

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2017



**Westminster  
Public Schools**  
Where Education is Personal



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**WESTMINSTER PUBLIC SCHOOLS  
WESTMINSTER, COLORADO  
COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2017**

**Board of Education**

Larry Dean Valente, President	Term Expires 2019
Joe Davidek, Vice President	Term Expires 2017
Ryan McCoy, Secretary	Term Expires 2017
Ken Ciancio, Treasurer	Term Expires 2019
Max Math, Director	Term Expires 2019

**District's Executive Staff**

Dr. Pamela Swanson	Superintendent of Schools
Mr. Kirchers Leday	Chief Human Resources Officer
Dr. Oliver Grenham	Chief Education Officer
Dr. James Duffy	Chief Operating Officer
Mrs. Sandra Nees	Chief Financial Officer

Prepared by Financial Services Department  
Sandra Nees, MBA - Chief Financial Officer  
Brisa Montgomery, MBA, CPA - Director of Finance



**Westminster Public Schools**  
**Comprehensive Annual Financial Report**  
*For the Fiscal Year Ended June 30, 2017*

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November 1, 2017

**To the Board of Education, Parents, Taxpayers, and Members of the Westminster Public Schools (the District) Community, Westminster, Colorado:**

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Westminster Public Schools for the year ending June 30, 2017.

State law requires that the District publish within six months of the close of each fiscal year a complete set of financial statements presented in accordance with accounting principles generally accepted in the United States of America (US GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (US GAAS), by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Westminster Public Schools for the fiscal year ending June 30, 2017.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the District's financial statements in conformity with US GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

The District's financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended

June 30, 2017, are free of material misstatement. The independent audit involved obtaining audit evidence about the amounts and disclosures in the financial statements; evaluating the appropriateness of the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified “clean” opinion that the District’s financial statements for the fiscal year ended June 30, 2017, are fairly presented in conformity with US GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District’s MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

The District reorganized in 1946 and was created as a result of the consolidation of three former Adams County school districts: Number 9 – Westminster, Number 25 – Baker, and Number 98 - Berkeley Gardens. The District’s boundaries changed in 1955 upon the inclusion of Adams County School District 4 – Utah Junction. The District is now comprised of 19 schools: two high schools, three middle schools, eleven elementary schools, one K-8 STEM school, one K-7 international school and one early childhood center. All of the schools are located primarily in the City of Westminster, a northwest suburb of Denver. The geographic area of the District is 17.5 square miles located in Adams County. Student enrollment, based on fall 2016 figures, was 9,639 with the following ethnic breakdown:

American Indian	0.44%
Asian	4.41%
African American	1.23%
Hispanic	76.84%
White	15.24%
Other	1.84%

Once considered a typical suburban school district, economic and demographic shifts within the larger metropolitan area have changed the face of the District to resemble that of an archetypical urban district: low-income/high poverty, majority minority enrollment, aging facilities, high mobility, and lagging student achievement.

The District operates under an elected Board of Education with five members at-large who is empowered to levy a property tax on both real and personal properties located within its boundaries.

The District is the reporting entity for financial reporting purposes and is not included in any other governmental reporting entity. The financial statements of the District include

all funds that are controlled by the publicly elected Board of Education. The Board of Education adopts the budget, authorizes expenditures, selects management, significantly influences operations, and is primarily accountable for fiscal matters.

The annual budget serves as the foundation of the District's financial planning and control. The District maintains extensive budgetary controls, to ensure compliance with legal requirements, Board of Education policies and District administrative guidelines. The legal level of budgetary control is the fund level. The District's budget must be adopted by June 30 prior to the budget year, but may be revised for any reason prior to January 31 of the budget year. Budgets are developed and monitored for compensation costs, utilities and other fixed costs at the District level, and for discretionary (site based) spending at the department or school level. The District budgets revenues and expenditures for all funds.

### **Economic Condition and Outlook**

The information presented in the financial statements is perhaps best understood when it is considered from a broader perspective of the specific environment within which the District operates. The following economic information was obtained from the June 2017 Colorado Economic Outlook, prepared by the Governor's Office of State Planning and Budgeting.

Colorado's economic growth has accelerated in the first half of 2017, and the expansion is expected to continue at a moderate pace through the forecast period. Colorado's technology-related sectors remain robust, and continue to fuel much of the state's growth. Further, the oil and gas industry is now modestly adding to the expansion rather than weighing on economic activity. There is also renewed vigor in new business formation, which will contribute to continued economic growth.

Although Colorado has the lowest unemployment rate in the nation, tight labor and housing market conditions are constraining the state's economic expansion. Less populated areas continue to experience lower job and income growth than along the Front Range. Furthermore, regions of the state that are dependent on agriculture continue to struggle with subdued farm income and continued low commodity prices.

Economic growth for the nation overall has also improved in 2017, but remains more modest than in Colorado. Business contacts across the country report modest to moderate economic growth, with tightening labor market conditions. Further, leading economic indicators point to continued expansion in the coming months. Importantly, U.S. financial conditions remain generally supportive of expansion. However, financial markets are signaling less robust expectations for the economy — an important factor in its actual future performance — than when the March 2017 Colorado Outlook was published, due mainly to lower expectations for pro-growth policies from the federal government.

## **Major initiatives:**

### **Student Academic Performance**

The highest priority in our school district is student achievement; it is the reason we exist. The District's academic performance has showed improvement in the last five years; however, there is still work to be done in order to assure that all of our students reach proficiency in the classroom.

The steady decline in student achievement began years ago, bringing educators to a sobering "aha" moment and the realization that dramatic reforms were needed. It was this realization that prompted our transition to a Competency-based System (CBS) where students are grouped by what they know, not by their age. This educational approach is organized around engaging students in 21st century skills, working at their developmental levels and advancing only when they have demonstrated proficiency or mastery. Our approach to learning is based on four core beliefs: Learning is the constant - Time is the variable - Personalized Delivery - Systemic and Systematic.

