquidation occurs for compensated absences which have matured, such as when an

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

#### **Employee Compensated Absences** - *continued*

employee resigns or retires. The amounts recorded as liabilities for all compensated absences include salary-related payments associated with the payment of compensated absences, using the rates in effect at the balance sheet date.

District policy allows unlimited accumulation of sick leave and an accumulation of vacation to a maximum of 30 days for classified and 45 days for administrative staff. Payment for unused sick is made upon meeting eligibility requirements at the rate of 50 percent of the current substitute pay for each eight hours of unused sick leave for employees with 400 hours of accumulated sick leave.

#### **Long-Term Liabilities**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method.

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred.

#### **Deferred Inflows of Resources**

The District's governmental activities report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The District has certain items, which are classified as deferred inflows of resources related to its defined benefit pension plan. See Note 9 for additional information.

#### **Net Position/Fund Balance**

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvements of those assets.

In the fund financial statements, fund equity of the District's governmental funds is classified as nonspendable, restricted, committed, assigned or unassigned. A governmental fund may not have all five components of fund balance.

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

**Restricted** – amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grants, contributors, or laws and regulations of other governments; or through constitutional provision or enabling legislation.

**Committed** – amounts that are subject to a purpose constraint imposed 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. Weld County School District 6's Board of Education has established a reserve in excess of the required TABOR emergency reserve.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

**Net Position/Fund Balance – continued**

**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, only the Board of Education, Superintendent or designee may assign amounts for specific purposes.

**Unassigned** – represents the residual classification for the District’s General Fund and could report a surplus or deficit.

The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the fund.

The details of the fund balances are included in the Governmental Funds 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.

**Reconciliation of Government-Wide and Fund Financial Statements**

The governmental funds balance sheet includes reconciliation between *fund balances – total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. These reconciliations detail terms that require adjustments to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the governmental fund statements during the consolidation of governmental activities.

**NOTE 2 – CASH AND INVESTMENTS**

As of June 30, 2017 deposits and investments were reported in the financial statements as follows:

	<b>Primary Government</b>	<b>Discretely Presented Component Units</b>
Governmental Activities	\$ 58,942,126	\$ 31,052,144
Fiduciary Funds	1,712,534	-
<b>Total</b>	<b>\$ 60,654,660</b>	<b>\$ 31,052,144</b>

Cash and investments at June 30, 2017, consisted of the following:

Cash and Investments	\$ 47,437,424	\$ 19,917,678
Restricted Cash and Investments	-	11,134,466
Cash Held by Trustee	13,217,236	-
<b>Total</b>	<b>\$ 60,654,660</b>	<b>\$ 31,052,144</b>

If a fund overdraws its share of pooled cash, the overdraft is reported as an interfund receivable in the General Fund and an offsetting interfund payable in the overdrawn fund.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE 2 – CASH AND INVESTMENTS – *continued*

#### Deposits

The Colorado Public Deposit Protection Act (PDPA) of Colorado requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. Cash with trustee is restricted for use on bond payments which were \$13,217,236.

As of June 30, 2017, the District had total bank deposits of \$21,005,094 and a carrying value of \$17,861,115.

#### Component Units

As of June 30, 2017, the charter school discretely presented component units had bank deposits of \$19,991,585. State regulatory commissioners have indicated that all financial institutions holding deposits for the charter school are eligible public depositories.

#### Investments

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

- Obligations of the United States and certain U.S. government 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
- Corporate Debt Securities

#### Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. This type of risk is minimized by limiting investments to the types of securities allowed by State law, and by pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business using the criteria established in the investment policy.

#### Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment policy is to invest in accordance with state law; the District does not further limit its investment choices. At year end, the maturities of investments and the credit quality ratings are as follows:

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2017

**NOTE 2 – CASH AND INVESTMENTS – continued****Credit Risk – continued**

Investment	Value	% of Portfolio	Maturity					Rating	Rating Organization
			12 Months or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	49 to 60 Months		
Gov't Investment Pool – COLOTRUST	\$ 3,507,834	8.20%	\$ 3,507,834	\$ -	\$ -	\$ -	\$ -	AAAm	S&P
Gov't Investment Pool – CSAFE	2,517,185	5.88%	2,517,185	-	-	-	-	AAAm	S&P
First American Treasury Mutual Fund	8,067,613	18.85%	8,067,613	-	-	-	-	AAA	Moody's
US Treasury Bills	3,083,000	7.20%	3,083,000	-	-	-	-	AAA	S&P
Federal Farm Credit Banks	2,493,750	5.83%	998,841	-	-	1,494,909	-	AA+/Aaa	S&P/Moody's
Federal Home Loan Banks	5,488,334	12.83%	-	3,001,570	2,486,764	-	-	AA+/Aaa	S&P/Moody's
Federal Home Loan Mortgage Corp	7,551,017	17.65%	2,072,215	1,006,740	1,498,616	996,814	1,976,632	AA+/Aaa	S&P/Moody's
Wells Fargo Bank NA	1,506,944	3.52%	-	-	1,506,944	-	-	AA-/Aa2	S&P/Moody's
International BK Recon & Develop	1,500,354	3.51%	1,500,354	-	-	-	-	AAA/Aaa	S&P/Moody's
California State Taxable GO HI	623,968	1.46%	-	623,968	-	-	-	AA-/Aa3	S&P/Moody's
Florida State Brd Admin Fin CO	1,503,300	3.51%	-	-	-	-	1,503,300	AA/Aa3	S&P/Moody's
Apple, Inc	1,514,063	3.54%	-	1,514,063	-	-	-	AA+/Aa1	S&P/Moody's
Chevron Corp	1,000,108	2.34%	1,000,108	-	-	-	-	AA-/Aa2	S&P/Moody's
Microsoft Corp	1,682,463	3.93%	684,052	998,411	-	-	-	AAA/Aaa	S&P/Moody's
Johnson & Johnson	753,612	1.75%	753,612	-	-	-	-	AAA/Aaa	S&P/Moody's
<b>Total</b>	<b>\$ 42,793,545</b>	<b>100.00%</b>	<b>\$ 24,184,814</b>	<b>\$ 7,144,752</b>	<b>\$ 5,492,324</b>	<b>\$ 2,491,723</b>	<b>\$ 3,479,932</b>		

**Interest Rate Risk**

As a means of limiting exposure to fair value losses arising from interest rates, state law limits maturities to five years or less, unless the Board of Education specifically authorizes longer maturities. The District policy is to follow the state law.

**Concentration of Credit Risk**

The District has no policy that would limit the amount that may be invested with any one issuer; however, the District's investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.

**Local Government Investment Pools****COLOTRUST**

As of June 30, 2017, the District had invested \$3,507,834 in the Colorado Local Government Liquid Asset Trust–PLUS, which is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. As of June 30, 2017, the investments in COLOTRUST were valued at net asset value (NAV). There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**CSAFE**

As of June 30, 2017, the District had invested \$2,517,185 in the Colorado Surplus Asset Fund Trust (CSAFE), 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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE 2 – CASH AND INVESTMENTS – *continued*

#### Component Units

At June 30, 2017, the charter school component units had invested \$4,420,453 in the Colorado Surplus Asset Fund Trust (CSAFE) and \$5,209,706 in ColoTrust that are held at amortized cost. The charter schools also held \$1,342,210 of money market funds that are held at amortized cost and mutual funds of \$88,190 that are measured at fair value (Level 1).

#### Cash Held by Trustee

The District entered into a forward delivery agreement (See Note 11) that required the District to deposit its restricted debt service with JPMorgan Chase Bank. At June 30, 2017, JPMorgan Chase Bank had \$3,122,000 on deposit, which is available for future debt service of the District. The remaining \$10,095,236 is held with US Bank at June 30, 2017 for future debt service payments.

#### Fair Value of Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

**Level 1:** Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**Level 3:** Unobservable inputs for an asset or liability.

The following table presents the fair value of measurements of assets recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2017:

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 2 – CASH AND INVESTMENTS – continued****Fair Value of Investments – continued**

	Balance at June 30, 2017	Fair Value Measurement Using Significant Other Observable Inputs (Level 2)
<b>Investments by Fair Value Level</b>		
Debt Securities:		
Federal Farm Credit Banks	\$ 2,493,750	2,493,750
Federal Home Loan Banks	5,488,333	5,488,333
Federal Home Loan Mortgage Corporation	7,551,018	7,551,018
International BK Recon & Development	1,500,354	1,500,354
California State Taxable GO HI	623,969	623,969
Florida State Board Admin Fin CO	1,503,300	1,503,300
<b>Total Debt Securities</b>	<b>\$ 19,160,724</b>	<b>27,228,337</b>
Corporate Bonds:		
Apple, Inc	\$ 1,514,062	\$ 1,514,062
Chevron Corp	1,000,108	1,000,108
Microsoft Corp	1,682,463	1,682,463
Johnson and Johnson	753,613	753,613
Wells Fargo NA	1,506,943	1,506,943
<b>Total Corporate Bonds</b>	<b>\$ 6,457,189</b>	<b>\$ 6,457,189</b>
<b>Investments Measured at the Net Asset Value (NAV)</b>		
Government Investment Pool - COLOTRUST	\$ 3,507,834	
<b>Total Investments Measured at NAV</b>	<b>\$ 3,507,834</b>	
<b>Investments Measured at Amortized Cost</b>		
Government Investment Pool – CSAFE	\$ 2,517,185	
First American Treasury Mutual Fund	8,067,613	
US Treasury Bills	3,083,000	
<b>Total Investments Measured at Amortized Cost</b>	<b>\$ 13,667,798</b>	
<b>TOTAL INVESTMENTS</b>	<b>\$ 42,793,545</b>	

**NOTE 3 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2017, is as follows:

**Due to/From Other Funds**

Receivable Fund	Payable Fund	Amount
General Fund	Designated Special Purpose Grants Fund	\$ 752,785
General Fund	Platte Valley Youth Services Fund	104,327
<b>Total</b>		<b>\$ 857,112</b>

Amounts owed to one fund by another which are due within one year are reported as due to other funds. These balances arise during the normal course of business and the District's use of pooled cash. Due to/from funds at year-end are presented above.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 3 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS – continued**

**Due to/From Primary Government and Component Units**

Receivable Entity	Payable Entity	Amount
Component Unit – Salida del Sol Academy	Primary Government Grant Fund	\$ 147,003
<b>Total</b>		<b>\$ 147,003</b>

Interfund transfers in the District are generally made to subsidize activities primarily account for in other funds.

**Transfers**

Government Fund Types	Fund Type	Transfers To	Transfers From
General	General Fund	\$ -	\$ 2,234,534
Major capital projects fund	Capital Projects Fund	2,000,000	-
Non-major special revenue	Platte Valley Youth Services Fund	234,534	-
<b>Total</b>		<b>\$ 2,234,534</b>	<b>\$ 2,234,534</b>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2017 is summarized below:

	Balances 6/30/2016	Additions	Deletions	Transfers	Balances 6/30/2017
<b>GOVERNMENT ACTIVITIES</b>					
<b>Capital Assets, Not Being Depreciated:</b>					
Land	\$ 7,313,341	\$ -	\$ -	\$ -	\$ 7,313,341
Water Rights	200,605	-	-	-	200,605
Construction in Progress	1,233,557	2,822,151	-	(1,395,417)	2,660,291
<b>Total Capital Assets, Not Being Depreciated</b>	<b>8,747,503</b>	<b>2,822,151</b>	<b>-</b>	<b>(1,395,417)</b>	<b>10,174,237</b>
<b>Capital Assets, Being Depreciated:</b>					
Buildings	176,557,465	627,087	(5,434)	1,264,570	178,443,688
Transportation Equipment	8,319,988	347,152	(226,442)	-	8,440,698
Other Equipment	10,809,465	372,568	(326,890)	130,847	10,985,990
<b>Total Capital Assets, Being Depreciated</b>	<b>195,686,918</b>	<b>1,346,807</b>	<b>(558,766)</b>	<b>1,395,417</b>	<b>197,870,376</b>
<b>Less Accumulated Depreciation For:</b>					
Buildings	(61,866,640)	(3,617,147)	1,132	-	(65,482,655)
Transportation Equipment	(6,700,034)	(378,637)	226,442	-	(6,852,229)
Other Equipment	(6,482,805)	(1,029,869)	323,746	-	(7,188,928)
<b>Total Accumulated Depreciation</b>	<b>(75,049,479)</b>	<b>(5,025,653)</b>	<b>551,320</b>	<b>-</b>	<b>(79,523,812)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>120,637,439</b>	<b>(3,678,846)</b>	<b>(7,446)</b>	<b>1,395,417</b>	<b>118,346,564</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$129,384,942</b>	<b>\$ (856,695)</b>	<b>\$ (7,446)</b>	<b>\$ -</b>	<b>\$128,520,801</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 4 – CAPITAL ASSETS – continued**

Depreciation expense was charged to the programs of the primary government as follows:

<b>Governmental Activities:</b>		
Instruction	\$	164,480
Student Support		77,393
Instructional Staff Support		31,451
Business		80,892
Operations and Maintenance		198,281
Student Transportation		369,280
Other Support Services		4,103,876
<b>Government Activities Depreciation</b>	<b>\$</b>	<b>5,025,653</b>

**Construction Commitments**

The District has active construction projects as of June 30, 2017. The projects include renovations and site improvements. All accumulated resources for capital projects are reserved for construction commitments. A list of significant commitments as of June 30, 2017, is as follows:

Project Name	Spent-to-Date as of June 30, 2017	Remaining Commitment
PHMS Non-Potable Water System	\$ 437,832	\$ 22,852
COG – Central HS Tennis Courts	247,164	90,025
COG – Heath MS Track & Field	543,649	785,902
COG – West HS Exterior Walks & Fences	6,048	389,387
COG – West HS Track & Field	397,930	1,944,606
COG – West HS Tennis Courts	290,449	46,200
Fred Tjardes School of Innovation	454,967	56,523
McAuliffe Portable #2	61,157	20,843
NS Growing Grounds at Romero K-3	32,962	42,039
Romero K-3 Boiler Replacement	75,429	9,571
West 20 <sup>th</sup> Street Campus Upgrade	5,746	9,254
	<b>\$ 2,553,333</b>	<b>\$ 3,417,202</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 4 – CAPITAL ASSETS – continued****Component Units**

A summary of changes in capital assets of the charter school component units is as follows:

	Balance 6/30/2016	Additions	Reclassifications	Balance 6/30/2017
<b>COMPONENT UNITS</b>				
<b>Capital Assets, Not Being Depreciated:</b>				
Land	\$ 5,217,681	\$ 1,006,898	\$ -	\$ 6,224,579
Construction in Progress	-	9,829,048	-	11,348,834
<b>Total Capital Assets, Not Being Depreciated</b>	<u>5,217,681</u>	<u>10,835,946</u>	<u>-</u>	<u>16,053,627</u>
<b>Capital Assets, Being Depreciated:</b>				
Land Improvements	793,819	29,930	-	823,749
Buildings and Building Improvements	57,292,955	1,697,965	(148,345)	58,842,575
Furniture and Equipment	2,603,422	662,801	-	3,266,223
Vehicles	347,816	442,306	-	790,122
Software	20,496	-	-	20,496
<b>Total Capital Assets, Being Depreciated</b>	<u>61,058,508</u>	<u>2,833,002</u>	<u>(148,345)</u>	<u>63,743,165</u>
<b>Less Accumulated Depreciation For:</b>				
Land Improvements	(190,118)	(17,872)	-	(207,990)
Buildings and Building Improvements	(11,281,520)	(1,410,266)	72,938	(12,618,848)
Furniture and Equipment	(1,880,636)	(295,288)	-	(2,175,924)
Vehicles	(65,353)	(86,389)	-	(151,742)
Software	(12,487)	(6,832)	-	(19,319)
<b>Total Accumulated Depreciation</b>	<u>(13,430,114)</u>	<u>(1,816,647)</u>	<u>72,938</u>	<u>(15,173,823)</u>
<b>Total Capital Assets, Being Depreciated, Net</b>	<u>47,628,394</u>	<u>1,016,355</u>	<u>(75,407)</u>	<u>48,569,342</u>
<b>Component Unit Capital Assets, Net</b>	<u>\$ 52,846,075</u>	<u>\$ 11,852,301</u>	<u>\$ (75,407)</u>	<u>\$ 64,622,969</u>

Total depreciation expense for the component units for the year ending June 30, 2017 was \$1,816,647 with \$1,770,860 charged to instruction, \$30,541 to support and \$15,246 to transportation.

**NOTE 5 – ACCRUED SALARIES AND BENEFITS**

Salaries of certified personnel and certain other employees are paid over a 12-month period ending July 31, but are earned during a school year of approximately 9 to 10 months. Accordingly, the accrued compensation is reflected as a liability of the respective funds in the accompanying financial statements. The salaries and benefits earned, but unpaid, at June 30, 2017 are recorded in the funds as follows:

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 5 – ACCRUED SALARIES AND BENEFITS – continued**

<b>Governmental Activities:</b>	
General	\$ 12,739,622
Food Services	56,762
Designated Purpose Grant	1,415,941
Platte Valley Youth Services Center	174,484
<b>Total governmental activities</b>	<b>\$ 14,386,809</b>

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs; approximately 87 percent are expected to be liquidated from the General Fund.