Our CBS model includes four major components that work dynamically to create and support a true learner-centered classroom. These major components are:

- a) *Leadership* addresses moral purpose, relationships, vision, change adeptness, with a sustained focus on results;
- b) *Shared Vision* provides systems for input and communication, strategic planning, and performance;
- c) *Competency-Based Design* includes well-defined standards, aligned assessments, an instructional model that is student-focused, and systems for reporting/recording student learning based on standards; and
- d) *Continuous Improvement Cycle* is systemic and systematic, has explicitly defined evaluation criteria, embeds progress-monitoring cycles, and celebrates improved results.

Our Competency-based System does away with social promotion, by moving students within learning levels only when they can show mastery of a topic. Children progress at an individualized pace that is determined by what they know instead of their age. Westminster Public Schools implemented CBS in 2009 and is the largest school district in the country to implement CBS at all schools and all grade levels.

Test results from 2012 to 2016 show that Westminster Public Schools continues to make academic gains with the implementation of its district-wide Competency-based System.

### **Facilities**

The District's capital reserve fund seeks to address important safety concerns for mechanical systems, repair or replace decaying capital infrastructure, and it also funds regular maintenance to different buildings. Given the fact that majority of the district's facilities are over 40 years old (Hodgkins Elementary School and Westminster High

School were built in 2009), maintenance costs can be very expensive; therefore the District is constantly looking for different revenue sources in order to address these issues.

- A state-of-the-art heating, ventilation, and air conditioning system was installed last summer at Harris Park Elementary School. This school joined Flynn, Tennyson Knolls, Sherrelwood, Metz, Fairview, Mesa, and Sunset Ridge elementary schools which previously received HVAC upgrades. In addition, a major kitchen renovation is currently taking place at Hidden lake High School.
- Harris Park was the recipient of a Building Excellent Schools Today (BEST) grant in FY 2017; this grant helped with the expenses of a brand new roof in this building.

### **Long-term Financial Planning**

The State of Colorado has experienced an improved economy in the last couple of years; however, there continues to be issues with the state budget. Economists have raised concerns of the state's ability to continue to fund K-12 education at the required inflation and growth while keeping the negative factor at the same level. Contrary to what most people think, sales tax from marijuana sales are not available to fund school district operations. These tax revenues will first be used to fund regulation of the marijuana industry and then for public school capital construction projects.

Looking to the future, the State's K-12 funding remains uncertain. Without voter approval of new school finance funds, long-term estimates of state funding of K-12 education will be predicated on a renewal of economic growth within the state that is sufficient to cover inflation and student growth, while at the same time being able to meet other resource demands such as Medicaid, social programs, prisons, roads and higher education.

Enrollment is expected to remain flat; however, the current housing market in Colorado may force low income families to move out of the metro area, potentially affecting enrollment in the school district.

### **Financial Policies**

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

Budgetary control is established at the fund level and it is maintained through the use of an encumbrance accounting system. Encumbrances outstanding at year end lapse, but are generally re-appropriated as part of the following year's budget. Under state law, each school district is required to involve each employee group, the Board of Education, and the District Accountability Committee in the budget development process.

### **Strategic Plan**

After two years in the works, the Vision 2020 strategic plan was introduced during the 2015-16 school year. With Vision 2020, we have identified five key areas of concentration that impact Westminster Public Schools both inside and out. Like any plan, as circumstances change, plans can also change and we are committed to regular review and revision. You will see all decisions the board votes on are linked to the various elements of the vision.

- **Vision 1:** Westminster Public Schools' Identity articulates the Mission, Values and Vision that are shared by the District and community, enabling it to demonstrate outstanding quality that transcends the boundaries of the classroom walls and is personified in our staff and students.
- **Vision 2:** Westminster Public Schools is an educational leader whose priority is to seek high academic standards, support innovative instructional programs and practices, increase academic achievement, and develop our students' learning skills.
- **Vision 3:** Westminster Public Schools supports the personal, social, financial literacy, career exploration and development of our students in order to ensure each is professionally prepared.
- **Vision 4:** Westminster Public Schools provides functional and safe infrastructure and facilities, which make a significant contribution to a positive student and workplace experience.
- **Vision 5:** Westminster Public Schools is an employer of choice committed to fostering an environment of education innovation through a workplace that attracts, sustains, and inspires great people, working for a great purpose, while promoting diversity, equity, civility, and respect.

### **Rebranding**

As part of a district-wide rebranding initiative, the school district officially changed its name from Adams County School District 50 to Westminster Public Schools in February 2016. A new logo and tagline were also introduced.

### **Awards and Acknowledgements**

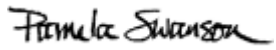
The Government Finance Officers Association of the United States of America and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive financial report (CAFR) for the fiscal year ended June 30, 2016. This was the twelfth year in a row the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized CAFR. This report satisfied both US GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Programs' requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

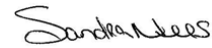
The preparation and completion of this report could not have been accomplished without the direct and indirect contributions of the entire Financial Services Staff. Appreciation and recognition is also extended to our independent audit firm, Eide Bailly LLP, and its professional audit staff for all the assistance and advice they provide throughout the year.

We would also like to thank the Board of Education for their unfailing support for maintaining the highest standards and professionalism in the management of the District's finances.

Respectfully submitted,



Dr. Pamela Swanson  
Superintendent of Schools



Sandra Nees  
Chief Financial Officer



Government Finance Officers Association

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

Presented to

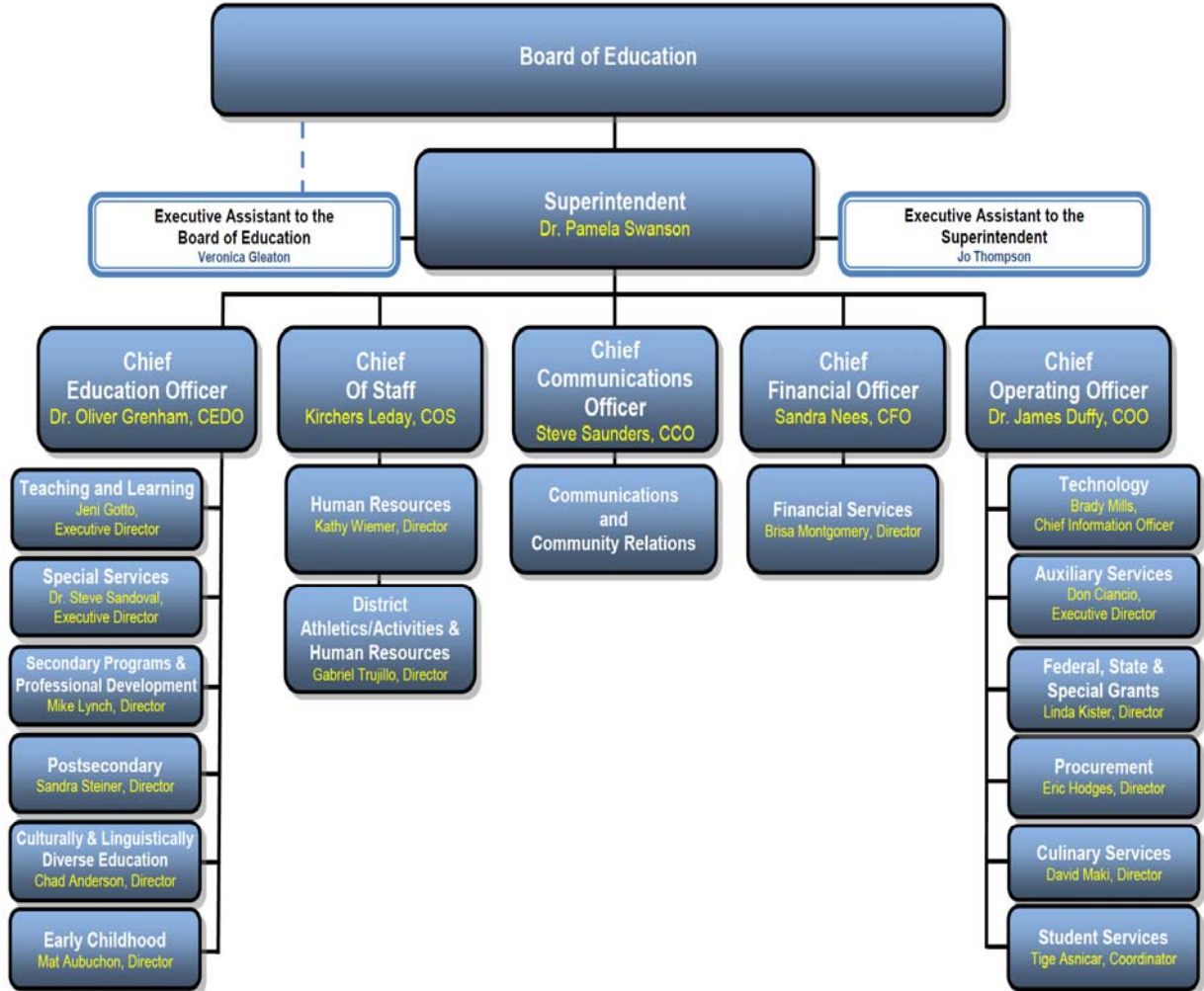
**Westminster Public School  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO

## Westminster Public Schools – Organizational Chart



September 2017

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## Independent Auditor's Report

To the Board of Education  
Westminster Public Schools  
Westminster, Colorado

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Westminster Public Schools (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Westminster Public Schools, 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 5 through 13, budgetary comparison information on pages 44 through 47, Schedule of the Proportionate Share of the Net Pension Liability on page 48, and Schedule of Employer Contributions on Page 49 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 American, which consisted of inquires of management about the methods or preparing the information and comparing the information for consistency with management's responses to our inquires, 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 Westminster Public Schools' financial statements. The introductory section, combining and individual nonmajor fund financial statements, statistical section, Colorado Department of Education Auditor's Integrity Report, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparisons, Colorado Department of Education Auditor's 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, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated November 17, 2017, on our consideration of Westminster Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Westminster Public Schools' 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 Westminster Public Schools' internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Denver, Colorado  
November 17, 2017

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As management of the Westminster Public Schools, we offer readers of the District's financial statements 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 and financial statements, which immediately follow this section.

### **Financial Highlights**

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$176.90 million (net position).
- Governmental activities have an unrestricted net position balance of (\$224.85) million.
- The total net position of the District decreased by \$56.69 million during fiscal year 2017.
- Fund balance of the District's governmental funds decreased by \$2.3 million resulting in an ending fund balance of \$36.4 million.
- During the current fiscal year, the fund balance in the District's general fund increased by \$10,038.

### **Overview of the Financial Statements**

This annual report consists of six parts: introduction, management's discussion and analysis, the basic financial statements, required supplementary information, supplementary information and statistical section. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.
- The governmental funds statements tell how basic services such as instruction were financed in the short-term as well as what remains for future spending.
- Over time, changes in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the District's activities are presented in one category:

- *Governmental activities:* All of the District's basic services are included here, such as instruction, transportation, maintenance and operations, and administration. The School Finance Act of 1994, as amended, made up of property taxes and state equalization, finances most of these activities.