**NOTE 6 – LONG-TERM DEBT**

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

	<b>Balance 6/30/16</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 6/30/17</b>	<b>Due Within One Year</b>
Governmental Activities:					
Bonds	\$ 59,119,853	\$ -	\$ (8,037,294)	\$ 51,082,559	\$ 8,662,282
Bond Premiums	196,802	-	(154,921)	41,881	-
Forward Delivery Agreement	850,308	-	(108,550)	741,758	108,550
Capital Lease Obligation	2,846	106,959	(2,846)	106,959	22,266
Compensated Absences	<u>2,540,031</u>	<u>1,259,087</u>	<u>(1,089,716)</u>	<u>2,709,402</u>	<u>544,858</u>
<b>Total Governmental Activities:</b>	<b><u>\$ 62,709,840</u></b>	<b><u>\$ 1,366,046</u></b>	<b><u>\$ (9,393,327)</u></b>	<b><u>\$ 54,682,559</u></b>	<b><u>\$ 9,337,956</u></b>

<b>General Obligation Debt</b>	<b>Balance June 30, 2017</b>
GO Refunding Bonds, Series 2006, issued to refund a portion of GO Bonds, Series 2002. Principal payments due annually beginning 12/1/06 and maturing 12/1/2017; interest payments due semi-annually on 6/1 and 12/1; interest rates range from 4%-5%.	\$ 7,775,000
General Obligation Bond, Series 2012, issued as required match to the Colorado Building Excellent Schools Today (BEST) grant to finance the construction of a new middle school and abatement of current school. Principal payments due annually beginning 12/1/13 and maturing 12/1/2032; interest payments due semi-annually on 6/1 and 12/1 at a rate of 3.00%	6,902,559
General Obligation Bond, Series 2015B, issued to refund a portion of the District's outstanding GO Refunding Bonds, Series 2006 and to pay a portion of the costs of issuance of the Bonds. Principal payments due annually beginning 12/1/2015 and maturing 12/1/2021; interest payments due semi-annually on 6/1 and 12/1; interest rates range from .5%-2.55%.	<u>36,405,000</u>
<b>Total General Obligation Bonds</b>	<b><u>\$ 51,082,559</u></b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 6 – LONG-TERM DEBT – continued**

**Future Debt Service Requirements**

The following schedule represents the District’s debt service requirements to maturity for outstanding general obligation bonds at June 30, 2017:

Fiscal Year	Principal	Interest	Total
2018	\$ 8,662,282	\$ 1,155,692	\$ 9,817,974
2019	9,077,571	877,804	9,955,375
2020	9,223,169	708,647	9,931,816
2021	9,409,086	507,322	9,916,408
2022	9,625,330	276,455	9,901,785
2023-2027	2,107,513	609,644	2,717,157
2028-2032	2,443,885	268,217	2,712,102
2033	533,723	8,022	541,745
<b>Total</b>	<b>\$ 51,082,559</b>	<b>\$ 4,411,803</b>	<b>\$ 55,494,362</b>

**Lease Obligation**

The District entered into a lease agreement on April 10, 2017, as lessee for financing a modular for McAuliffe STEM Academy K-8. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments at the inception date. The lease requires annual payments totaling \$23,167 which includes principal and interest. The lease matures July 1, 2022. The assets acquired through capital leases are as follows:

	Balance June 30, 2017
McAuliffe STEM Academy K-8 Modular	\$ 106,959
Less: Accumulated Depreciation	-
<b>Total</b>	<b>\$ 106,959</b>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017, were as follows:

Fiscal Year	Principal	Interest	Total
2018	\$ 22,266	\$ 901	\$ 23,167
2019	20,033	3,134	23,167
2020	20,775	2,392	23,167
2021	21,544	1,624	23,168
2022	22,341	827	\$ 23,168
<b>Total</b>	<b>\$ 106,959</b>	<b>\$ 8,878</b>	<b>\$ 115,837</b>

For financial reporting purposes, the District follows the requirements of GAAP; for capital leases, the present value of future minimum lease payments is shown as a liability and related assets are capitalized in the basic financial statements. It is the expectation that the leases will be renewed annually until title to the related party is acquired pursuant to the leases.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 6 – LONG-TERM DEBT – continued**

**Component Units**

Following is a summary of long-term debt transactions for the charter schools for the year ended June 30, 2017.

	Balances 6/30/2016	Additions	Reductions	Balances 6/30/2017	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
<b>Frontier Academy</b>					
Bonds Payable – Series 2006	\$12,590,000	\$ -	\$ (12,590,000)	\$ -	\$ -
Bonds Payable – Series 2016	-	21,850,000	(315,000)	21,535,000	390,000
Premium	-	1,428,705	(72,363)	1,356,342	79,025
	<u>12,590,000</u>	<u>23,278,705</u>	<u>(12,977,363)</u>	<u>22,891,342</u>	<u>469,025</u>
<b>Salida del Sol Academy</b>					
Bonds Payable	12,390,000	-	(75,000)	12,315,000	75,000
	<u>12,390,000</u>	<u>-</u>	<u>(75,000)</u>	<u>12,315,000</u>	<u>75,000</u>
<b>Union Colony Schools</b>					
Bonds Payable – Series 2007	4,320,000	-	(100,000)	4,220,000	105,000
Bonds Payable – Series 2015	7,120,000	-	(105,000)	7,015,000	115,000
Bond Premium	95,568	-	(4,249)	91,319	-
	<u>11,535,568</u>	<u>-</u>	<u>(209,249)</u>	<u>11,326,319</u>	<u>220,000</u>
<b>University Schools</b>					
Bonds Payable	29,580,000	-	(520,000)	29,060,000	535,000
Bond Premium	159,455	-	(9,966)	149,489	-
	<u>29,739,455</u>	<u>-</u>	<u>(529,966)</u>	<u>29,209,489</u>	<u>535,000</u>
<b>West Ridge Academy</b>					
Bonds Payable	-	9,490,000	-	9,490,000	-
	<u>-</u>	<u>9,490,000</u>	<u>-</u>	<u>9,490,000</u>	<u>-</u>
<b>Total</b>	<b><u>\$66,255,023</u></b>	<b><u>\$32,768,705</u></b>	<b><u>\$ (13,791,578)</u></b>	<b><u>\$ 85,232,150</u></b>	<b><u>\$ 1,299,025</u></b>

**Future Debt Service Requirements – Component Units**

The following schedule represents the charter school component unit's debt service requirements to maturity for outstanding general obligation bonds and notes payable at June 30, 2017:

Fiscal Year	Principal	Interest	Total
2018	\$ 1,220,000	\$ 4,086,858	\$ 5,306,858
2019	1,355,000	4,046,425	5,401,425
2020	8,180,000	3,993,415	12,173,415
2021	1,480,000	3,572,839	5,052,839
2022	10,590,000	3,255,763	13,845,763
2023-2027	7,915,000	14,013,101	21,928,101
2028-2032	10,115,000	11,808,563	21,923,563
2033-2037	13,085,000	8,829,375	21,914,375
2038-2042	15,115,000	5,362,938	20,477,938
2043-2046	16,177,150	1,522,688	16,102,688
<b>Total</b>	<b><u>\$ 85,232,150</u></b>	<b><u>\$ 60,491,965</u></b>	<b><u>\$ 144,126,965</u></b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE 6 – LONG-TERM DEBT – *continued*

#### Future Debt Service Requirements – Component Units – *continued*

*Frontier Academy Charter School* – The Frontier Academy, has obtained funding through the Colorado Educational and Cultural Facilities Authority through the issuance of Charter School Revenue bonds in the amount of \$21,850,000. The Frontier Academy Facilities Corporation entered into a mortgage lease agreement with Frontier Academy to use the bond proceeds for current refunding of the Authority's Charter School Revenue Bonds Series 2006 in the amount of \$17,750,000, and as of July 1, 2016 the aggregate principal amount of \$12,590,000. Proceeds from the bonds are used for improvements to the educational facilities. The bonds bear annual interest ranging from 3% to 5%, maturing in 2046.

*Salida del Sol Academy Building Corporation* has obtained funding through the Colorado Education and Facilities Authority (the authority) through the issuance of bonds in the amount of \$12,390,000. Proceeds from the Series 2015 bonds were used to finance the acquisition, construction improvement and equipping of the educational facilities of the Salida del Sol Academy Building Corporation, to fund a debt service reserve fund for the Series 2015 bonds, to fund capitalized interest on the bonds, and pay the cost of issuance. The Authority and Salida del Sol Academy Building Corporation have entered into a loan agreement wherein the proceeds of the Authority bonds have been loaned to the Building Corporation. The bonds accrue interest at a rate of 6%, maturing in 2045.

*Union Colony Schools* – The Union Colony Preparatory School Building Corporation has obtained funding through the Colorado Educational and Facilities Authority through the issuance of lease revenue bonds, Series 2008, in the amount of \$4,815,000. Proceeds from the Series 2007 bonds were to construct an addition onto current facilities. The bonds accrue interest at a rate of 5.75%, maturing in 2038.

The Union Colony Elementary School Building Corporation has refunded the Series 2012A and B Charter School Revenue Bonds with Series 2015 through the Colorado Educational and Cultural Facilities Authority, in the amount of \$7,140,000. Proceeds from the 2012 bonds were to construct a new facility to support a K-5 elementary school. The bonds accrue interest at a rate of 5.3%, maturing in 2020.

*University Schools Charter School* – The University Lab School Building Corporation has refunded the Series 2004 and Series 2012 revenue bonds with Series 2015 through the Colorado Educational and Cultural Facilities Authority, in the amount \$29,630,000. Proceeds from the Series 2012 bonds were used to refund the existing Charter School Revenue Bonds, Series 2004. The Bonds accrue interest at rates ranging from 2% to 5%, maturing in 2045.

*West Ridge Academy* – The West Ridge Academy Building Corporation has obtained funding from the Public Finance Authority through the issuance of Revenue Bonds as Series 2017A and 2017B, in the amount of \$9,490,000. Proceeds from the bonds were used in the acquisition of land and construction, improvement, and equipping of educational facilities. The Series 2017A bonds mature in 2021 with a 5.5% interest rate. The Series 2017B bonds mature in 2020 with a 6.0% interest rate.

### NOTE 7 – COLORADO BUILDING EXCELLENT SCHOOLS (BEST) GRANT

The District completed the construction of Prairie Heights Middle School (the project) on land it owns. The cost of the construction of the school as of June 30, 2017 was \$29,141,836.

The funding for the project is from two sources, the District sold bonds in 2012 in the amount of \$8,177,991 which was used as matching money for the District's participation in the State of Colorado lease purchase program, Build Excellent Schools Today. The State of Colorado has issued a pool of Certificates of Participation, a portion of which will fund the additional cost of the building, approximately \$21,000,000. The District is responsible for funding any cost overruns on the project.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 7 – COLORADO BUILDING EXCELLENT SCHOOLS (BEST) GRANT – *continued***

The District entered into a sublease agreement with the state and the state entered into a lease-purchase agreement with a Trustee. Once the State’s Certificates of Participation pool is repaid (expected to be in 2035), the leasehold interest in the District’s project is expected to be released and will be a capital contribution to the District from the State.

The District has accounted for the proceeds of the bond (matching money) held by the State as a long term receivable. The District does not anticipate collection of the receivable, but once the Certificates of Participation are paid by the State, the leasehold interest is removed from the project and clear title is obtained, the District will convert the receivable to investment in property.

**NOTE 8 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; worker’s compensation; and natural disasters. The District plans to provide for or restore the economic damages of those losses through risk retention and risk transfer.

The following is a summary of major outside insurance coverage and their insurance limits:

<b>Property</b>	<b>Coverage:</b> \$324,788,171 Blanket Building and Contents limit. Flood coverage with a limit of \$1,000,000 and Earth Movement with a limit of \$1,000,000. <b>Deductibles:</b> \$10,000 for Blanket Building and Contents. \$50,000 Flood and Earth Movement Deductible.
<b>Equipment Breakdown</b>	<b>Coverage:</b> \$1,000,000 Property Damage – Per Accident: sub-limits apply as follows: \$25,000 expediting expense; \$25,000 consequential damage; \$25,000 water damage; \$25,000 hazardous substance and \$25,000 spoilage. <b>Deductibles:</b> \$10,000 property damage and \$2,500 sub-limit coverage.
<b>Commercial General Liability</b>	<b>Coverage:</b> Liability - \$1,000,000 each occurrence, \$5,000,000 annual aggregate limit; medical payments \$5,000. Sexual Abuse and Molestation Coverage each occurrence - \$1,000,000 and \$2,000,000 annual aggregate limit. <b>Deductible:</b> None
<b>School Leaders Errors and Omissions</b>	<b>Coverage:</b> \$1,000,000 Limit of Liability – each wrongful act. <b>Deductible:</b> \$25,000
<b>Auto Liability</b>	<b>Coverage:</b> Liability, including non-owned auto and hired, borrowed, and leased \$1,000,000 limit per accident; auto medical payments \$5,000 per person. <b>Deductibles:</b> \$250 Comprehensive/ \$1,000 Collision Coverage
<b>Crime</b>	<b>Coverage:</b> Public Employee Dishonesty \$100,000 per loss coverage, \$50,000 Public Official Bonds – Superintendent; \$5,000 Public Official Bonds – Board Members. <b>Deductible:</b> \$5,000
<b>Umbrella</b>	<b>Coverage:</b> Liability - \$5,000,000 each occurrence, \$5,000,000 annual aggregate limit. Provides coverage above the following primary limits: Commercial General Liability; Auto Liability; and Workers’ Compensation.
<b>Workers’ Compensation</b>	<b>Coverage:</b> All District Employees performing work related duties on behalf of the District. Limits are Statutory. <b>Deductible:</b> \$500 per claim
<b>Asbestos</b>	<b>Coverage:</b> Limit of Liability – Continuous Release Incident (per claimant) or Limited Duration Release Incident (Per Incident) - \$1,000,000, Policy Term Aggregate - \$5,000,000 Locations that are covered: Administration Building, and Greeley West High School <b>Deductible:</b> \$10,000 per claim

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 8 – RISK MANAGEMENT – continued**

The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors.

The carrying amount of the claim liabilities for the dental fund are stated at anticipated cost because the majority of claims are expected to be paid during the next year. The claims payable balance is recorded within the General Fund’s accounts payable balance in the financial statements. Changes in the balances of dental claims liabilities during the past two years are as follows:

Claims Payable, June 30, 2015	\$	3,986
Claims Incurred and Adjustments		(905,498)
Payments		(790,855)
Claims Payable, June 30, 2016		118,629
Claims Incurred and Adjustments		856,699
Payments		(848,111)
Claims Payable, June 30, 2017	\$	<b>127,217</b>

**NOTE 9 – DEFINED BENEFIT PENSION PLAN**

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

**General Information about the Pension Plan**

*Plan Description:* Eligible employees of the District are provided with pensions through the District 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 are set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued***

**General Information about the Pension Plan – *continued***

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

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

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in 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%, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2% or the average CPI-W for the prior calendar year, not to exceed 10% of PERA’s Annual Increase Reserve (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 the District are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8% of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	For the Year Ended <u>December 31, 2016</u>	For the Year Ended <u>December 31, 2017</u>
Employer Contribution Rate <sup>1</sup>	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) <sup>1</sup>	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF <sup>1</sup>	9.13%	9.13%
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 <sup>1</sup>	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 <sup>1</sup>	4.50%	5:00%
Total Employer Contribution Rate to the SCHDTF <sup>1</sup>	<u>18.13%</u>	<u>18.63%</u>

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF for the District for the year ended June 30, 2017 were \$17,073,938.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 9 – DEFINED BENEFIT PENSION PLAN – continued**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

At June 30, 2017, the District reported a liability of \$610,199,086 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The District's proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2016 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2016, the District's proportion was 2.0494451936%, which was an increase of .0003203769% from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$94,931,269. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between Expected and Actual Experience	\$ 7,628,424	\$ 5,370
Changes of Assumptions or other Inputs	197,996,880	2,751,688
Net Difference between Project and Actual Earnings on Pension Plan Investments	20,403,784	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	31,947	5,074,921
Contributions Subsequent to the Measurement Date	8,668,846	-
<b>Total Employer Contribution Rate to the SCHDTF<sup>1</sup></b>	<b>\$ 234,729,881</b>	<b>\$ 7,831,979</b>

\$8,668,846 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:

<b>Year Ended June 30,</b>	<b>Amount</b>
2018	\$ 85,598,190
2019	88,114,589
2020	44,312,768
2021	203,509
2022	-
Thereafter	-
<b>Total</b>	<b>\$ 218,229,056</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued***

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources – *continued***

*Actuarial Assumptions:* 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 were 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%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, including Wage Inflation	3.50 – 9.70%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount Rate	5.26%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Automatic)	2.0%
PERA Benefit Structure Hired After December 31, 2006 (Ad Hoc, Substantively Automatic)	Financed by the Annual Increase Reserve

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

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2017

**NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued*****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources – *continued***

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

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

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

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

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

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

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2017

**NOTE 9 – DEFINED BENEFIT PENSION PLAN – continued****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources – continued**

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30-Year Expected Geometric Real Rate of Return</b>
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
<b>Total</b>	<b>100.00%</b>	

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 9 – DEFINED BENEFIT PENSION PLAN – continued**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources – continued**

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

Based on the above assumptions and methods, the GASB Statement No. 67 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 GASB Statement No. 67 projection test indicated the SCHDTF’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments of 7.50 percent was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use a municipal bond index rate and the discount rate was 7.50 percent, 2.24 percent higher compared to the current measurement date.

*Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:* The following presents the proportionate share of the net pension liability calculated using the discount rate of 5.26%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (4.26%) or one percentage-point higher (6.26%) than the current rate:

	<b>1% Decrease (4.26%)</b>	<b>Current Discount Rate (5.26%)</b>	<b>1% Increase (6.26%)</b>
Proportionate Share of the Net Pension Liability	\$ 767,305,743	\$ 610,199,086	\$ 482,241,402

*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](http://www.copera.org/investments/pera-financial-reports).

**Component Units**

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the charter schools is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the charter schools were \$3,366,445 for the year ended June 30, 2017.

At June 30, 2017, the charter schools reported a liability of \$119,683,845 for their proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

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 **NOTE 9 – DEFINED BENEFIT PENSION PLAN – continued**

**Component Units – continued**

charter schools’ proportion of the net pension liability was based on charter schools’ contributions to the SCHDTF for the calendar year 2016 relative to the total contributions of participating employers to the SCHDTF.

For the year ended June 30, 2017, the charter schools recognized pension expense of \$23,082,816. At June 30, 2017, the charter schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources –

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 1,496,232	\$ 1,050
Changes in assumptions or other inputs	38,834,912	539,713
Net difference between projected and actual earnings on pension plan investments	4,001,978	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	4,501,390	55,107
Contributions subsequent to the measurement date	1,719,906	-
<b>Total</b>	<b>\$ 50,554,418</b>	<b>\$ 595,870</b>

\$1,719,906 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:

<b>Year ended June 30,</b>	
2017	\$ 6,582,338
2018	20,070,739
2019	15,587,289
2020	5,972,174
2021	26,102
<b>Total</b>	<b>\$ 48,238,642</b>

Sensitivity of the charter schools’ proportionate share of the net pension liability to changes in the discount rate.

	<b>1% Decrease (6.50%)</b>	<b>Current Discount Rate (7.50%)</b>	<b>1% Increase (8.50%)</b>
Proportionate share of the net pension liability	\$ 150,498,587	\$ 119,683,845	\$ 94,856,350

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2017

### NOTE 10 – POSTEMPLOYMENT HEALTHCARE BENEFITS

#### Plan Description

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

#### Funding Policy

The District is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2017, 2016, 2015, the District contributions to the HCTF were \$947,646, \$927,795, and \$898,678, respectively, equal to their required contributions for each year.

### NOTE 11 – COMMITMENTS AND CONTINGENCIES

#### Grant Compliance

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 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.

#### Litigation

The District is a defendant in various threatened and actual legal claims. The ultimate liability that might result from final resolution of these matters is not presently determinable. However, the District believes that the final settlement of these matters will not have a materially adverse effect on the financial position of the District.

#### Tabor Amendment

At the general election held November 3, 1992, the voters of the State approved an amendment to the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR limits the ability of the state and local governments such as the District to increase revenues, debt and spending and restricts property, income and other taxes. In November, 1998, voters within the District authorized the District to collect, retain, and expend all excess revenues and other funds received from every source, without limitation future voter approval, notwithstanding the limitations of the Amendment.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, and salary or fringe benefit increases. These reserves are required to be 3 percent or more, of expenses, as defined after 1994. At June 30, 2017, the District's reserve was \$5,182,106.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 11 – COMMITMENTS AND CONTINGENCIES – continued**

**Forward Delivery Agreement**

In April, 2004, the District entered into a forward delivery agreement with JPMorgan Chase Bank in exchange for a payment of \$2,171,000. The District agreed to deposit certain Bond Redemption Fund revenues into a trust account to be used by JPMorgan Chase Bank for purchase of investment securities from a third party. The securities will mature at future dates in time to meet the District's debt service obligations over a 17-year period, ending December, 2021. If the District terminates the agreement, it would be obligated to repay a portion of the \$2,171,000 to compensate JPMorgan Chase Bank for the loss of economic benefits based on market conditions at the time the agreement is terminated. The amount received is being amortized over the term of the agreement and is reflected as non-current liabilities. During the year ended June 30, 2017, revenue of \$108,550 was recognized in the statement of activities. The ending balance of \$741,758 was restricted as of June 30, 2017 due to the external agreement with JPMorgan Chase Bank. If the agreement was cancelled or terminated, the District would be obligated to pay the balance.

**Operating Leases**

The District has entered into an operating lease for portable devices to be utilized with the Blended Learning Program in various schools. Payments made during fiscal year 2017 totaled \$140,905.

Future payments on the operating lease are as follows:

<b>Fiscal year ended June 30,</b>	<b>Annual lease payments</b>
2018	\$ 187,873
2019	73,925
<b>Totals</b>	<b>\$ 261,798</b>

In May 2016, the District entered into an operating lease for a modular to accommodate the expansion of the McAuliffe STEM Academy as it progressively expands to a K-8 school. The modular will support the addition of sixth grade students. Payments made during fiscal year 2017 totaled \$21,615.

Future payments on the operating lease are as follows:

<b>Fiscal year ended June 30,</b>	<b>Annual lease payments</b>
2018	\$ 23,580
2019	23,580
2020	23,580
2021	1,965
<b>Totals</b>	<b>\$ 72,705</b>

The Fred Tjardes School of Innovation was approved to be added as a new school to in the District beginning in August 2017. The District entered into an operating lease with an entity to lease a 9,700 square foot building to occupy the school. Payments were made for use of the building prior to year-end to allow for ample time to remodel the space. The total of these payments was \$17,100.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2017

**NOTE 11 – COMMITMENTS AND CONTINGENCIES** – *continued*

**Operating Leases** – *continued*

Future payments on the operating lease are as follows:

<b>Fiscal year ended June 30,</b>	<b>Annual lease payments</b>
2018	\$ 78,000
2019	78,000
2020	78,000
2021	78,000
2022	78,000
<b>Totals</b>	<b>\$ 390,000</b>

The District is leasing a 19,011 square foot building for the Greeley Alternative Program and College and Career Prep Program. The lease is for an initial term of ten years commencing on July 1, 2017 and terminating on June 30, 2027.

Future payments on the operating lease are as follows:

<b>Fiscal year ended June 30,</b>	<b>Annual lease payments</b>
2018	\$ 207,561
2019	213,788
2020	220,202
2021	226,808
2022	233,612
2023-2027	1,277,488
<b>Totals</b>	<b>\$ 2,379,459</b>

**NOTE 12 – SUBSEQUENT EVENTS**

**Ballot Measure**

On November 7, 2017, voters approved ballot measure 3A, which authorizes an operational mill levy override to be used to invest in students in these areas: Enhance safety and security by placing security cameras at secondary schools and fixing structural problems at schools; recruiting and retaining quality staff, replacing and updating technology, increasing student achievement and college and career readiness by updating textbooks and learning materials and expanding summer school opportunities, and supporting Charter school students. In accordance with the approved ballot language, the district will certify an operational mill levy in December 2017, sufficient to generate \$14,000,000 in property tax revenues in 2018.



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## **Required Supplementary Information**

Budget-to-actual information found in this section of the document for the District's general fund is required to be included as required supplementary information if it is not already presented as part of the basic financial statements.

**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
For the Year Ended June 30, 2017

	BUDGET		ACTUAL	Variance
	ORIGINAL	FINAL		
<b>Revenues</b>				
Local Sources				
Property Taxes	\$ 30,748,469	\$ 31,518,029	\$ 31,665,469	\$ 147,440
Specific Ownership Taxes	3,199,470	2,780,801	3,215,524	434,723
Delinquent Taxes, Penalties & Interest	50,000	50,000	(42,347)	(92,347)
Abatements	100,000	100,000	563,947	463,947
Summer School Fees	5,000	5,000	500	(4,500)
Other Tuition	227,000	227,000	252,004	25,004
Earnings on Investments	180,000	180,000	(2,175)	(182,175)
District Services Provided to Charter Schools	4,450,922	4,714,569	4,737,618	23,049
Indirect Cost Revenue	450,000	450,000	787,682	337,682
Other Local Revenue	2,234,000	2,869,000	3,108,072	239,072
<b>Total Local Sources</b>	<b>41,644,861</b>	<b>42,894,399</b>	<b>44,286,294</b>	<b>1,391,895</b>
State Sources				
State Equalization	123,677,191	123,596,832	123,550,014	(46,818)
At-Risk Funding	1,700,000	1,700,000	1,742,888	42,888
Charter School Capital Construction	1,286,374	1,379,829	1,391,089	11,260
English Language Proficiency Act	1,680,000	1,853,071	1,853,071	-
Full Day Kindergarten Hold Harmless	250,000	250,000	277,043	27,043
Gifted and Talented Reimbursement	194,000	198,153	198,153	-
READ Act	1,250,000	1,135,069	1,135,069	-
Exceptional Children's Education Act	3,600,000	3,744,859	4,113,877	369,018
Transportation	1,200,000	1,001,917	1,011,065	9,148
Vocational Education	170,000	180,000	179,359	(641)
Audit Adjustments	(200,000)	(200,000)	-	200,000
<b>Total State Sources</b>	<b>134,807,565</b>	<b>134,839,730</b>	<b>135,451,628</b>	<b>611,898</b>
<b>Total Revenues</b>	<b>176,452,426</b>	<b>177,734,129</b>	<b>179,737,922</b>	<b>2,003,793</b>

**BUDGETARY COMPARISON SCHEDULE****GENERAL FUND**

For the Year Ended June 30, 2017

	BUDGET		ACTUAL	Variance
	ORIGINAL	FINAL		
<b>Expenditures</b>				
Current				
Instruction	\$ 81,652,492	\$ 82,907,154	\$ 81,144,559	\$ 1,762,595
Support Services				
Student Support Services	7,196,197	7,111,998	7,007,312	104,686
Instructional Staff Support Services	6,547,396	6,493,689	6,695,439	(201,750)
General Administration Services	1,268,680	1,554,659	1,509,523	45,136
School Administration Services	10,469,488	10,225,940	10,103,993	121,947
Business Services	2,432,930	2,400,530	2,190,479	210,051
Operations & Maintenance	12,549,913	12,471,009	11,858,699	612,310
Student Transportation	5,300,473	5,126,825	4,607,306	519,519
Other Support Services	8,436,343	8,684,985	8,450,016	234,969
Capital Outlay	-	-	588,004	(588,004)
Payments Made to Charter Schools				
Union Colony Preparatory School				
Per Pupil Revenue	3,641,444	3,290,761	3,286,019	4,742
Capital Construction	125,233	133,843	124,807	9,036
Other State and Local Funding	17,500	35,356	33,646	1,710
Union Colony Elementary School				
Per Pupil Revenue	3,031,683	3,056,724	3,056,083	641
Capital Construction	106,493	112,318	116,199	(3,881)
Other State and Local Funding	123,588	114,229	110,229	4,000
University Schools				
Per Pupil Revenue	12,743,251	12,684,993	12,682,236	2,757
Capital Construction	448,746	476,317	483,012	(6,695)
Other State and Local Funding	59,553	143,873	140,540	3,333
Frontier Academy				
Per Pupil Revenue	10,689,851	10,654,954	10,644,433	10,521
Capital Construction	375,725	400,151	403,713	(3,562)
Other State and Local Funding	36,618	96,419	92,918	3,501
Salida del Sol Academy				
Per Pupil Revenue	5,470,303	5,300,688	5,299,397	1,291
Capital Construction	173,000	196,212	196,026	186
Other State and Local Funding	184,570	245,671	237,171	8,500
West Ridge Academy				
Per Pupil Revenue	1,665,844	1,707,355	1,708,703	(1,348)
Capital Construction	57,175	60,988	67,332	(6,344)
Other State and Local Funding	6,812	15,615	14,616	999
<b>Total Expenditures</b>	<b>174,811,301</b>	<b>175,703,256</b>	<b>172,852,410</b>	<b>2,850,846</b>
Excess of Revenues				
Over (Under) Expenditures	1,641,125	2,030,873	6,885,512	4,854,639
<b>Other Financing Sources (Uses)</b>				
Capital Lease Issuance	-	-	106,959	106,959
Transfers Out				
Capital Reserve Fund	(1,500,000)	(2,000,000)	(2,000,000)	-
Platte Valley Youth Services Fund	(245,000)	(235,000)	(234,534)	466
<b>Total Other Operating Sources (Uses)</b>	<b>(1,745,000)</b>	<b>(2,235,000)</b>	<b>(2,127,575)</b>	<b>107,425</b>
NET CHANGE IN FUND BALANCE	(103,875)	(204,127)	4,757,937	4,962,064
<b>Fund Balance, Beginning</b>	<b>21,095,045</b>	<b>22,942,554</b>	<b>22,942,554</b>	<b>-</b>
<b>Fund Balance, Ending</b>	<b>\$ 20,991,170</b>	<b>\$ 22,738,427</b>	<b>\$ 27,700,491</b>	<b>\$ 4,962,064</b>

The accompanying Notes are an integral part of the Required Supplementary Information.

**BUDGETARY COMPARISON SCHEDULE**  
**SPECIAL REVENUE FUND**  
**Food Service Fund**  
**For the Year Ended June 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Local Sources	\$ 1,512,542	\$ 1,566,566	\$ 1,296,824	\$ (269,742)
State Sources	169,828	171,940	155,131	(16,809)
Federal Sources	8,208,964	8,231,292	8,230,203	(1,089)
Total Operating Revenues	<u>9,891,334</u>	<u>9,969,798</u>	<u>9,682,158</u>	<u>(287,640)</u>
<b>Operating Expenses</b>				
Support Services				
Operations & Maintenance	30,000	30,000	18,923	11,077
Food Service Operations	9,861,334	10,138,626	9,787,192	351,434
Capital Outlay	-	-	182,034	(182,034)
Total Expenditures	<u>9,891,334</u>	<u>10,168,626</u>	<u>9,988,149</u>	<u>180,477</u>
Net Change in Fund Balance	-	(198,828)	(305,991)	(107,163)
<b>Fund Balance, Beginning</b>	<u>1,800,371</u>	<u>2,155,234</u>	<u>2,155,234</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 1,800,371</u>	<u>\$ 1,956,406</u>	<u>\$ 1,849,243</u>	<u>\$ (107,163)</u>

The accompanying Notes are an integral part of the Required Supplementary Information.

**BUDGETARY COMPARISON SCHEDULE**  
**SPECIAL REVENUE FUND**  
**Designated Special Purpose Grants Fund**  
**For the Year Ended June 30, 2017**

	Budget		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Local Sources	\$ 1,250,000	\$ 1,250,000	\$ 1,221,088	\$ (28,912)
State Sources	1,500,000	1,500,000	901,297	(598,703)
Federal Sources	14,250,000	14,250,000	13,212,782	(1,037,218)
Total Revenues	<u>17,000,000</u>	<u>17,000,000</u>	<u>15,335,167</u>	<u>(1,664,833)</u>
<b>Expenditures</b>				
Current				
Instruction	8,662,941	9,605,000	7,458,256	2,146,744
Support Services				
Student Support	2,744,249	2,822,000	2,815,310	6,690
Instructional Staff Support	3,995,971	3,927,000	2,664,399	1,262,601
School Administration	494,596	68,000	777,682	(709,682)
Business Services	53,140	85,000	92,098	(7,098)
Operations & Maintenance	715,555	459,000	-	459,000
Student Transportation	331,945	34,000	75,954	(41,954)
Other Support Services	1,603	-	5,179	(5,179)
Capital Outlay	-	-	1,446,289	(1,446,289)
Total Expenditures	<u>17,000,000</u>	<u>17,000,000</u>	<u>15,335,167</u>	<u>1,664,833</u>
Net Change in Fund Balance	-	-	-	-
<b>Fund Balance, Beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying Notes are an integral part of the Required Supplementary Information.



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# Defined Benefit Pension Plan Schedules



**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
**Defined Benefit Pension Plan**  
 Last 10 Fiscal Years\*

	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
District's proportion (percentage) of the collective net pension liability (asset)	2.049445194%	2.049124817%	2.105033264%	2.177104391%
District's proportion share of the collective pension liability (asset)	\$ 610,199,086	\$ 313,399,174	\$ 285,302,715	\$ 277,689,077
Covered payroll	91,997,611	89,293,838	88,186,088	87,759,079
District's proportion share of the net pension liability (asset as a percentage of its covered payroll)	663.28%	350.98%	323.52%	316.42%
Plan fiduciary net pension as a percentage of the total pension liability	43.10%	59.20%	62.80%	64.06%

\* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2013 was not available.

**SCHEDULE OF CONTRIBUTIONS AND RELATED RATIOS**

Last 10 Fiscal Years\*

<b>As of June 30,</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Statorily required contributions	\$ 17,073,938	\$ 16,125,248	\$ 14,868,248	\$ 14,094,323
Contributions in relation to the statorily required contributions	17,073,938	16,125,248	14,868,248	14,094,323
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 92,891,778	\$ 90,960,297	\$ 88,105,663	\$ 88,202,085
Contribution as a percentage of covered payroll	18.38%	17.73%	16.88%	15.98%

\* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

## Notes to Required Supplementary Information

June 30, 2017

### NOTE 1 – BUDGET AND BUDGETARY ACCOUNTING

Annual budgets are established for all funds of the district as required by Colorado statutes. Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds.

Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budget amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Colorado law allows the Board of Education to review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. A supplemental budget may also be adopted if a school district is authorized to raise and expend local property tax revenues at a November election. Other amendments to the budget are allowed by law if money for specific purposes from other than ad valorem taxes subsequently becomes available.

Budget amounts included in the financial statements are based on the final budget as adopted by the Board of Education in January 2017. Original budgets for all funds were adopted by the Board of Education in June 2016. Budget appropriations lapse at the end of each fiscal year.

The following is a summary of the significant dates and procedures used in establishing budgeted data reflected in the financial statements.

- On or before June 1, the Superintendent submits to the Board of Education a proposed budget for the succeeding fiscal year. The budget includes proposed expenditures and the means of financing them.
- Within ten days after submission of the proposed budget, public notice is published stating the time and place of public hearing(s) to be conducted to obtain taxpayer comments on the budget prior to adoption.
- On or before June 30, the budget is adopted by formal resolution.
- On or before January 31, any changes to the budget are adopted by formal resolution.
- November 10, pupil count information is provided by school districts to the Colorado Department of Education, for use in determining the state funding level for the current fiscal year.
- December 15, school districts certify to county commissioners, copied to CDE, the mill levies for the various property tax-supported funds for the district.



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## **Supplementary Information**

Information included in this Supplementary Information Section of the document is designed to further explain and support the financial statements, including combining schedules. Also included in this section is budget-to-actual information for all funds of the District, as required by state law (except for the District's general fund, which is included in the Required Supplementary Information Section).

**BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL PROJECTS FUND**  
**Capital Projects Fund**  
**For the Year Ended June 30, 2017**

	Budget		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Investment Earnings	\$ -	\$ 10,000	\$ 20,552	\$ 10,552
Other	-	4,015,000	4,180,050	165,050
Total Revenues	-	4,025,000	4,200,602	175,602
<b>Expenditures</b>				
Current				
Support Services				
Operations & Maintenance	1,500,000	1,500,000	196,604	1,303,396
Capital Outlay	-	4,525,000	3,174,308	1,350,692
Total Expenditures	1,500,000	6,025,000	3,370,912	2,654,088
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,500,000)	(2,000,000)	829,690	2,829,690
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,500,000	2,000,000	2,000,000	-
Total Other Financing Sources (Uses)	1,500,000	2,000,000	2,000,000	-
Net Change in Fund Balance	-	-	2,829,690	2,829,690
<b>Fund Balance</b>	893,758	1,706,167	1,706,167	-
<b>Fund Balance, Ending</b>	\$ 893,758	\$ 1,706,167	\$ 4,535,857	\$ 2,829,690

**BUDGETARY COMPARISON SCHEDULE**  
**SPECIAL REVENUE FUND**  
**Platte Valley Youth Services Center Fund**  
**For the Year Ended June 30, 2017**

	Budget		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Local Sources	\$ 550,000	\$ 550,000	\$ 503,970	\$ (46,030)
State Sources	661,749	762,998	762,998	-
Total Revenues	1,211,749	1,312,998	1,266,968	(46,030)
<b>Expenditures</b>				
Current				
Instruction	1,141,879	1,233,128	1,186,761	46,367
Support Services				
Instructional Staff Support	44,480	44,480	45,170	(690)
School Administration	270,390	270,390	269,571	819
Total Expenditures	1,456,749	1,547,998	1,501,502	46,496
Excess (Deficiency) of Revenues Over (Under) Expenditures	(245,000)	(235,000)	(234,534)	466
<b>Other Financing Sources (Uses)</b>				
Transfers In	245,000	235,000	234,534	(466)
Total Other Financing Sources (Uses)	245,000	235,000	234,534	(466)
Net Change in Fund Balance	-	-	-	-
<b>Fund Balance, Beginning</b>	-	-	-	-
<b>Fund Balance, Ending</b>	\$ -	\$ -	\$ -	\$ -

**BUDGETARY COMPARISON SCHEDULE**  
**DEBT SERVICE FUND**  
**Bond Redemption Fund**  
**For the Year Ended June 30, 2017**

	Budget		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 9,780,397	\$ 10,020,763	\$ 10,340,426	\$ 319,663
Investment Earnings (Losses)	-	-	(10,680)	(10,680)
Total Revenues	<u>9,780,397</u>	<u>10,020,763</u>	<u>10,329,746</u>	<u>308,983</u>
<b>Expenditures</b>				
Debt Service				
Principal	8,037,294	8,037,294	8,037,294	-
Interest	1,483,963	1,483,963	1,483,963	-
Fiscal Charges	20,000	20,000	7,040	12,960
Total Expenditures	<u>9,541,257</u>	<u>9,541,257</u>	<u>9,528,297</u>	<u>12,960</u>
Net Change in Fund Balance	239,140	479,506	801,449	321,943
<b>Fund Balance, Beginning</b>	<u>12,495,446</u>	<u>12,572,191</u>	<u>12,572,191</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 12,734,586</u>	<u>\$ 13,051,697</u>	<u>\$ 13,373,640</u>	<u>\$ 321,943</u>

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
 For the Year Ended June 30, 2017

	Balances 6/30/2016	Additions	Deductions	Balances 6/30/2017
<b>Student Activity Funds</b>				
ASSETS				
Cash and Investments	\$ 1,162,726	\$ 1,827,649	\$ 1,698,338	\$ 1,292,037
<b>Total Assets</b>	<b>\$ 1,162,726</b>	<b>\$ 1,827,649</b>	<b>\$ 1,698,338</b>	<b>\$ 1,292,037</b>
LIABILITIES				
Accrued Liabilities				
Due to Third Parties	\$ 12,420	\$ 6,595	\$ 12,420	\$ 6,595
Due to Student Groups	1,150,306	1,821,054	1,685,918	1,285,442
<b>Total Liabilities</b>	<b>\$ 1,162,726</b>	<b>\$ 1,827,649</b>	<b>\$ 1,698,338</b>	<b>\$ 1,292,037</b>
<b>Scholarships</b>				
ASSETS				
Cash and Investments	\$ 112,980	\$ 311,318	\$ 3,801	\$ 420,497
<b>Total Assets</b>	<b>\$ 112,980</b>	<b>\$ 311,318</b>	<b>\$ 3,801</b>	<b>\$ 420,497</b>
LIABILITIES				
Accrued Liabilities				
Due to Student Groups	\$ 112,980	\$ 311,318	\$ 3,801	\$ 420,497
<b>Total Liabilities</b>	<b>\$ 112,980</b>	<b>\$ 311,318</b>	<b>\$ 3,801</b>	<b>\$ 420,497</b>
<b>Totals</b>				
ASSETS				
Cash and Investments	\$ 1,275,706	\$ 2,138,967	\$ 1,702,139	\$ 1,712,534
<b>Total Assets</b>	<b>\$ 1,275,706</b>	<b>\$ 2,138,967</b>	<b>\$ 1,702,139</b>	<b>\$ 1,712,534</b>
LIABILITIES				
Accrued Liabilities				
Due to Third Parties	\$ 12,420	\$ 6,595	\$ 12,420	\$ 6,595
Due to Student Groups	1,263,286	2,132,372	1,689,719	1,705,939
<b>Total Liabilities</b>	<b>\$ 1,275,706</b>	<b>\$ 2,138,967</b>	<b>\$ 1,702,139</b>	<b>\$ 1,712,534</b>



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## **Statistical Section**

The Statistical Section is provided to reflect social and economic data, financial trends and the fiscal capacity of the District.



## STATISTICAL SECTION

(Unaudited)

This component of the Weld County School District 6's *Comprehensive Annual Financial Report* presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<b>CONTENTS</b>	<b><u>PAGE</u></b>
<b><i>Financial Trends</i></b> - These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
<b>Net Position by Component</b>	89
<b>Changes in Net Position</b>	90
<b>Fund Balances, Governmental Funds</b>	94
<b>Changes in Fund Balances, Governmental Funds</b>	96
<b><i>Revenue Capacity</i></b> - These schedules contain information to help the reader understand and assess the factors affecting the District's most significant local revenue source, property taxes.	
<b>Assessed Value and Estimated Actual Value of Taxable Property</b>	98
<b>Direct and Overlapping Property Tax Rates</b>	99
<b>Principal Property Tax Payers</b>	100
<b>Property Tax Levies and Collections</b>	101
<b><i>Debt Capacity</i></b> - These schedules present information to help the reader understand and assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<b>Ratios of Outstanding Debt by Type</b>	102
<b>Ratios of General Bonded Debt Outstanding</b>	103
<b>Direct and Overlapping Governmental Activities Debt</b>	104
<b>Legal Debt Margin</b>	105
<b><i>Demographic and Economic Information</i></b> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
<b>Demographic and Economic Statistics</b>	106
<b>Principal Employers</b>	107
<b><i>Operating Information</i></b> - These tables contain service data to help the reader understand how the information in the financial report relates to the services the District provides and the activities it performs.	
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<b>Operating Statistics</b>	109
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<b>Miscellaneous Statistics</b>	112

***Data Source –***

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



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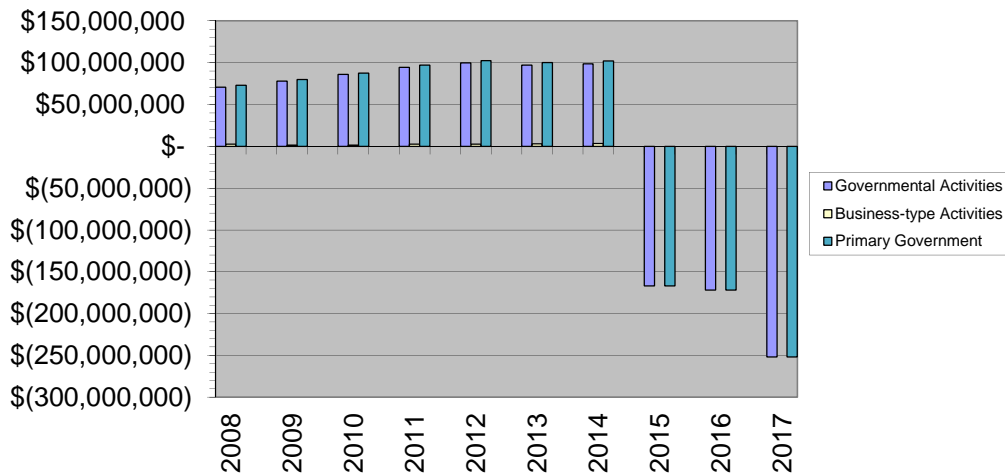


**Net Position by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 45,859,411	\$ 49,775,100	\$ 51,568,438	\$ 54,514,438	\$ 59,214,842	\$ 61,710,227	\$ 63,797,114	\$ 63,141,947	\$ 72,239,709	\$ 79,009,836
Restricted	13,346,241	12,828,006	17,428,506	16,664,358	16,339,056	19,657,212	16,785,141	19,880,453	21,428,949	20,765,141
Unrestricted	11,441,806	15,570,082	16,903,724	23,452,576	24,325,738	15,892,322	18,164,227	(250,068,131)	(265,436,628)	(351,765,113)
<b>Total Governmental Activities Net Position</b>	<b>\$ 70,647,458</b>	<b>\$ 78,173,188</b>	<b>\$ 85,900,668</b>	<b>\$ 94,631,372</b>	<b>\$ 99,879,636</b>	<b>\$ 97,259,761</b>	<b>\$ 98,746,482</b>	<b>\$ (167,045,731)</b>	<b>\$ (171,767,970)</b>	<b>\$ (251,990,136)</b>
<b>Business-Type Activities</b>										
Net investment in capital assets	\$ 1,321,492	\$ 1,254,613	\$ 1,204,347	\$ 1,245,087	\$ 1,216,154	\$ 1,337,189	\$ 1,461,111	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,121,549	335,181	415,783	1,176,350	1,303,406	1,524,811	2,051,185	-	-	-
<b>Total Business-Type Activities Net Position</b>	<b>\$ 2,443,041</b>	<b>\$ 1,589,794</b>	<b>\$ 1,620,130</b>	<b>\$ 2,421,437</b>	<b>\$ 2,519,560</b>	<b>\$ 2,862,000</b>	<b>\$ 3,512,296</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Primary Government</b>										
Net investment in capital assets	\$ 47,180,903	\$ 51,029,713	\$ 52,772,785	\$ 55,759,525	\$ 60,430,996	\$ 63,047,416	\$ 65,258,225	\$ 63,141,947	\$ 72,239,709	\$ 79,009,836
Restricted	13,346,241	12,828,006	17,428,506	16,664,358	16,339,056	19,657,212	16,785,141	19,880,453	21,428,949	20,765,141
Unrestricted	12,563,355	15,905,263	17,319,507	24,628,926	25,629,144	17,417,133	20,215,412	(250,068,131)	(265,436,628)	(351,765,113)
<b>Total Primary Government Net Position</b>	<b>\$ 73,090,499</b>	<b>\$ 79,762,982</b>	<b>\$ 87,520,798</b>	<b>\$ 97,052,809</b>	<b>\$ 102,399,196</b>	<b>\$ 100,121,761</b>	<b>\$ 102,258,778</b>	<b>\$ (167,045,731)</b>	<b>\$ (171,767,970)</b>	<b>\$ (251,990,136)</b>

Notes:  
 - Includes all non-fiduciary funds. (GAAP Basis).  
 - Beginning with fiscal year 2015, the Food Services Fund is reported within governmental activities.

**Net Position by Component**



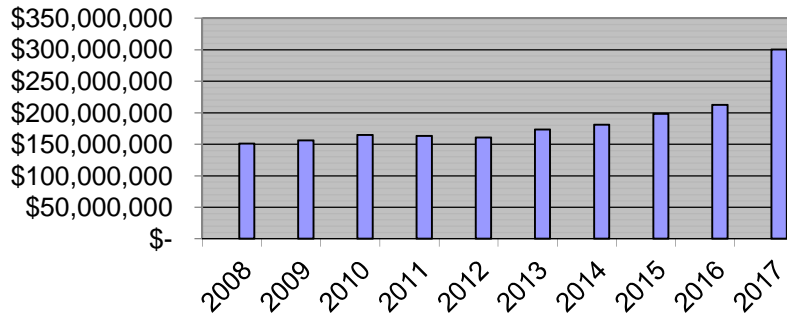
**Changes in Net Position  
Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental Activities:										
Instruction	\$ 87,491,834	\$ 76,569,456	\$ 78,981,334	\$ 77,201,295	\$ 77,036,400	\$ 81,884,496	\$ 82,507,578	\$ 88,992,272	\$ 96,103,662	\$ 148,378,668
Supporting services	51,241,267									
Student Support	-	7,131,266	7,960,525	7,968,395	7,415,277	7,974,868	8,195,770	9,142,147	9,714,310	15,477,975
Instructional Staff Support	-	9,733,475	10,865,333	10,876,074	10,121,123	10,884,909	11,044,378	11,099,857	11,674,959	14,881,871
General Administration	-	1,173,252	1,309,683	1,310,978	1,219,978	1,312,043	1,378,394	1,305,844	1,287,829	2,156,144
School Administration	-	8,207,382	9,161,777	9,170,835	8,534,251	9,178,284	9,423,385	10,322,803	11,081,811	18,949,844
Business Services	-	1,944,414	2,170,520	2,172,666	2,021,853	2,174,431	2,239,222	2,536,294	2,617,899	3,719,905
Operations & Maintenance	-	11,531,243	12,872,154	12,884,880	11,990,489	12,895,346	11,874,137	11,838,289	14,281,259	18,630,666
Student Transportation	-	3,907,372	4,361,740	4,366,053	4,062,987	4,369,599	5,027,523	5,164,592	5,153,426	8,031,063
Other Support	-	7,493,059	8,364,390	8,372,659	7,791,480	8,379,460	10,689,438	20,859,866	13,151,035	15,060,073
Food Service Operations	-	-	-	-	-	-	-	-	9,609,672	13,014,203
Payments to Charter Schools	-	16,450,618	17,329,543	18,338,342	19,399,551	22,758,184	27,144,958	33,323,907	35,797,138	40,712,507
Interest on long-term debt	5,588,956	4,468,579	4,249,856	4,017,439	3,772,242	3,504,652	2,923,488	3,738,663	1,946,531	1,754,895
<b>Total Government Activities Expenses</b>	<b>144,322,057</b>	<b>148,610,116</b>	<b>157,626,855</b>	<b>156,679,616</b>	<b>153,365,631</b>	<b>165,316,272</b>	<b>172,448,271</b>	<b>198,324,534</b>	<b>212,419,531</b>	<b>300,767,816</b>
Business-Type Activities:										
Food Service Operations	6,607,161	7,335,412	7,022,340	6,801,136	7,235,660	7,864,347	8,338,769	-	-	-
<b>Total Business-Type Activities Expense</b>	<b>6,607,161</b>	<b>7,335,412</b>	<b>7,022,340</b>	<b>6,801,136</b>	<b>7,235,660</b>	<b>7,864,347</b>	<b>8,338,769</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government Expenses</b>	<b>\$ 150,929,218</b>	<b>\$ 155,945,528</b>	<b>\$ 164,649,195</b>	<b>\$ 163,480,752</b>	<b>\$ 160,601,291</b>	<b>\$ 173,180,619</b>	<b>\$ 180,787,040</b>	<b>\$ 198,324,534</b>	<b>\$ 212,419,531</b>	<b>\$ 300,767,816</b>

Notes:

- Includes all non-fiduciary funds. (GAAP Basis)
- Beginning with fiscal year 2015, the Food Services Fund is reported within governmental activities.
- In 2015, Food Service Fund activities were reported in Other Support.
- Comparable data is not available for years prior to 2009.