### ***Fund Financial Statements***

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The District has two types of funds:

- *Governmental funds:* All of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information explains the relationship (or differences) between them.
- *Fiduciary funds:* The District is the agent, or *fiduciary*, for assets that belong to others, such as the student activities fund. The District is responsible for ensuring that the assets reported in this fund are used only for its intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

## **Financial Analysis of the District as a Whole**

Net position may serve over time as a useful indicator of the District's financial position. In 2016-17, the District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$176,897,604.

Overall the District's net position decreased \$56,694,861 from the prior fiscal year. This decrease in overall financial position is a direct result of the net pension liability increase of \$184,989,003 and the changes in outflows and inflows of resources. Net investment in capital assets increased by \$10,742,711 due to construction projects and repayment of debt associated with capital assets. Net position restricted for Debt Service increased \$297,592 due to higher tax revenue collections. Amendment X to the State of Colorado Constitution called Taxpayer Bill of Rights requires the

District to establish restricted reserves for this Amendment. The increase of \$131,945 is due to the calculation factors.

The assets of the School District are classified as current assets and other assets, and capital assets, net of depreciation. Total assets decreased by \$.18 million. Capital assets not being depreciated had the most significant changes with an increase of \$5,171,231 due to several construction projects not completed at year end, including HVAC installation at Harris Park elementary school and construction of a brand new kitchen at Hidden Lake high school. Capital assets, net of accumulated depreciation, decreased by \$3.75 million mainly due to yearly depreciation expense. The other changes in assets are due to normal operations and had no significant changes.

Current and noncurrent liabilities are classified based on anticipated liquidation either in the near-term or in the future. Total liabilities increased by \$178.7 million. This increase in liabilities is the net result of an increase in net pension liability of \$184.99 million and a decrease in long term bonds payable due to the annual principal payments for outstanding debt. Accounts payable increased by \$.54 million due mainly to construction projects not completed by year end.

Table 1 and 2 provide a summary of the District's Net Position for 2017 compared to 2016:

**Table 1 - Condensed Statement of Net Position**

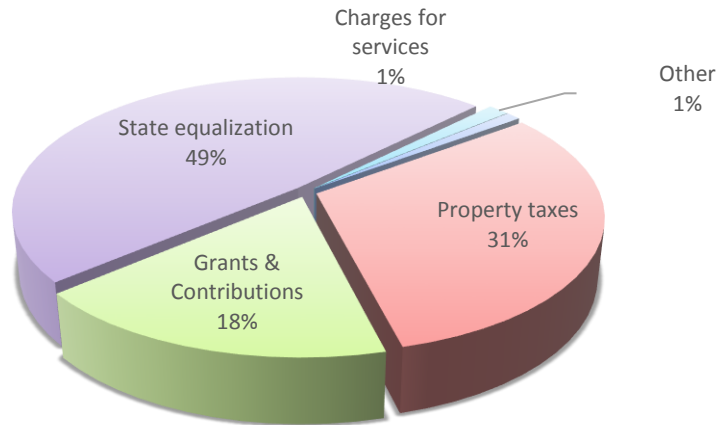
	<b>Total School District</b>	
	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Current and Other Assets	\$ 44,349,501	\$ 45,945,286
Capital Assets	<u>101,164,237</u>	<u>99,747,431</u>
<b>Total Assets</b>	<u>145,513,738</u>	<u>145,692,717</u>
<b>Deferred Outflows of Resources</b>		
Deferred Charge on Refunding	6,121,538	6,793,288
Deferred Outflows of Resources Related to Pensions	<u>142,517,746</u>	<u>24,244,838</u>
<b>Total Deferred Outflows of Resources</b>	<u>148,639,284</u>	<u>31,038,126</u>
<b>Liabilities</b>		
Current Liabilities	7,815,513	6,941,522
Long-Term Liabilities	<u>455,757,585</u>	<u>277,924,632</u>
<b>Total Liabilities</b>	<u>463,573,098</u>	<u>284,866,154</u>
<b>Deferred Inflows of Resources</b>		
Deferred Inflows of Resources Related to Pensions	<u>7,477,528</u>	<u>12,067,432</u>
<b>Net Position</b>		
Net Investment in Capital Assets	32,279,656	21,536,945
Restricted	15,673,654	13,446,358
Unrestricted	<u>(224,850,914)</u>	<u>(155,186,046)</u>
<b>Total Net Position</b>	<u>\$ (176,897,604)</u>	<u>\$ (120,202,743)</u>

**Table 2 - Changes in Net Position**

	<b>Total School District</b>	
	<b>2017</b>	<b>2016</b>
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 1,108,747	\$ 991,254
Operating Grants & Contributions	19,744,335	20,004,152
Capital Grants & Contributions	458,091	499,921
General revenues		
Property Taxes	35,430,640	35,305,728
State Equalization	55,337,574	54,582,192
Other	1,577,391	560,797
<b>Total Revenues</b>	<b>113,656,778</b>	<b>111,944,044</b>
<b>Expenses</b>		
Instruction	88,200,866	55,903,652
Pupil & Instructional Services	19,049,137	12,256,319
Administration & Business	19,806,101	11,407,599
Maintenance & Operations	21,138,489	14,527,639
Transportation	4,054,550	2,499,939
Nutrition Services	6,129,478	5,495,961
Other	11,973,018	7,789,153
<b>Total expenses</b>	<b>170,351,639</b>	<b>109,880,262</b>
<b>Special Item</b>		
Gain on Disposition of Capital Assets	-	2,867,267
Increase in Net Position	(56,694,861)	4,931,049
Beginning Net Position	(120,202,743)	(125,133,792)
<b>Ending Net Position</b>	<b>\$ (176,897,604)</b>	<b>\$ (120,202,743)</b>

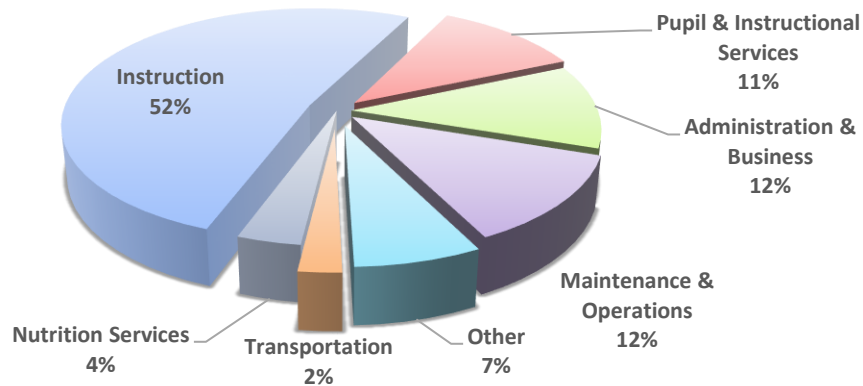
Table 3 shows the different sources of revenues for fiscal year 2016-17. State equalization and property taxes accounted for most of the District's total revenue, with each contributing 49 percent and 31 percent respectively. Another 18 percent came from state and federal grants for specific programs and the remainder from fees charged for services and miscellaneous sources.

**Table 3**  
**Sources of Revenues for Fiscal Year 2016-17**



The District's expenses are predominantly related to instructing, caring for (pupil services), feeding and transporting students (69 percent). (See Table 4.) The District's administrative and business activities accounted for 12 percent of total costs, while other expenses accounted for the remaining 19 percent. The District budgets to have expenditures match revenues for the operating fund (General Fund). Expenditures are comparable to prior year.

Table 4  
Expenses for Fiscal Year 2016-17



***Governmental Activities***

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (SFA) as amended. For Fiscal Year 2016-2017, the statewide base per pupil funding was increased for inflation by 1.2%. Under the SFA the District received \$7,659 per funded student. In fiscal year 2016-17 the funded pupil count was 9,357, this is a slight increase from the prior fiscal year. The per pupil funding would have been expected to be higher; however, due to the lack of available resources at the State level, the State has introduced a “negative” factor into the finance formula resulting in a funding gap of \$10.5 million in the 2016-17 school year for Westminster Public Schools. Funding for the SFA comes from three different sources: property taxes, specific ownership tax and state equalization.

State law allows school districts to obtain an additional 25 percent of SFA program funding from local property taxes. This is accomplished by successfully passing a mill levy override ballot question. The District passed a \$7.8 million mill levy override. Its main purpose is to go towards operating expenditures of the District. The District's assessed valuation generated \$7.8 million in mill levy override property taxes in fiscal year 2016-17. During the 2016-17, the mill levy rate was set at 13.677, a slight decrease from the prior year amount of 13.692, in order to reach the allowable revenue amount of \$7.8 million.

In November 2006, the District's voters approved the issuance of \$98.6 million in general obligation bonds in order to build a new elementary and high school as well as preventative maintenance projects throughout the district. The Board of Education slightly increased the mill rate to 15.046 from 15.027 mills for the 2016-17 fiscal year.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 5 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by unrestricted state equalization and property taxes.

**Table 5 - Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2017	2016	2017	2016
Instruction	\$ 88,200,866	\$ 55,903,652	\$ 78,386,580	\$ 46,937,572
Pupil & Instructional Services	19,049,137	12,256,319	15,686,239	7,717,216
Administration & Business	19,806,101	11,407,599	19,360,580	11,072,966
Maintenance & Operations	21,138,489	14,527,639	20,680,398	14,027,718
Transportation	4,054,550	2,499,939	3,524,720	1,957,437
Nutrition Services	6,129,478	5,495,961	224,556	(389,077)
Other	11,973,018	7,789,153	11,177,393	7,061,103
<b>Total Expenses</b>	<b>\$ 170,351,639</b>	<b>\$ 109,880,262</b>	<b>\$ 149,040,466</b>	<b>\$ 88,384,935</b>

The cost of all *governmental* activities this year was \$170,351,639.

- Some of the cost was financed by the users of the District's programs (\$991,254).
- The federal and state government subsidized certain programs with grants and contributions (\$20,202,426).
- Most of the District's costs (\$149,040,466), however, were financed by State and District taxpayers.
- A portion of governmental activities was financed with \$55,337,574 in state equalization from the School Finance Act of 1994 (SFA) and \$35,430,640 in property taxes and specific ownership taxes (SOT).

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

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations.

The focus of the School District's governmental funds is to provide information on near-term inflows, outflow, and balances of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the School District, or a group or individual that has been delegated authority to assign resources for use for a particular purposes School District's Board of Education. Information about the District's major funds starts on page 18. These funds are accounted for using the modified accrual basis of accounting.

All governmental funds have total revenues of \$113,796,806 and expenditures of \$116,126,554. The total governmental funds net changes in fund balance was a \$2,329,748 decrease, mainly due to construction projects in the capital projects fund. The District's fund balance as of June 30, 2017, is comprised of: 1) 7,956,664 unassigned fund balance; 2) legally restricted fund balance in the amount of \$13,973,654 for the following specific purposes: TABOR, investment in insurance pool, Colorado Preschool Project, and debt service; 3) committed fund balance in the amount of \$1,700,000 for performance incentives 4) assigned fund balance in the amount of \$12,577,992 for purchases on order, Board of for Education 5% contingency reserve, superintendent's contract

reserve, subsequent year's expenditures, nutrition services, and capital projects; 4) nonspendable fund balance in the form of inventory for \$172,233.