**Total Primary Government Expenses**



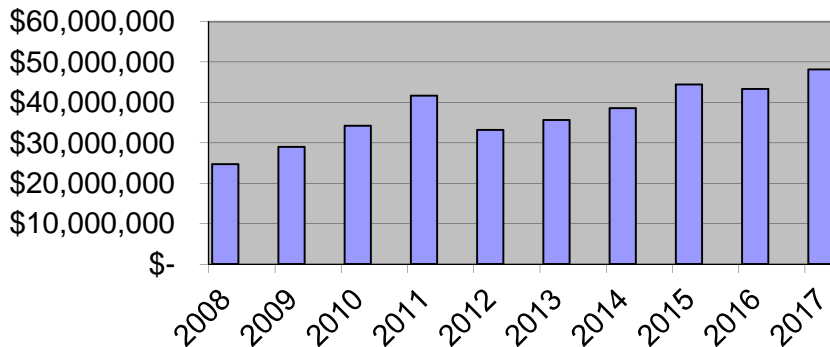
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for services	\$ 876,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Instruction	-	640,585	751,728	992,802	1,069,133	582,256	2,461,040	717,711	4,584,595	5,494,092
Supporting Services										
Student Support	-	-	-	-	-	-	-	-	2,869	120
Business Services	-	204,128	244,767	258,032	271,369	379,025	9,252	-	879,165	427,697
Operations & Maintenance	-	-	-	-	-	-	-	238,458	398,032	4,294,199
Student Transportation	-	-	-	-	-	-	-	467,081	5,063	4,193
Other Support	-	2,446,880	2,934,026	3,093,039	3,252,902	4,496,012	5,026,408	7,111,130	477,303	241,523
Food Service Operations	-	-	-	-	-	-	-	-	1,153,991	527,585
Operating grants & contributions	17,834,656	-	-	-	-	-	-	-	-	-
Instruction	-	11,495,285	11,204,781	16,291,986	12,611,807	11,448,200	11,940,839	15,348,629	15,693,243	15,461,680
Supporting Services										
Student Support	-	2,704,116	4,208,638	4,696,619	3,043,335	3,702,541	6,654,553	6,673,791	6,664,695	7,010,160
Instructional Staff Support	-	3,304,124	5,142,480	5,738,737	3,718,610	4,524,086	1,640,261	1,823,779	1,880,095	2,467,857
School Administration	-	525,782	818,317	913,199	591,739	719,913	557,558	502,337	210,654	134,164
Business Services	-	31,990	49,789	55,562	36,003	43,802	-	-	-	-
Operations & Maintenance	-	110,667	172,240	192,211	124,550	151,528	25,679	518,735	547,250	364,553
Student Transportation	-	993,083	1,545,618	1,724,828	1,117,661	1,359,754	1,217,209	1,323,357	1,410,854	1,165,097
Other Support	-	48,280	75,144	83,856	54,337	66,107	51,191	8,870,977	-	-
Food Service Operations	-	-	-	-	-	-	-	-	8,133,715	9,159,751
Capital grants & contributions										
Supporting Services								828,129	1,286,434	1,391,089
Other Support	-	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 18,711,402</b>	<b>\$ 22,504,920</b>	<b>\$ 27,147,528</b>	<b>\$ 34,040,871</b>	<b>\$ 25,891,446</b>	<b>\$ 27,473,224</b>	<b>\$ 29,583,990</b>	<b>\$ 44,424,114</b>	<b>\$ 43,327,958</b>	<b>\$ 48,143,760</b>
<b>Business-Type Activities:</b>										
Charges for services	\$ 1,406,489	\$ 1,319,275	\$ 1,369,357	\$ 1,410,357	\$ 1,192,002	\$ 1,139,685	\$ 1,087,782	\$ -	\$ -	\$ -
Operating grants & contributions	4,581,178	5,158,087	5,683,319	6,192,086	6,141,781	7,067,102	7,901,283	-	-	-
<b>Total Business-Type Activities</b>	<b>\$ 5,987,667</b>	<b>\$ 6,477,362</b>	<b>\$ 7,052,676</b>	<b>\$ 7,602,443</b>	<b>\$ 7,333,783</b>	<b>\$ 8,206,787</b>	<b>\$ 8,989,065</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Primary Government Revenues</b>	<b>\$ 24,699,069</b>	<b>\$ 28,982,282</b>	<b>\$ 34,200,204</b>	<b>\$ 41,643,314</b>	<b>\$ 33,225,229</b>	<b>\$ 35,680,011</b>	<b>\$ 38,573,055</b>	<b>\$ 44,424,114</b>	<b>\$ 43,327,958</b>	<b>\$ 48,143,760</b>
<b>Net (Expense) Revenue</b>										
Governmental activities	\$ (125,610,655)	\$ (126,105,196)	\$ (130,479,327)	\$ (122,638,745)	\$ (127,474,185)	\$ (137,843,048)	\$ (142,864,281)	\$ (153,900,420)	\$ (169,091,574)	\$ (252,624,056)
Business-type activities	(619,494)	(858,050)	30,336	801,307	98,123	342,440	650,296	-	-	-
<b>Total Primary Government Net Expense</b>	<b>\$ (126,230,149)</b>	<b>\$ (126,963,246)</b>	<b>\$ (130,448,991)</b>	<b>\$ (121,837,438)</b>	<b>\$ (127,376,062)</b>	<b>\$ (137,500,608)</b>	<b>\$ (142,213,985)</b>	<b>\$ (153,900,420)</b>	<b>\$ (169,091,574)</b>	<b>\$ (252,624,056)</b>

Notes:

- Beginning with fiscal year 2015, the Food Services Fund is reported within governmental activities
- Comparable data is not available for years prior to 2009.

**Total Primary Government Program Revenues**

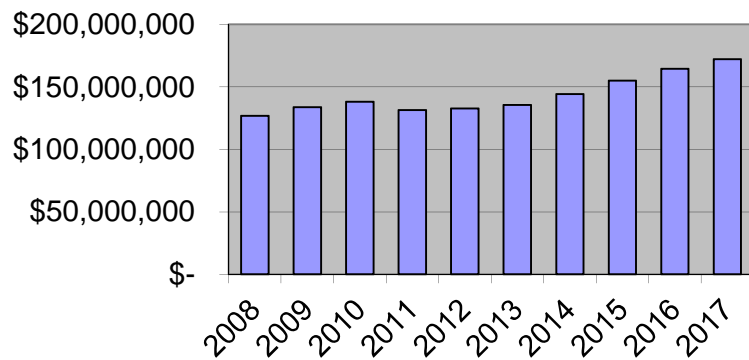


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**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Revenues</b>										
Governmental Activities:										
Property taxes	\$ 36,477,221	\$ 37,320,028	\$ 37,542,000	\$ 35,201,582	\$ 35,961,514	\$ 37,170,624	\$ 36,760,286	\$ 36,931,969	\$ 40,876,489	\$ 42,411,975
Specific ownership taxes	3,627,747	3,200,356	2,656,089	2,383,024	2,437,108	2,795,387	2,983,658	3,019,784	2,551,459	3,215,524
State equalization	83,479,091	90,692,761	96,144,664	91,422,669	91,912,020	93,313,858	102,114,143	112,570,176	117,590,043	123,550,014
Investment earnings	962,278	440,044	64,665	388,004	218,001	72,320	247,234	140,996	238,304	7,697
Other revenues	2,324,750	1,977,736	1,799,389	1,974,170	2,193,806	2,232,838	2,245,681	2,375,352	3,113,100	3,216,620
<b>Total Governmental Activities</b>	<b>\$ 126,871,087</b>	<b>\$ 133,630,925</b>	<b>\$ 138,206,807</b>	<b>\$ 131,369,449</b>	<b>\$ 132,722,449</b>	<b>\$ 135,585,027</b>	<b>\$ 144,351,002</b>	<b>\$ 155,038,277</b>	<b>\$ 164,369,395</b>	<b>\$ 172,401,830</b>
Business-Type Activities:										
Investment earnings	\$ 60,114	\$ 4,803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution of assets	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>\$ 60,114</b>	<b>\$ 4,803</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Primary Government</b>	<b>\$ 126,931,201</b>	<b>\$ 133,635,728</b>	<b>\$ 138,206,807</b>	<b>\$ 131,369,449</b>	<b>\$ 132,722,449</b>	<b>\$ 135,585,027</b>	<b>\$ 144,351,002</b>	<b>\$ 155,038,277</b>	<b>\$ 164,369,395</b>	<b>\$ 172,401,830</b>
<b>Change in Net Position</b>										
Governmental Activities	1,260,432	7,525,729	7,727,480	8,730,704	5,248,264	(2,258,021)	1,486,721	1,137,857	(4,722,179)	(80,222,226)
Business-Type Activities	(559,380)	(853,247)	30,336	801,307	98,123	342,440	650,296	-	-	-
<b>Total Primary Government</b>	<b>\$ 701,052</b>	<b>\$ 6,672,482</b>	<b>\$ 7,757,816</b>	<b>\$ 9,532,011</b>	<b>\$ 5,346,387</b>	<b>\$ (1,915,581)</b>	<b>\$ 2,137,017</b>	<b>\$ 1,137,857</b>	<b>\$ (4,722,179)</b>	<b>\$ (80,222,226)</b>

**Total Primary Government General Revenues**



**Fund Balances, Governmental Funds  
Last Ten Fiscal Years**

*(modified accrual basis of accounting)*

	2008	2009	2010	2011
General fund				
Nonspendable	\$ -	\$ -	\$ 211,934	\$ 238,145
Restricted	-	-	6,313,572	6,101,639
Committed	-	-	6,469,942	6,485,363
Assigned	-	-	-	-
Unassigned	-	-	8,644,525	14,683,873
Reserved	4,154,226	3,425,188	-	-
Unreserved	9,750,591	14,162,205	-	-
Total general fund	<u>\$ 13,904,817</u>	<u>\$ 17,587,393</u>	<u>\$ 21,639,973</u>	<u>\$ 27,509,020</u>
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted, reported in:				
Debt Service Fund	-	-	9,767,284	9,264,107
Food Service Fund	-	-	-	-
Capital Projects Funds				
Assigned, reported in:				
Capital Projects Funds	-	-	4,470,475	4,719,745
Reserved	-	-	-	-
Unassigned, reported in:				
Special Revenue Funds	2,695,699	3,095,261	-	-
Debt Service Funds	9,430,419	9,540,073	-	-
Capital Projects Funds	424,299	-	-	-
Total all other governmental funds	<u>\$ 12,550,417</u>	<u>\$ 12,635,334</u>	<u>\$ 14,237,759</u>	<u>\$ 13,983,852</u>

## NOTES:

## Redemption

Fund; Special Revenue - Designated Special Purpose Grant Fund, Platte Valley Youth Detention Center Fund, and Building Corporation Fund (*fund dissolved in 2009*); Capital Projects - Capital Projects Fund and Building Corporation

- GASB 54 was implemented in the District's financial statements in 2010.

Schedule 3

Schedule 3 (continued)

		Fiscal Year									
		2012	2013	2014	2015	2016	2017				
\$	1,250,263	\$	137,747	\$	105,766	\$	159,198	\$	176,932	\$	227,621
	4,959,457		5,862,437		5,146,506		5,537,083		6,750,584		5,768,597
	5,499,944		4,220,860		4,408,802		4,774,086		5,064,081		5,463,479
	-		-		-		-		-		-
	17,787,702		13,529,509		11,129,046		10,719,452		10,950,957		16,240,794
	-		-		-		-		-		-
	-		-		-		-		-		-
\$	<u>29,497,366</u>	\$	<u>23,750,553</u>	\$	<u>20,790,120</u>	\$	<u>21,189,819</u>	\$	<u>22,942,554</u>	\$	<u>27,700,491</u>
\$	-	\$	-	\$	-	\$	-	\$	235,411	\$	183,486
	9,880,107		10,970,934		11,638,635		12,093,175		12,572,191		13,373,434
	-		-		-		2,465,726		1,919,823		1,665,963
							958,858		-		-
	4,093,696		1,038,513		2,658,459		2,314,900		1,706,167		4,535,857
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
\$	<u>13,973,803</u>	\$	<u>12,009,447</u>	\$	<u>14,297,094</u>	\$	<u>17,832,659</u>	\$	<u>16,433,592</u>	\$	<u>19,758,740</u>

Schedule 4

**Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years**

*(modified accrual basis of accounting)*

	Fiscal Year			
	2008	2009	2010	2011
<b>Revenues</b>				
Local sources	\$ 45,670,100	\$ 46,418,973	\$ 46,386,898	\$ 44,450,584
State sources	89,418,149	97,647,432	102,663,129	97,937,817
Federal sources	11,669,569	12,069,441	16,304,308	22,843,590
<b>Total Revenues</b>	<b>\$ 146,757,818</b>	<b>\$ 156,135,846</b>	<b>\$ 165,354,335</b>	<b>\$ 165,231,991</b>
<b>Expenditures</b>				
Governmental Activities				
Instruction	\$ 73,272,323	\$ 76,039,639	\$ 79,217,046	\$ 77,271,592
Supporting services				
Student Support Services	7,102,761	6,522,400	8,418,861	9,830,344
Instructional Staff Support Services	9,382,370	8,582,100	10,568,750	9,762,730
General Administration Services	761,763	793,607	1,099,030	1,069,410
School Administration Services	7,997,830	8,464,854	9,270,699	8,384,757
Business Services	1,621,532	1,438,794	1,984,073	1,922,579
Operations & Maintenance	11,790,226	11,897,842	12,021,015	11,080,733
Student Transportation	3,767,127	3,787,553	3,992,743	4,009,486
Other Support Services	6,293,753	5,769,440	5,831,767	6,907,034
Food Service Operations	-	-	-	-
Payments to Charter Schools				
Union Colony Preparatory School	-	2,665,406	2,675,658	2,715,931
Union Colony Elementary School	-	-	-	-
University Schools	-	6,798,232	7,228,223	7,862,054
Frontier Academy	-	6,986,980	7,425,661	7,760,357
Salida del Sol Academy	-	-	-	-
West Ridge Academy	-	-	-	-
Debt Service				
Principal	5,210,000	5,445,000	5,285,000	5,540,000
Interest and fiscal charges	4,603,916	4,386,420	4,170,100	3,934,663
Capital Outlay	1,616,498	2,493,349	510,704	1,435,181
<b>Total Expenditures</b>	<b>\$ 133,420,099</b>	<b>\$ 152,071,616</b>	<b>\$ 159,699,330</b>	<b>\$ 159,486,851</b>
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources - Capital Leases	\$ -	\$ -	\$ -	\$ -
Transfers in	5,823,561	3,566,986	3,399,405	2,340,000
Transfers out	(19,191,268)	(3,863,723)	(3,399,405)	(2,470,000)
Sale of bonds	-	-	-	-
Bond refunding escrow agent	-	-	-	-
Premium on bonds	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (13,367,707)</b>	<b>\$ (296,737)</b>	<b>\$ -</b>	<b>\$ (130,000)</b>
Net Change in Fund Balances	(29,988)	3,767,493	5,655,005	5,615,140
<b>Fund Balance - Beginning</b>	<b>27,231,999</b>	<b>26,455,234</b>	<b>30,222,727</b>	<b>35,877,732</b>
<b>Prior Period Adjustment</b>	<b>(746,777)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 26,455,234</b>	<b>\$ 30,222,727</b>	<b>\$ 35,877,732</b>	<b>\$ 41,492,872</b>
Debt Service as a percentage of noncapital expenditures	7.45%	6.57%	5.94%	5.99%

## NOTES:

- Beginning in Fiscal Year Ending June 30, 2009, payments to charter schools are reflected as an expenditure. Prior to 2009, these payments were reflected as transfers.

Schedule 4 (continued)

Fiscal Year						
2012	2013	2014	2015	2016	2017	
\$ 45,823,435	\$ 48,306,892	\$ 48,477,271	\$ 52,385,632	\$ 55,321,632	\$ 61,838,524	
98,595,275	101,061,902	111,780,453	125,372,483	131,238,597	137,271,054	
14,005,975	13,360,726	13,118,565	21,380,256	20,918,081	21,442,985	
<u>\$ 158,424,685</u>	<u>\$ 162,729,520</u>	<u>\$ 173,376,289</u>	<u>\$ 199,138,371</u>	<u>\$ 207,478,310</u>	<u>\$ 220,552,563</u>	
\$ 76,956,028	\$ 81,645,951	\$ 81,965,892	\$ 84,175,947	\$ 89,279,191	\$ 89,789,576	
8,039,765	7,974,868	8,171,791	8,684,037	9,059,895	9,822,622	
9,614,098	10,884,909	11,034,277	10,555,613	10,918,153	9,405,008	
1,171,234	1,312,043	1,378,394	1,246,199	1,231,221	1,509,523	
8,287,435	9,178,284	9,423,385	9,735,472	10,240,692	11,151,246	
1,768,640	2,117,456	2,043,866	2,348,990	2,378,271	2,282,577	
10,378,642	10,766,561	11,751,577	11,455,371	12,078,126	12,074,226	
3,962,403	4,369,599	4,734,647	4,616,143	4,472,481	4,683,260	
5,755,904	6,098,723	6,688,570	16,627,231	8,986,632	8,455,195	
-	-	-	-	9,271,809	9,787,192	
2,639,790	2,709,003	3,201,182	3,335,913	3,477,013	3,444,472	
-	2,327,815	2,654,287	2,781,233	2,938,808	3,282,511	
7,859,374	8,098,559	11,182,608	11,821,606	12,424,608	13,305,788	
7,836,189	8,419,720	8,989,978	9,739,522	10,447,459	11,141,064	
-	-	-	4,203,926	4,974,254	5,732,594	
1,064,198	1,203,087	1,116,903	1,441,707	1,534,996	1,790,651	
5,745,000	6,020,000	6,612,358	6,973,183	7,532,597	8,037,294	
3,694,475	3,525,653	3,343,403	3,266,147	1,694,771	1,491,007	
1,867,113	3,806,178	931,915	4,760,412	4,183,664	5,390,635	
<u>\$ 156,640,288</u>	<u>\$ 170,458,409</u>	<u>\$ 175,225,033</u>	<u>\$ 197,768,652</u>	<u>\$ 207,124,641</u>	<u>\$ 212,576,441</u>	
\$ 193,900	\$ 17,720	-	-	-	106,959	
1,303,214	258,669	1,121,503	976,385	973,018	2,234,534	
(1,303,214)	(258,669)	(1,121,503)	(976,385)	(973,018)	(2,234,534)	
-	-	-	48,085,000.00	-	-	
-	-	-	(48,075,987.00)	-	-	
-	-	-	243,420.00	-	-	
<u>\$ 193,900</u>	<u>\$ 17,720</u>	<u>\$ -</u>	<u>\$ 252,433</u>	<u>\$ -</u>	<u>\$ 106,959</u>	
1,978,297	(7,711,169)	(1,848,744)	1,622,152	353,669	8,083,081	
41,492,872	43,471,169	35,760,000	37,400,326	39,022,482	39,376,150	
-	-	1,175,958	-	-	-	
<u>\$ 43,471,169</u>	<u>\$ 35,760,000</u>	<u>\$ 35,087,214</u>	<u>\$ 39,022,478</u>	<u>\$ 39,376,150</u>	<u>\$ 47,459,231</u>	
6.10%	5.73%	5.71%	5.31%	4.50%	4.53%	

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

Year	Vacant Property	Residential Property	Commercial Property	Industrial Property	Other Property (2)	Less: Tax-Exempt Property	Total Taxable Assessed Value (1)	Total Direct Tax Rate (1)	Estimated Actual Taxable Value (1)	Value as a Percentage of Actual Value
2008	23,318,950	369,317,320	306,183,180	28,050,860	144,052,770	155,664,620	1,007,525,550	36.922	7,400,996,716	13.61%
2009	22,775,660	398,220,390	353,155,080	42,285,150	198,541,931	172,484,810	1,014,978,211	36.600	6,782,985,086	14.96%
2010	22,433,530	399,211,640	346,671,750	43,026,600	134,696,482	179,897,780	946,040,002	36.634	6,745,577,164	14.02%
2011	19,510,210	377,264,970	334,133,750	44,419,870	178,482,850	189,437,850	953,811,650	37.104	6,488,639,062	14.70%
2012	18,643,570	378,344,940	367,535,260	49,471,250	159,603,700	211,498,000	973,598,720	37.856	6,634,517,334	14.67%
2013	15,485,810	373,442,370	325,115,070	103,014,450	140,546,959	211,033,880	957,604,659	38.112	6,601,276,161	14.51%
2014	15,123,320	376,025,190	328,467,070	157,926,390	103,351,260	212,454,100	980,893,230	38.175	6,869,243,365	14.28%
2015	17,747,030	467,662,270	343,008,820	153,114,190	174,535,840	230,337,570	1,156,068,150	37.880	8,160,107,459	14.17%
2016	15,798,590	478,591,930	345,298,270	193,592,100	132,039,500	233,895,640	1,165,320,390	36.003	8,415,594,305	13.85%
2017	20,078,240	564,576,340	396,990,910	248,207,370	319,791,060	244,273,760	1,453,782,050	36.335	10,757,101,168	13.51%

Source: Weld County Assessor's Office.

Notes:

- Preliminary assessed values as of August of each tax year are presented for each property category.
- (1) Final assessed values as of December may not agree with the August preliminary values. Final assessed values provided by the Weld County Assessor's Office.
- (2) Other Property includes agricultural property, natural resources, oil and gas, and state assessed property.

**Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Tax Years**  
*(rate per \$1,000 of assessed value)*

Collection Year	Weld County School District 6			Overlapping Rates (2)			Total District & Overlapping Rates
	General Fund	Bond Redemption Fund	Total District	Total Cities and Towns	Total County	Total Special Districts (1)	
2008	27.120	9.802	36.922	70.079	16.804	91.188	214.993
2009	27.101	9.499	36.600	75.265	16.804	114.555	243.224
2010	27.187	9.447	36.634	73.273	16.804	107.330	234.041
2011	27.665	9.439	37.104	78.978	16.804	129.745	262.631
2012	27.244	10.612	37.856	80.597	16.804	140.684	275.941
2013	27.204	10.908	38.112	70.560	16.804	130.927	256.403
2014	27.027	11.148	38.175	74.918	16.804	181.092	310.989
2015	27.165	10.715	37.880	74.501	15.800	187.928	316.109
2016	27.440	8.563	36.003	74.584	15.800	286.046	412.433
2017	27.493	8.842	36.335	74.584	15.800	285.503	412.222

Source: Weld County Assessor's Office

Notes:

(1) This represents the gross millage of all special taxing entities within the District boundaries. The total is not representative of the mill levy assessed to an individual taxpayer.

(2) Overlapping rates are those of local and county governments that apply to property owners within the Weld County School District boundaries. Not all overlapping rates apply to all District property owners; for example, although the county property taxes apply to all District property owners, only the city in which the property owner resides would apply.

Schedule 7

**Principal Property Tax Payers  
June 30, 2017  
Current Year and Nine Years Ago**

Taxpayer	2017			2008		
	Rank	Taxable Assessed Value	Percent of Total Taxable Assessed Value	Rank	Taxable Assessed Value	Percent of Total Taxable Assessed Value
Bayswater Exploration and Production LLC	9	\$ 11,782,440	0.81%			
Comcast of Colorado LLC				10	\$ 6,136,130	0.52%
DCP Lucerne 2 Plant LLC	3	53,922,720	3.71%			
DCP Midstream LP				6	9,322,450	0.78%
Extraction Oil & Gas, LLC	2	60,808,960	4.18%			
Greeley Mall / GKD Fund LLC				7	8,787,800	0.74%
JBS USA LLC	10	11,741,640	0.81%			
Kerr McGee Gathering, LLC				1	47,482,070	3.99%
Kerr McGee Oil & Gas Onshore, LP				4	13,848,100	1.16%
Leprino Foods Company	1	89,951,400	6.19%			
Mineral Resources, Inc.				5	10,251,160	0.86%
Noble Energy	4	30,546,320	2.10%	2	39,156,720	3.29%
PDC Energy	7	15,447,310	1.06%			
Public Service Co. of Colorado (Xcel)	5	26,126,950	1.80%			
Qwest Corp	6	15,492,900	1.07%	3	14,693,900	1.23%
Swift Foods Company				8	7,379,560	0.62%
Synergy Resources Corporation	8	13,540,360	0.93%			
Wal-Mart Property Tax Department				9	6,415,210	0.54%
Remaining Assessed Valuation		\$ 1,124,421,050	77.34%		\$ 1,027,628,600	86.28%
Total Assessed Valuation		\$ 1,453,782,050	100.00%		\$ 1,191,101,700	100.00%

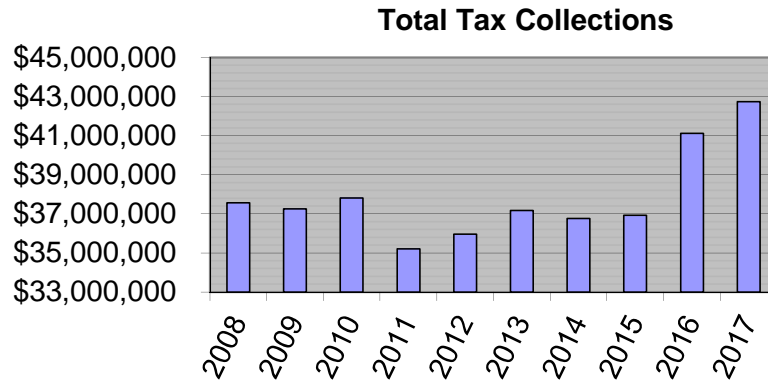
Source: Weld County Assessor's Office

Schedule 8

**Property Tax Levies and Collections,  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied For the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy (2)
2008	37,812,958	37,513,420	99.21%	44,180	37,557,600	99.32%
2009	37,199,858	37,156,519	99.88%	93,866	37,250,385	100.14%
2010	37,540,638	37,337,305	99.46%	468,979	37,806,284	100.71%
2011	35,266,137	34,615,075	98.15%	586,507	35,201,582	99.82%
2012	36,066,295	35,679,760	98.93%	281,754	35,961,514	99.71%
2013	38,535,765	36,935,393	95.85%	235,231	37,170,624	96.46%
2014	38,327,647	36,704,263	95.76%	56,023	36,760,286	95.91%
2015	40,873,515	36,749,739	89.91%	182,227	36,931,966	90.36%
2016	45,435,344	41,085,749	90.43%	27,509	41,113,258	90.49%
2017	45,919,422	42,216,337	91.94%	521,600	42,737,937	93.07%

Source: School District financial records and Weld County Treasurer's Office



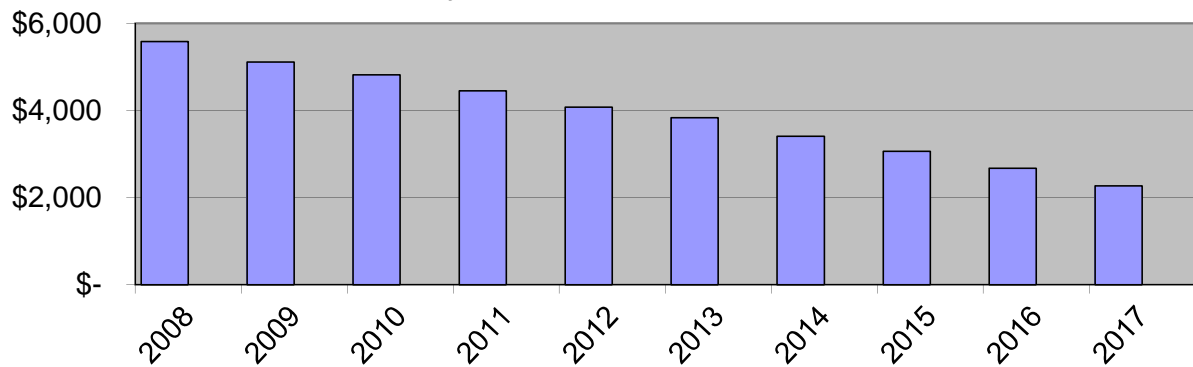
**Ratios of Outstanding Debt by Type,  
Last Ten Tax Years**

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita	Per Student
	General Obligation Bonds	Premiums	Capital Leases				
2008	97,975,000	3,761,036	-	101,736,036	3.27%	892	5,582
2009	92,530,000	3,407,458	-	95,937,458	3.02%	872	5,304
2010	87,245,000	3,053,880	-	90,298,880	3.20%	761	4,989
2011	81,705,000	2,700,302	344,205	84,749,507	2.51%	715	4,597
2012	75,960,000	2,346,724	441,462	78,748,186	2.66%	658	4,200
2013	78,117,991	1,993,146	324,273	80,435,410	2.39%	689	3,935
2014	71,505,633	1,286,467	183,675	72,975,775	2.02%	612	3,469
2015	66,652,450	351,724	34,152	67,038,326	1.69%	568	3,081
2016	59,119,853	196,802	2,846	59,319,501	1.82%	492	2,682
2017	51,082,559	41,881	106,959	51,231,399	0.97%	414	2,272

Notes:

- Details regarding the District's outstanding debt can be found in the notes to the financial statements.
- Lease revenue bonds are included in the governmental activities general obligation bonds.
- Personal income, population, and student data may be found at Schedule 13.

**Total Primary Government Debt Per Student**



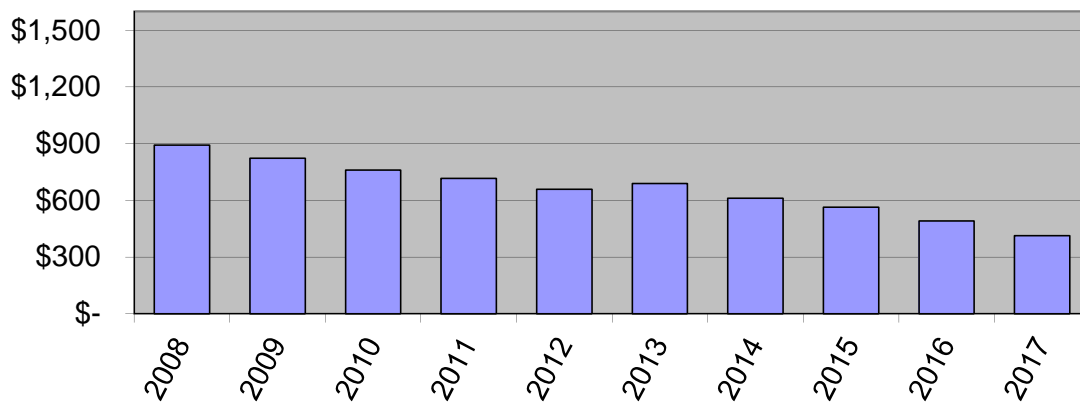
**Ratios of General Bonded Debt Outstanding  
Last Ten Tax Years**

Fiscal Year	General Obligation Bonds	Premiums	Percentage of Estimated Actual Value of Taxable Property	Per Capita	Per Student
2008	97,975,000	3,761,036	1.32%	892	5,582
2009	92,530,000	3,407,458	1.36%	822	5,115
2010	87,245,000	3,053,880	1.29%	760	4,821
2011	81,705,000	2,700,302	1.26%	714	4,432
2012	75,960,000	2,346,724	1.14%	654	4,051
2013	78,117,991	1,993,146	1.18%	685	3,822
2014	71,505,633	1,286,467	1.04%	611	3,399
2015	66,652,450	351,724	0.82%	564	3,063
2016	59,119,853	196,802	0.70%	491	2,673
2017	51,082,559	41,881	0.47%	413	2,266

Notes:

- Details regarding the District's outstanding debt can be found in the notes to the financial statements.
- See Schedule 5 for property value data.
- Personal income and population data may be found at Schedule 13.

**General Obligation Debt Per Capita**



**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2017**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to The District	Estimated Share of Overlapping Debt Outstanding
<b>Overlapping Debt:</b>			
Central Colorado Water	\$ 27,015,000	3.13%	\$ 845,570
Central Colorado Water Subdistrict	13,498,925	2.95%	398,218
Central Colorado Water Well	15,192,163	0.21%	31,904
Eaton Fire Protection District	577,902	9.50%	54,901
Evans Fire Protection District	455,000	8.74%	39,767
High Plains Library	3,145,000	100.00%	3,145,000
Homestead Metro Taxing Authority	460,214	0.03%	138
Kersey, Town of	1,097,596	0.75%	8,232
Milliken Fire	127,605	1.29%	1,646
Milliken, Town of	1,555,000	0.03%	467
Platte Valley Fire Protection	8,834,275	0.75%	66,257
<b>Total Overlapping Debt</b>	<u>71,958,680</u>		<u>4,592,099</u>
<b>Direct Debt:</b>			
Weld County School District 6 direct debt	51,082,559	100%	51,082,559
Premiums	41,881	100%	41,881
Capital Leases	106,959	100%	2,846
<b>Total District Direct Debt</b>	<u>\$ 51,231,399</u>		
		<b>Total Direct and Overlapping Debt</b>	<u>\$ 55,719,385</u>

Source: Debt outstanding provided by each individual taxing district.

Notes:

- Includes only general obligation debt supported by general property taxes.
- The information related to the estimated percentage applicable to the district was provided by the Weld County Assessor's Office. These rates were in existence at June 30, 2017.