The General Fund is the School District's primary operating fund and the largest source of day-to-day service delivery, with the majority of funding received from the School Finance Act in the form of per pupil revenue and property taxes. The general fund total fund balance increased by \$10,038 in the 2016-17 school year. Due to the economic downturn and Colorado's associated budget crisis, the School Finance Act implemented a negative factor for program funding in fiscal Year 2010-2011. The impact of the negative factor for Westminster Public Schools has been substantial and has resulted in more than \$75 million decreased funding over the past six years.

The Bond Redemption Fund had an increase of \$368,596 in fund balance due to normal fluctuation in property tax collections. The collected fund balance at June 30, 2017 will be used to meet the required principal and interest payments in December 2017.

The Government Designated-Purpose Grants fund had a \$201,771 decrease in revenues and expenses due mainly to the expiration of some grants received by the school district and decreased funding from federal sources.

The Building fund was used to hold the remaining funding of the \$98.6 million bond issue approved by voters in November 2006. This fund was closed at the end of the 2016-17 school year, as all available monies from the bond issuance had been depleted.

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

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund. By law, the school district is able to amend the original budget by January 31<sup>st</sup> of every year. In the 2016-17 school year management presented an amended budget to the Board of Education to account for budgetary differences such as equalization payments, property tax revenues, Read Act funding and interfund transfers.

The district's final budget usually differs from the original budget due to the allocation of carry forward appropriations for various purposes (e.g. purchases on order) and supplemental appropriations approved during the fiscal year.

***Revenue*** - Actual general fund revenues were \$2.6 million higher compared to the final approved budget. This is a minimal variance (3%) compared to the budgeted amount of \$86.66 million. This difference is primarily due to additional money received from equalization, investment earnings, charges for services, and increased property tax collections.

***Expenditures*** – General fund expenditures were \$3.7 million under budget. This is a variance of 4.3% compared to the budgeted amount of \$90.75 million. This variance is primarily due to attrition, hiring freezes, and other cost saving measures the District put in place in order to balance its budget.

## Capital Assets and Debt Administration

By the end of 2016-17, the District had invested a total of \$101.16 million in land, buildings, equipment, and transportation vehicles.

**Table 6 - Capital Assets (Net of Depreciation)**

	Total School District	
	2017	2016
Site	\$ 1,703,416	\$ 1,703,416
Buildings	90,128,555	93,660,408
Equipment/Transportation	2,284,558	2,507,430
Construction in Progress	7,047,708	1,876,177
<b>Totals</b>	\$ 101,164,237	\$ 99,747,431

Additional information on the District's capital assets can be found in Note (6) of this report.

### **Long-Term Debt**

At year-end, the District had \$70.43 million in bonds, \$5.92 million due within one year. It also had \$1.32 million in capital lease, \$.35 million due within one year.

**Table 7 - Outstanding Debt, at Year End**

	Total School District	
	2017	2016
General Obligation Bonds	\$ 70,430,000	\$ 76,090,000
Capital Lease	1,087,227	1,435,861
Total	\$ 71,517,227	\$ 77,525,861

Additional information on the District's long-term debt can be found in Note (8) of this report.

## Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of a few existing circumstances that could significantly affect its financial health in the future:

- The actual funded pupil count for fiscal year 2017-18 will be submitted to the Colorado Department of Education by November 10, 2017. Enrollment is a basic component of the District's total funding, therefore, an unexpected decrease in student enrollment would negatively impact the District's financial health.
- As a result of the projected revenue shortfall at the state level, the state modified the School Finance Act for the fiscal year 2017-18. This modification is called "Negative Factor", which results in over \$10 million of lost revenue for Westminster Public Schools compared to the unadjusted School Finance Act funding level. This negative factor was introduced

in 2000-11 and has decreased funding year after year.

- There are many development projects in the region that do not involve WPS properties, but will impact our community. Some of these projects include potential construction for retail and commercial space, parks and community gardens, family homes, apartment units and condos.
- Cost increases for PERA continue to impact the District. Current employer contribution rate is set at 19.65% of salary, increasing to 20.15% starting January 1, 2018.
- The adopted budget for fiscal year 2017-2018 includes the use of \$2.1 million of General Fund reserves. Even with the use of these one-time funds, the District will continue to maintain adequate reserves consistent with Board policy and State statutes.
- The most significant measure of District success will be the continued academic performance of our students. State and federal mandates to improve student achievement continue to challenge public education. The District is dedicated to improving student achievement.

### **Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, parents, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Office, Westminster Public Schools, 6933 Raleigh Street, Westminster, Colorado 80031.

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**Westminster Public Schools**  
**Statement of Net Position**  
**June 30, 2017**

	<b>Primary Government</b>
	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and Investments	\$ 40,973,434
Property Tax Receivable	727,853
Other Receivables	165,879
Due from Other Governments	1,731,325
Inventory	172,233
Deposits	4,680
Restricted Assets, Deposits in Insurance Pool	574,097
Capital Assets Not Being Depreciated	8,751,124
Capital Assets, Net of Accumulated Depreciation	92,413,113
<b>Total Assets</b>	<b>145,513,738</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Loss on Refunding	6,121,538
Deferred Outflows of Resources Related to Pensions	142,517,746
<b>Total Deferred Outflows of Resources</b>	<b>148,639,284</b>
<b>LIABILITIES</b>	
Accounts Payable	1,529,919
Retainage Payable	476,883
Accrued Salaries and Benefits	4,986,333
Unearned Revenue	822,378
Noncurrent Liabilities	
Due Within One Year	6,870,433
Due in More Than One Year	72,366,169
Net Pension Liability	376,520,983
<b>Total Liabilities</b>	<b>463,573,098</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows of Resources Related to Pensions	7,477,528
<b>Net Position:</b>	
Net Investment in Capital Assets	32,279,656
Restricted for:	
Debt Service	8,931,728
TABOR	2,760,649
Future Insurance Claims	150,038
Colorado Preschool Project	2,131,239
Unrestricted	(223,150,914)
<b>Total Net Position</b>	<b>\$ (176,897,604)</b>