**Legal Debt Margin Information**

**Legal Debt Margin Calculation for Fiscal Year 2017**

	Assessed Value	Actual Value
Assessed or estimated actual value	\$ 1,453,782,050	\$ 10,757,101,168
Legal debt limit percentage	25%	6%
Legal debt limit (greater of the two amounts)	<u>\$ 363,445,513</u>	<u>\$ 645,426,070</u>
Amount of debt applicable to debt limit:		
Total bonded debt		51,082,559
Less: Debt Service Fund available		<u>13,373,640</u>
Total amount of debt applicable to debt limit		<u>\$ 37,708,919</u>
<b>Legal Debt Margin</b>		<u><u>\$ 607,717,151</u></u>

Source: Weld County School District 6 Finance Department

**Ten Year Summary**

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a % of Debt Limit
2008	444,059,803	88,937,137	355,122,666	20.0%
2009	406,979,105	82,989,927	323,989,178	20.4%
2010	404,734,630	77,477,716	327,256,914	19.1%
2011	389,318,344	72,440,893	316,877,451	18.6%
2012	398,071,040	66,079,893	331,991,147	16.6%
2013	396,076,570	67,147,057	328,929,513	17.0%
2014	412,154,602	60,733,506	351,421,096	14.7%
2015	489,606,448	54,254,644	435,351,804	11.1%
2016	504,935,658	46,547,661	458,387,997	9.2%
2017	645,426,070	37,708,919	607,717,151	5.8%

Source: Weld County School District 6 records

Note:

- Under the Colorado Public School Finance Act of 1994, the limitation on bonded indebtedness is the greater of 25 percent of assessed value or 6 percent of actual value.

**Demographic and Economic Statistics  
Last Ten Fiscal Years**

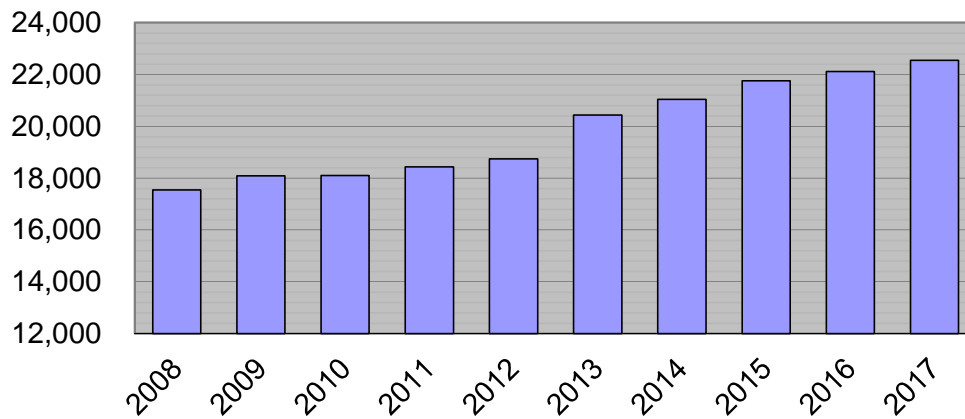
Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	FTE Student Enrollment	Unemployment Rate
2008	109,834	2,991,658	27,238	29.9	17,553	6.30%
2009	112,530	3,065,092	27,238	30.1	18,089	8.60%
2010	114,832	2,731,623	23,788	32.1	18,098	9.80%
2011	114,468	3,262,681	28,503	32.6	18,437	9.20%
2012	116,178	2,873,314	24,732	33.6	18,749	8.30%
2013	114,119	3,288,567	28,817	33.8	20,440	5.40%
2014	117,093	3,551,150	29,986	33.9	21,037	7.10%
2015	118,079	3,943,012	33,393	34.0	21,760	3.80%
2016	120,459	3,258,055	27,047	33.8	22,120	2.10%
2017	123,547	5,286,205	42,787	33.9	22,547	(1)

Sources: Upstate Colorado Economic Development and State of Colorado Division of Local Government, State Demography Office.

Notes:

(1) Figures not available at time of publication.

**Student Enrollment**



Schedule 14

**Principal Employers  
Current Year and Ten Years Ago**

Employer	2017			2008		
	Rank	Number of Employees	Percentage of Total City Employment	Rank	Number of Employees	Percentage of Total City Employment
Aims Community College				9	745	1.52%
Banner Health	2	3,600	5.41%			
City of Greeley	8	812	1.22%	6	1,306	2.67%
Halliburton Energy Services	10	700	1.05%			
JBS Swift and Company	1	4,520	6.79%	1	3,650	7.47%
North Colorado Medical Center				2	2,700	5.53%
Startek USA				7	906	1.85%
State Farm Insurance Companies	7	1,300	1.95%	5	1,322	2.71%
TeleTech	9	780	1.17%			
University of Northern Colorado	4	1,623	2.44%			
Vestas	3	2,570	3.86%			
Wal-Mart Stores, Inc.				10	636	1.30%
Wal-Mart Super Center				8	856	1.75%
Weld County Government	5	1,615	2.43%	4	1,490	3.05%
Weld County School District 6	6	1,609	2.42%	3	2,307	4.72%
<b>Total Principal Employers</b>		<u>19,129</u>	28.73%		<u>15,918</u>	32.58%
<b>Total City of Greeley Labor Force</b>		<u>66,592</u>			<u>48,861</u>	

Source: Upstate Colorado Economic Development and Colorado Department of Labor and Employment

Notes:

- Total employee data is aggregate and gathered from various sources for the reporting purposes for Upstate Colorado Economic Development. This data differs slightly than the employee data recorded in Schedule 15 as that data is generated directly from district records.

**Full-Time/Part-Time Employees by Function/Program  
Last Ten Fiscal Years**

Function/Program	2008			2009			2010			2011			2012		
	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total
Teachers	1,005	145	1,150	1,009	94	1,103	1,055	95	1,150	902	205	1,107	1,078	46	1,124
Paraprofessionals	206	132	338	256	90	346	261	110	371	226	121	347	89	219	308
Administration	91	9	100	84	6	90	95	10	105	81	19	100	68	-	68
Other Professionals	121	57	178	116	44	160	142	42	184	138	54	192	56	1	57
School Support	372	226	598	354	228	582	353	262	615	327	231	558	278	217	495
<b>Total</b>	<b>1,795</b>	<b>569</b>	<b>2,364</b>	<b>1,819</b>	<b>462</b>	<b>2,281</b>	<b>1,906</b>	<b>519</b>	<b>2,425</b>	<b>1,674</b>	<b>630</b>	<b>2,304</b>	<b>1,569</b>	<b>483</b>	<b>2,052</b>

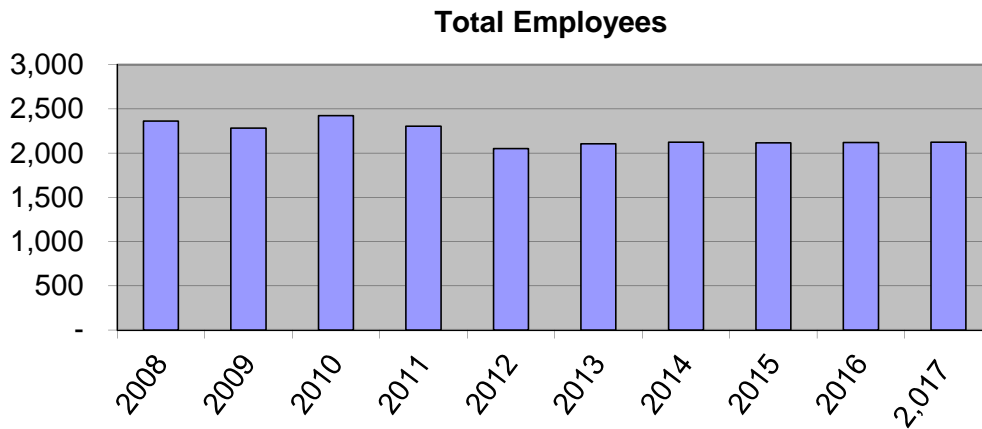
  

Function/Program	2013			2014			2015			2016			2017		
	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total
Teachers	1,077	41	1,118	1,073	41	1,114	1,054	46	1,100	1,076	44	1,120	1,084	49	1,133
Paraprofessionals	29	202	231	31	193	224	40	183	223	35	198	233	36	191	227
Administration	72	-	72	75	-	75	80	-	80	82	-	82	87	-	87
Other Professionals	78	1	79	79	-	79	93	1	94	85	-	85	81	2	83
School Support	343	262	605	346	284	630	345	273	618	356	245	601	352	240	592
<b>Total</b>	<b>1,599</b>	<b>506</b>	<b>2,105</b>	<b>1,604</b>	<b>518</b>	<b>2,122</b>	<b>1,612</b>	<b>503</b>	<b>2,115</b>	<b>1,634</b>	<b>487</b>	<b>2,121</b>	<b>1,640</b>	<b>482</b>	<b>2,122</b>

Source: Weld County School District 6 records.

Notes:

- Information provided is as of December 31 of each respective year.
- Total employee data is directly from the District's employee records; whereas, Schedule 14 is aggregate data gathered from various sources by the reporting entity.



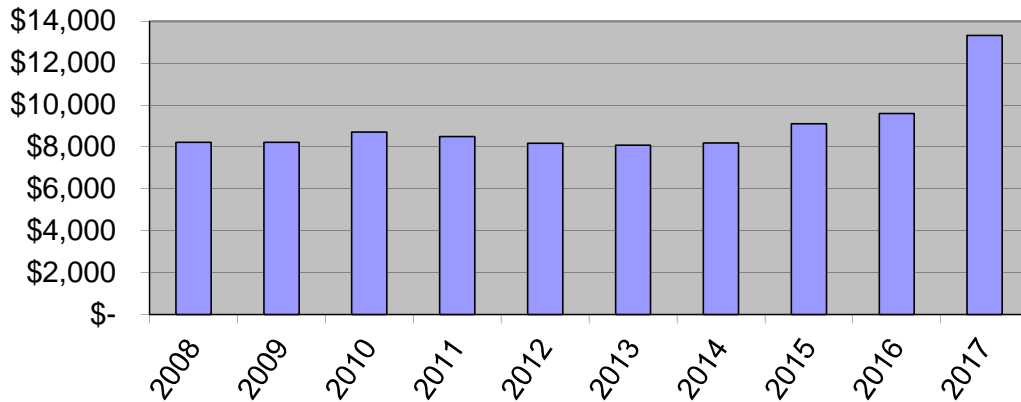
**Operating Statistics  
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities Expenses	FTE Enrollment	Cost Per Pupil	Percentage Change	Full-Time Teaching Staff	Pupil FTE/Teacher Ratio	Students Receiving Free or Reduced Meals	Percent Students Receiving Free or Reduced Meals
2008	144,322,057	17,553	8,222	0.93%	1,005	17.5	9,248	52.69%
2009	148,610,116	18,089	8,215	-0.08%	1,009	17.9	9,537	52.72%
2010	157,626,855	18,098	8,710	6.03%	1,055	17.2	10,984	60.69%
2011	156,499,616	18,437	8,488	-2.54%	902	20.4	11,817	64.09%
2012	153,365,631	18,749	8,180	-3.63%	1,078	17.4	11,849	63.20%
2013	165,316,272	20,440	8,088	-1.12%	1,077	19.0	12,328	60.31%
2014	172,448,271	21,037	8,197	1.35%	1,073	19.6	13,421	63.80%
2015	198,324,534	21,760	9,114	11.18%	1,054	20.6	13,365	61.42%
2016	212,419,532	22,120	9,603	5.36%	1,076	20.6	14,450	65.33%
2017	300,767,816	22,547	13,340	38.91%	1,084	20.8	14,528	64.43%

Notes:

- Student enrollment is based on the full time equivalent (FTE), which is adjusted for half-day kindergarten and preschool programs at one half time. Student enrollment is as of the October count date of each year, as audited by the Colorado Department of Education.

**Cost Per Pupil**



**School Building Information  
Last Ten Fiscal Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Capacity	% of Capacity Used	Square Footage
<b>Elementary Schools</b>													
A.K. Heiman	685	699	728	749	690	661	669	702	713	677	600	112.83%	75,632
Cameron	388	404	378	-	-	-	-	-	-	-	480	-	-
Centennial	657	774	677	733	651	609	622	591	636	636	648	98.15%	53,347
Chappelow	636	681	636	658	674	677	708	717	687	691	696	99.28%	68,193
Dos Rios	528	553	534	490	469	483	440	533	559	583	576	101.22%	52,708
East Memorial	518	486	501	580	559	575	498	-	-	-	528	-	52,396
Jackson	380	401	473	566	456	419	461	480	464	458	552	82.97%	51,795
Jefferson	386	413	427	-	-	-	-	-	-	-	504	-	-
Madison	510	541	501	492	503	527	504	506	504	518	576	89.93%	52,325
Maplewood	-	-	-	548	627	595	649	633	597	593	864	68.63%	79,908
Martinez	508	521	553	558	606	578	612	594	574	506	672	75.30%	62,619
McAuliffe	545	559	553	594	717	580	546	539	501	608	576	105.56%	53,189
Meeker	599	609	612	627	603	461	414	457	484	496	600	82.67%	44,375
Monfort	570	590	625	609	538	509	508	511	481	513	648	79.17%	55,075
Romero	477	484	576	658	614	665	722	984	1,039	1,129	600	188.17%	72,400
Scott	494	557	546	585	631	480	440	481	492	506	648	78.09%	57,978
Shawsheen	476	483	493	455	452	429	446	388	396	384	552	69.57%	38,635
Winograd	463	512	504	568	598	629	623	684	698	730	672	108.63%	75,984
<b>Total</b>	<b>8,820</b>	<b>9,267</b>	<b>9,317</b>	<b>9,470</b>	<b>9,388</b>	<b>8,877</b>	<b>8,862</b>	<b>8,800</b>	<b>8,825</b>	<b>9,028</b>	<b>10,992</b>	<b>82.13%</b>	<b>946,559</b>
<b>Middle Schools</b>													
Brentwood	535	561	610	654	674	632	571	442	438	433	744	58.87%	69,815
Franklin	489	454	440	745	698	759	776	803	645	574	744	86.69%	72,840
Heath	797	810	803	793	700	652	654	609	740	727	960	77.08%	92,949
Jefferson Junior	-	-	-	-	-	-	-	-	-	40	288	13.89%	35,000
Prairie Heights	603	614	596	678	761	648	624	632	752	849	650	115.69%	103,395
Maplewood	403	371	381	-	-	-	-	-	-	-	864	-	-
Adelante	-	-	-	-	-	-	-	-	-	-	150	-	6,344
<b>Total</b>	<b>2,827</b>	<b>2,810</b>	<b>2,830</b>	<b>2,870</b>	<b>2,833</b>	<b>2,691</b>	<b>2,625</b>	<b>2,486</b>	<b>2,575</b>	<b>2,623</b>	<b>4,400</b>	<b>58.52%</b>	<b>380,343</b>
<b>High Schools</b>													
Central	1,359	1,353	1,406	1,418	1,382	1,440	1,414	1,464	1,410	1,435	1,464	96.31%	198,466
Early College Academy	-	-	-	-	-	-	-	-	140	208	600	23.33%	29,300
Northridge	1,193	1,131	1,085	1,019	990	932	1,038	1,086	1,160	1,143	1,656	70.05%	195,000
West	1,481	1,464	1,461	1,457	1,503	1,449	1,506	1,554	1,551	1,613	1,416	109.53%	177,307
Jefferson Senior	-	-	-	301	261	275	256	247	279	333	504	55.36%	47,767
Trademark	101	115	206	-	-	-	-	-	-	-	150	0.00%	-
<b>Total</b>	<b>4,134</b>	<b>4,063</b>	<b>4,158</b>	<b>4,195</b>	<b>4,136</b>	<b>4,096</b>	<b>4,214</b>	<b>4,351</b>	<b>4,540</b>	<b>4,732</b>	<b>5,790</b>	<b>78.41%</b>	<b>647,840</b>
<b>Other</b>													
Carson/Littler	5	18	9	9	-	-	-	-	-	-	N/A	N/A	-
Colorado High	106	107	115	-	-	-	-	-	-	-	N/A	N/A	-
Eng@ge	-	-	-	-	3	78	98	137	99	36	N/A	N/A	-
GAP	-	68	105	121	113	124	120	128	130	136	N/A	N/A	5,467
Home School	141	126	147	106	105	-	-	-	-	-	N/A	N/A	-
IBAC	-	-	-	-	10	18	14	-	-	-	N/A	N/A	-
Night School	2	2	-	-	-	-	-	-	-	-	N/A	N/A	-
Out/District	37	37	-	-	-	-	-	-	-	-	N/A	N/A	-
Platte Valley	105	56	34	51	47	41	33	33	31	32	150	20.67%	-
PS 100/200	113	150	144	148	238	658	648	657	674	669	244	276.23%	-
Transitional Schools	28	25	16	15	22	29	31	27	10	12	N/A	N/A	-
Weld Opportunity	63	88	-	-	-	-	-	-	-	-	80	0.00%	-
<b>Total</b>	<b>600</b>	<b>677</b>	<b>570</b>	<b>450</b>	<b>538</b>	<b>948</b>	<b>944</b>	<b>982</b>	<b>944</b>	<b>885</b>	<b>474</b>	<b>199.16%</b>	<b>5,467</b>
<b>Non-District Owned Sites</b>													
Frontier Academy Charter	1,049	1,080	1,108	1,266	1,367	1,459	1,502	1,559	1,593	1,598	835	190.78%	-
Salida Del Sol	-	-	-	-	-	-	-	644	705	743	725	97.24%	-
Union Colony Preparatory	356	398	388	408	419	428	492	488	485	450	405	119.75%	-
Union Colony Elementary	-	-	-	-	-	377	446	441	438	445	600	73.00%	-
University Schools	1,022	1,042	1,071	1,192	1,283	1,319	1,765	1,781	1,782	1,785	912	195.39%	-
WestRidge	-	-	-	-	187	213	187	228	233	258	200	116.50%	-
<b>Total</b>	<b>2,427</b>	<b>2,520</b>	<b>2,567</b>	<b>2,866</b>	<b>3,256</b>	<b>3,796</b>	<b>4,392</b>	<b>5,141</b>	<b>5,236</b>	<b>5,279</b>	<b>3,677</b>	<b>142.40%</b>	<b>-</b>
<b>Total for District</b>	<b>18,808</b>	<b>19,337</b>	<b>19,442</b>	<b>19,851</b>	<b>20,151</b>	<b>20,408</b>	<b>21,037</b>	<b>21,760</b>	<b>22,120</b>	<b>22,547</b>	<b>25,333</b>	<b>87.32%</b>	<b>-</b>

Source: Weld County School District 6 Finance Department

Teacher Salary Information  
Last Ten Fiscal Years

Education	2007-2008			2008-2009			2009-2010			2010-2011		
	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary
Ldrshp 1	14.6	\$ 1,146,178	\$ 78,398	12.0	\$ 939,315	\$ 78,276	11.0	\$ 865,772	\$ 78,707	7.0	\$ 579,854	\$ 82,836
Ldrshp 2	8.1	642,639	78,948	7.1	569,152	80,162	4.0	330,792	82,698	8.0	681,403	85,175
Ldrshp 3	-	-	-	5.1	414,816	81,336	6.0	479,068	79,845	2.0	162,396	81,198
BA	151.4	5,190,857	34,288	170.9	5,995,783	35,084	4.0	318,690	79,673	5.0	412,128	82,426
BA12	81.4	3,112,764	38,259	75.3	3,023,279	40,150	209.8	7,285,241	34,718	208.4	7,001,700	33,597
BA24	76.9	3,276,644	42,620	82.7	3,586,494	43,368	72.4	2,849,019	39,329	66.2	2,571,049	38,838
BA36	37.7	1,743,187	46,214	47.0	2,162,989	46,021	77.3	3,287,094	42,540	70.0	2,962,347	42,319
BA48	44.4	2,260,778	50,884	33.0	1,764,411	53,467	46.5	2,195,221	47,209	38.0	1,788,443	47,064
BA60	76.8	4,420,753	57,547	82.9	4,965,301	59,895	31.1	1,572,552	50,489	27.0	1,385,235	51,305
MA	121.2	5,340,323	44,069	114.3	5,174,898	45,275	162.0	7,101,921	43,828	158.3	6,611,360	41,765
MA12	96.3	4,701,389	48,830	92.0	4,671,742	50,780	85.1	4,313,216	50,656	83.2	4,172,994	50,156
MA24	62.7	3,326,719	53,066	50.3	2,814,204	55,948	49.8	2,742,035	55,050	54.1	2,840,351	52,502
MA36	50.1	3,035,956	60,622	52.9	3,031,844	57,313	52.6	2,959,300	56,260	43.8	2,564,427	58,549
MA48	56.9	3,637,149	63,967	62.6	4,204,332	67,162	47.8	3,140,760	65,775	33.8	2,191,339	64,833
MA60	146.3	9,797,987	66,995	134.2	9,261,999	69,016	141.7	9,668,021	68,229	148.8	10,034,581	67,437
PHD/EDS	32.2	1,791,042	55,622	27.0	1,627,191	60,266	113.8	6,749,265	58,612	112.3	6,601,462	58,784
<b>TOTAL</b>	<b>1056.9</b>	<b>\$ 53,424,366</b>	<b>\$ 50,546</b>	<b>1049.3</b>	<b>\$ 54,207,750</b>	<b>\$ 51,661</b>	<b>1114.8</b>	<b>\$ 55,857,966</b>	<b>\$ 50,105</b>	<b>1065.9</b>	<b>\$ 52,561,069</b>	<b>\$ 49,311</b>

Education	2011-2012			2012-2013			2013-2014			2014-2015		
	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary
Ldrshp 1	4.0	\$ 304,624	\$ 76,156	2.0	\$ 166,342	\$ 83,171	1.0	\$ 85,333	\$ 85,333	-	-	-
Ldrshp 2	7.0	555,299	79,328	3.0	246,406	82,135	3.0	260,464	86,821	1.0	90,018	90,018
Ldrshp 3	2.0	162,396	81,198	1.0	84,256	84,256	-	-	-	1.0	87,743	87,743
Ldrshp 4	0.0	-	-	0.0	-	-	3.0	263,860	87,953	1.0	91,192	91,192
Ldrshp 5	0.0	-	-	0.0	-	-	3.0	266,531	88,844	2.0	177,776	88,888
Ldrshp 6	0.0	-	-	0.0	-	-	-	-	-	3.0	272,287	90,762
BA	4.0	330,415	82,604	4.0	342,905	85,726	237.7	8,733,549	36,742	246.2	9,359,538	38,016
BA12	236.3	7,916,575	33,504	236.8	8,549,374	36,104	80.7	3,431,236	42,518	66.1	2,819,752	42,659
BA24	64.5	2,468,153	38,266	80.8	3,237,298	40,066	63.3	2,845,339	44,950	60.7	2,806,596	46,237
BA36	74.1	3,056,810	41,252	62.1	2,720,425	43,807	48.7	2,446,504	50,236	49.3	2,521,832	51,153
BA48	45.5	2,105,799	46,281	47.3	2,255,736	47,690	18.5	1,042,713	56,363	16.2	919,101	56,735
BA60	24.0	1,181,708	49,238	24.0	1,260,291	52,512	60.5	3,679,787	60,823	55.0	3,495,168	63,549
MA	154.4	6,429,100	41,633	196.4	8,558,230	43,576	198.3	8,917,086	44,968	215.8	9,885,011	45,806
MA12	74.4	3,645,374	48,967	65.5	3,258,118	49,742	69.9	3,667,329	52,465	77.9	4,084,159	52,428
MA24	54.2	2,826,869	52,112	70.2	3,795,649	54,069	67.6	3,774,176	55,831	57.4	3,257,645	56,753
MA36	45.3	2,590,910	57,194	41.2	2,461,404	59,743	50.8	3,028,173	59,610	46.1	2,767,274	60,028
MA48	43.0	2,651,365	61,660	38.4	2,428,123	63,232	36.4	2,366,377	65,010	41.7	2,756,805	66,110
MA60	141.6	9,443,598	66,716	130.2	9,013,641	69,229	117.3	8,574,697	73,101	113.6	8,282,740	72,911
PHD/EDS	105.0	6,073,753	57,793	103.3	6,154,899	59,583	41.8	2,606,102	62,347	31.4	2,078,923	66,208
<b>TOTAL</b>	<b>1079.3</b>	<b>\$ 51,742,748</b>	<b>\$ 47,943</b>	<b>1106.2</b>	<b>\$ 54,533,097</b>	<b>\$ 49,298</b>	<b>1101.5</b>	<b>\$ 55,989,256</b>	<b>\$ 50,830</b>	<b>1085.4</b>	<b>\$ 55,753,561</b>	<b>\$ 51,367</b>

Education	2015-2016			2016-2017		
	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary
Ldrshp 1	4.00	356,257	89,064	1.00	91,224	91,224
Ldrshp 2	-	-	-	3.0	266,756	88,919
Ldrshp 3	-	-	-	-	-	-
Ldrshp 4	1.0	93,015	93,015	-	-	-
Ldrshp 5	-	-	-	-	-	-
Ldrshp 6	3.0	277,729	92,576	1.5	139,362	92,908
Ldrshp 7	1.0	91,847	91,847	1.0	95,842	95,842
BA	277.7	10,261,096	36,950	278.7	10,652,420	38,222
BA12	71.4	3,020,067	42,298	69.3	3,089,523	44,582
BA24	49.8	2,276,474	45,712	50.5	2,410,637	47,735
BA36	38.2	2,003,131	52,438	39.6	2,106,648	53,198
BA48	25.0	1,367,753	54,710	17.1	988,838	57,827
BA60	53.0	3,315,815	62,563	49.2	3,157,242	64,172
MA	241.6	10,871,442	44,998	220.0	10,560,240	48,001
MA12	81.4	4,274,748	52,515	105.9	5,719,613	54,010
MA24	46.1	2,613,121	56,684	52.6	3,011,559	57,254
MA36	44.5	2,785,711	62,600	39.6	2,521,512	63,675
MA48	37.6	2,334,264	62,081	32.7	2,211,919	67,643
MA60	113.6	8,175,707	71,969	118.1	8,626,728	73,046
PHD/EDS	38.1	2,305,293	60,506	43.6	2,846,174	65,279
<b>TOTAL</b>	<b>1127.0</b>	<b>\$ 56,423,470</b>	<b>\$ 50,065</b>	<b>1123.4</b>	<b>\$ 58,496,237</b>	<b>\$ 52,071</b>

Source: Weld County School District Business Services and Human Resources Departments

- Notes:  
 - Represents full-time, licensed classroom teachers as quantified by Weld County School District 6.  
 - Salaries listed as base salary for each classification.

Schedule 19

**Miscellaneous Statistics  
Last Ten Fiscal Years**

Fiscal Year	General Fund Expenditures (1)	FTE Student Enrollment	General Fund Expenditures Per Pupil	Percentage Increase (Decrease)	Inflation Rate
2008	105,793,200	17,553	6,027.07	-10.29%	3.40%
2009	123,570,652	18,089	6,831.26	13.34%	-0.70%
2010	128,681,404	18,098	7,110.26	4.08%	1.90%
2011	126,966,355	18,437	6,886.50	-3.15%	1.78%
2012	128,090,698	18,749	6,831.87	-0.79%	2.1%
2013	140,695,331	20,440	6,883.33	0.75%	2.77%
2014	146,960,075	21,037	6,985.79	1.49%	2.78%
2015	159,123,315	21,760	7,312.65	4.68%	2.79%
2016	168,802,700	22,120	7,631.23	4.36%	2.77%
2017	172,852,410	22,547	7,666.32	0.46%	(2)

Source: Weld County School District 6 Finance Department and U.S. Department of Labor, Bureau of Labor Statistics

## Notes:

- (1) The General Fund expenditures include the General Operating Fund, Dental Fund, Poudre Learning Center Fund, Risk Management Fund, and Colorado Preschool Fund.  
(2) 2017 inflation rate not yet available as of October 2017.



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## **Single Audit Section**

The Single Audit Act Amendments of 1996 mandate independent financial and compliance audits of federal award programs. In addition to the required independent auditor's reports, the schedules of expenditures of federal awards and summary of findings and questioned costs are provided to support the requirements for compliance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).





**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  
Weld County School District 6  
Greeley, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weld County School District 6, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Weld County School District 6's basic financial statements, and have issued our report thereon dated November 20, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Weld County School District 6'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 Weld County School District 6's internal control. Accordingly, we do not express an opinion on the effectiveness of Weld County School District 6's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Weld County School District 6's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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**

Broomfield, Colorado  
November 20, 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  
Weld County School District 6  
Greeley, Colorado

**Report on Compliance for Each Major Federal Program**

We have audited Weld County School District 6'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 Weld County School District 6's major federal programs for the year ended June 30, 2017. Weld County School District 6'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 Weld County School District 6'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 Weld County School District 6'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 Weld County School District 6's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Weld County School District 6 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### **Report on Internal Control Over Compliance**

Management of Weld County School District 6 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 Weld County School District 6'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 Weld County School District 6's internal control over compliance.

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

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

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



**CliftonLarsonAllen LLP**

Broomfield, Colorado  
November 20, 2017

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
<b>U.S. Department of Education</b>			
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	5334	\$ 776,473
<b>Passed through Colorado Department of Education</b>			
21st Century Community Learning Centers	84.287	5287	719,111
Education for Homeless Children and Youth	84.196A	5196	34,211
Advanced Placement for Disadvantaged Students	84.330	5330	7,056
<b>Department of Education Title I</b>			
Title I, Part A: Improving Basic Programs	84.010	4010	4,451,535
Title I, Part A: Turnaround Network Program	84.010A	5010	77,449
Title I, Part A: Pathways Early Action	84.010A	5010	65,784
Title I, Part D: Alternative Homes for Youth	84.010A	7010	17,090
<b>Total of Department of Education Title I</b>			<u>4,611,858</u>
Title II, Part A: Improving Teacher Quality	84.367	4367	696,831
Title III, Part A: English Language Acquisition	84.365	4365	392,250
Title III, Part A: Immigrant Set-Aside	84.365	7365	14,554
Title V, Part B: Public Charter School Grant	84.282	5282	264,262
<b>Special Education Cluster</b>			
Individuals with Disabilities Education Act Part B	84.027	4027	3,638,470
Individuals with Disabilities Education Act Preschool Indicator 14	84.173	4173	88,208
	84.027A	5027	2,250
<b>Total of Special Education Cluster</b>			<u>3,728,928</u>
<b>Passed through Colorado Community College and Occupational Education System</b>			
Carl Perkins: Career and Technical Education	84.048	4048	<u>156,233</u>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<u>11,401,767</u>
<b>U.S. Department of Agriculture</b>			
<b>Passed through Colorado Department of Education</b>			
Fresh Fruit/Vegetable	10.582	4582	372,216
<b>Child Nutrition Cluster</b>			
School Breakfast Program	10.553	4553	2,507,009
National School Lunch Program	10.555	4555	4,693,923
Summer Food Service Program for Children	10.559	4559	170,235
			<u>7,371,167</u>
<b>Passed through Colorado Department of Human Services</b>			
<b>Child Nutrition Cluster</b>			
Donated Commodities	10.555		<u>552,328</u>
<b>Total of Child Nutrition Cluster</b>			<u>7,923,495</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u>8,295,711</u>
<b>U.S. Department of Transportation</b>			
<b>Passed through Regional Air Quality Council</b>			
Highway Planning and Construction	20.205	7205	<u>34,032</u>
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			<u>34,032</u>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<u><u>\$ 19,731,510</u></u>

\* All numbers are based upon actual verified amounts.

\*\*See Notes to Schedule of Expenditures of Federal Awards

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2017

### NOTE 1 – BASIS OF PRESENTATION

In the accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), using the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

### NOTE 2 – NONCASH FEDERAL AWARDS

The District receives food commodities from the U.S. Department of Agriculture for use in its food service program and are valued based on the USDA's Donated Commodity Price List. Commodities are recorded under CFDA #10.555 on the Schedule of Federal Awards. The commodities, in the amount of \$552,328, are recognized as revenue when received. The commodities are recognized as expenditures when used by the schools.

### NOTE 3 – INDIRECT COSTS

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

### NOTE 4 – SUBRECIPIENTS

The District provided no federal awards to subrecipients.

**WELD COUNTY SCHOOL DISTRICT NO. 6  
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? \_\_\_\_\_ yes        x   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? \_\_\_\_\_ yes        x   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)? \_\_\_\_\_ yes        x   no

**Identification of Major Federal Programs**

**CFDA Numbers)**

10.553, 10.555 & 10.559  
84.334

**Name of Federal Program or Cluster**

Child Nutrition Cluster  
GEAR UP

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

\$   \$750,000  

Auditee qualified as low-risk auditee?

  x   yes      \_\_\_\_\_ no

**WELD COUNTY SCHOOL DISTRICT NO. 6  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2017**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



**FINANCE DEPARTMENT**  
1025 NINTH AVENUE  
GREELEY, COLORADO 80631

**WELD COUNTY SCHOOL DISTRICT NO. 6  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2017**

Weld County School District 6 respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2016.

Audit period: 2016

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 AUDIT**

There were no federal award program audit findings in the prior year.

If there are questions regarding this schedule, please call Mandy Hydock, Finance Director, at 970-348-6127.



# 2017 CAFR





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## **Colorado State Mandated Schedule Section**

Colorado Department of Education Auditor's Electronic  
Financial Data Integrity Check Figures

The District is required to transmit financial data electronically to the Colorado Department of Education. To ensure data accuracy, it is mandated that this report be included in the Comprehensive Annual Financial Report and that it be verified by independent auditors specifically trained in state coding requirements.





**Colorado Department of  
Education**

**Auditors Integrity Report**

District: 3120 - GREELEY 6  
Fiscal Year 2016-17  
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	22,430,047	136,931,647	132,298,008	27,063,687
18 Risk Mgmt Sub-Fund of General Fund	300,430	1,755,756	1,662,212	393,974
19 Colorado Preschool Program Fund	212,077	2,246,072	2,215,317	242,831
<b>Sub- Total</b>	<b>22,942,554</b>	<b>140,933,475</b>	<b>136,175,537</b>	<b>27,700,492</b>
11 Charter School Fund	17,297,876	68,889,040	58,776,355	27,410,561
20,26-29 Special Revenue Fund	3	1,501,502	1,501,502	3
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
21 Food Service Spec Revenue Fund	2,155,236	9,682,157	9,988,149	1,849,244
22 Govt Designated-Purpose Grants Fund	0	15,335,167	15,335,167	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	12,572,195	10,329,746	9,528,301	13,373,640
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	1,706,166	6,200,602	3,370,912	4,535,856
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
<b>Totals</b>	<b>56,674,030</b>	<b>252,871,689</b>	<b>234,675,922</b>	<b>74,869,796</b>
<b>Proprietary</b>				
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
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	112,980	311,318	3,801	420,497
74 Pupil Activity Agency Fund	1,150,307	1,821,055	1,685,918	1,285,444
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
<b>Totals</b>	<b>1,263,287</b>	<b>2,132,373</b>	<b>1,689,719</b>	<b>1,705,941</b>

FINAL

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

11/21/17

8:21 PM