**The accompanying notes are an integral part of this statement**

**Westminster Public Schools**  
**Statement of Activities**  
**For the Year Ended June 30, 2017**

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government</b>				
<b>Governmental Activities:</b>				
Instruction - Schools	\$ 88,200,866	\$ 767,475	\$ 9,046,811	\$ -
Support Services:				
Pupil Services	7,655,829	-	1,532,666	-
Instructional Staff	11,393,308	-	1,830,232	-
General Administration	1,795,870	-	145,716	-
School Administration	14,894,095	-	257,293	-
Business Services	3,116,136	-	42,512	-
Maintenance/Operations	21,138,489	-	-	458,091
Pupil Transportation	4,054,550	-	529,830	-
Central Supporting Services	8,152,965	-	634,935	-
Nutrition Services	6,129,478	341,272	5,563,650	-
Community Services	1,534,566	-	160,690	-
Total Support Services	<u>79,865,286</u>	<u>341,272</u>	<u>10,697,524</u>	<u>458,091</u>
Interest and Other Fiscal Charges	<u>2,285,487</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Governmental Activities</b>	<u>\$ 170,351,639</u>	<u>\$ 1,108,747</u>	<u>\$ 19,744,335</u>	<u>\$ 458,091</u>

**General Revenues:**  
Property taxes levied for:  
    General Purposes  
    Mill Levy Override  
    Debt Services  
Specific Ownership Taxes  
Equalization Entitlement (Unrestricted)  
Investment Earnings  
Miscellaneous

**Total General Revenues**

**Changes in Net Position**

**Net Position - Beginning**

**Net Position - Ending**

The accompanying notes are an integral part of this statement

**Net (Expenses) Revenues and  
Changes in Net Position**

**Governmental  
Activities**

\$	(78,386,580)
	(6,123,163)
	(9,563,076)
	(1,650,154)
	(14,636,802)
	(3,073,624)
	(20,680,398)
	(3,524,720)
	(7,518,030)
	(224,556)
	(1,373,876)
	(68,368,399)
	(2,285,487)
\$	(149,040,466)

	16,097,105
	7,865,902
	8,611,549
	2,856,084
	55,337,574
	274,453
	1,302,938
	92,345,605
	(56,694,861)
	(120,202,743)
\$	(176,897,604)

**Westminster Public Schools**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2017**

	<u>General</u>	<u>Government Designated- Purpose Grants</u>	<u>Bond Redemption</u>	<u>Capital Reserve</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Cash and Investments	\$ 26,886,935	\$ -	\$ 8,779,710	\$ 3,659,475	\$ 1,647,314	\$ 40,973,434
Property Tax Receivable	541,713	-	186,140	-	-	727,853
Other Receivables	-	-	-	-	165,879	165,879
Due from Other Governments	-	1,731,325	-	-	-	1,731,325
Due from Other Funds	371,522	-	-	-	-	371,522
Inventories	85,016	-	-	-	87,217	172,233
Deposits	4,680	-	-	-	-	4,680
Restricted Assets - Deposits in Insurance Pool	574,097	-	-	-	-	574,097
<b>Total Assets</b>	<u>\$ 28,463,963</u>	<u>\$ 1,731,325</u>	<u>\$ 8,965,850</u>	<u>\$ 3,659,475</u>	<u>\$ 1,900,410</u>	<u>\$ 44,721,023</u>
<b>Liabilities</b>						
Accounts Payable	\$ 1,010,028	\$ 71,199	\$ -	\$ 279,802	\$ 168,890	1,529,919
Retainage Payable	-	2,920	-	473,963	-	476,883
Accrued Salaries and Benefits	4,435,029	463,306	-	-	87,998	4,986,333
Unearned Revenue	-	822,378	-	-	-	822,378
Due to Other Funds	-	371,522	-	-	-	371,522
<b>Total Liabilities</b>	<u>5,445,057</u>	<u>1,731,325</u>	<u>-</u>	<u>753,765</u>	<u>256,888</u>	<u>8,187,035</u>
<b>Deferred Inflows of Resources</b>						
Unavailable Revenue - Property Taxes	119,323	-	34,122	-	-	153,445
<b>Fund Balances</b>						
Nonspendable						
Inventories	85,016	-	-	-	87,217	172,233
Restricted for						
TABOR	2,760,649	-	-	-	-	2,760,649
Future Insurance Claims	150,038	-	-	-	-	150,038
Colorado Preschool Project	2,131,239	-	-	-	-	2,131,239
Debt Service	-	-	8,931,728	-	-	8,931,728
Committed						
Performance Incentives	1,700,000	-	-	-	-	1,700,000
Assigned to						
Contingency Reserve	4,451,069	-	-	-	-	4,451,069
Subsequent Year's Expenditures	2,253,860	-	-	-	-	2,253,860
Purchases on Order	1,207,798	-	-	-	-	1,207,798
Other Purposes	203,250	-	-	2,905,710	1,556,305	4,665,265
Unassigned						
General Fund	7,956,664	-	-	-	-	7,956,664
<b>Total Fund Balances</b>	<u>22,899,583</u>	<u>-</u>	<u>8,931,728</u>	<u>2,905,710</u>	<u>1,643,522</u>	<u>36,380,543</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 28,463,963</u>	<u>\$ 1,731,325</u>	<u>\$ 8,965,850</u>	<u>\$ 3,659,475</u>	<u>\$ 1,900,410</u>	<u>\$ 44,721,023</u>

The accompanying notes are an integral part of this statement

**Westminster Public Schools  
Reconciliation of the Governmental Funds Balance Sheet  
With the Statement of Net Position  
June 30, 2017**

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

**Total Fund Balances - Governmental Funds** \$ 36,380,543

Other long-term assets are not available to pay for current period expenditures, and therefore, are deferred in the funds 153,445

Capital assets used in governmental activities are not current financial resources, and therefore, are not reported as assets

The Cost of Capital Assets is	\$ 145,532,963	
Accumulated Depreciation is	(44,368,726)	101,164,237

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:

Capital Lease Payable	\$ (1,087,227)	
Deferred Loss on Refunding	6,121,538	
Bond Premium	(6,394,602)	
Bonds Payable	(70,430,000)	
Compensated Absences	(1,324,773)	
Net Pension Liability	(376,520,983)	(449,636,047)

Deferred outflows and inflows of resources related to pensions are applicable to future pension periods and, therefore, are not reported in the funds

Deferred outflows of resources related to pensions	\$ 142,517,746	
Deferred inflows of resources related to pensions	(7,477,528)	135,040,218

**Total Net Position - Governmental Activities** **\$ (176,897,604)**

**The accompanying notes are an integral part of this statement**

**Westminster Public Schools**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2017**

	<u>General</u>	<u>Government Designated- Purpose Grants</u>	<u>Bond Redemption</u>	<u>Capital Reserve</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>						
Taxes	\$ 26,922,237	\$ -	\$ 8,648,431	\$ -	\$ -	\$ 35,570,668
Intergovernmental	60,432,207	7,052,651	-	-	5,563,650	73,048,508
Other Grants	-	2,491,492	-	-	-	2,491,492
Charges for Services	702,019	-	-	-	406,728	1,108,747
Investment Earnings	225,239	-	49,214	-	-	274,453
Other	1,018,357	-	-	256,639	27,942	1,302,938
<b>Total Revenues</b>	<u>89,300,059</u>	<u>9,544,143</u>	<u>8,697,645</u>	<u>256,639</u>	<u>5,998,320</u>	<u>113,796,806</u>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Salaries and Benefits	43,783,894	3,560,092	-	-	444,749	47,788,735
Purchased Services	920,541	435,560	-	-	60,900	1,417,001
Supplies and Materials	1,799,850	376,592	-	-	96,736	2,273,178
Non-Capitalized Equipment	554,897	23,842	-	-	16,235	594,974
Other Expenditures	181,345	33,932	-	-	52,192	267,469
<b>Total Instruction</b>	<u>47,240,527</u>	<u>4,430,018</u>	<u>-</u>	<u>-</u>	<u>670,812</u>	<u>52,341,357</u>
<b>Support Services:</b>						
Pupil Services	3,160,736	1,532,666	-	-	-	4,693,402
Instructional Staff	5,156,656	1,830,232	-	-	-	6,986,888
General Administration	1,056,105	145,716	-	93,291	-	1,295,112
School Administration	8,483,041	257,293	-	7,856	-	8,748,190
Business Services	1,713,673	42,512	-	174,340	-	1,930,525
Maintenance/Operations	9,725,824	-	-	2,700,373	-	12,426,197
Pupil Transportation	2,208,072	51,990	-	237,396	-	2,497,458
Central Supporting Services	5,256,982	634,935	-	609,441	-	6,501,358
Nutrition Services	-	-	-	-	5,606,958	5,606,958
Community Services	366,253	160,690	-	-	-	526,943
<b>Total Support Services</b>	<u>37,127,342</u>	<u>4,656,034</u>	<u>-</u>	<u>3,822,697</u>	<u>5,606,958</u>	<u>51,213,031</u>
Capital Outlay	2,277,717	458,091	-	1,130,530	146	3,866,484
Debt Service - Principal	348,634	-	5,660,000	-	-	6,008,634
Debt Service - Interest & Fiscal Charges	27,999	-	2,669,049	-	-	2,697,048
<b>Total Expenditures</b>	<u>87,022,219</u>	<u>9,544,143</u>	<u>8,329,049</u>	<u>4,953,227</u>	<u>6,277,916</u>	<u>116,126,554</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>2,277,840</u>	<u>-</u>	<u>368,596</u>	<u>(4,696,588)</u>	<u>(279,596)</u>	<u>(2,329,748)</u>
<b>Other Financing Sources (Uses):</b>						
Transfers In	272,266	-	-	1,845,180	694,888	2,812,334
Transfers Out	(2,540,068)	-	-	-	(272,266)	(2,812,334)
<b>Total Other Financing Sources (Uses)</b>	<u>(2,267,802)</u>	<u>-</u>	<u>-</u>	<u>1,845,180</u>	<u>422,622</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	10,038	-	368,596	(2,851,408)	143,026	(2,329,748)
<b>Fund Balances - Beginning</b>	<u>22,889,545</u>	<u>-</u>	<u>8,563,132</u>	<u>5,757,118</u>	<u>1,500,496</u>	<u>38,710,291</u>
<b>Fund Balances - Ending</b>	<u>\$ 22,899,583</u>	<u>\$ -</u>	<u>\$ 8,931,728</u>	<u>\$ 2,905,710</u>	<u>\$ 1,643,522</u>	<u>\$ 36,380,543</u>

The accompanying notes are an integral part of this statement

**Westminster Public Schools**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures**  
**and Changes in Fund Balances with the Statement of Activities**  
**For The Year Ended June 30, 2017**

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

**Total net change in fund balances - governmental funds** \$ (2,329,748)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation exceeds capital outlays in the period.

Capital Outlays	\$	5,655,752	
Depreciation Expense		(4,238,946)	1,416,806

Certain revenues in the funds statements do not provide financial resources and are not reported in the statement of activities. This represents the change in unearned revenue related to the property. (140,028)

Governmental funds report District pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. This is the amount by which costs of benefits earned net of employee contributions exceeded pension contributions. (62,126,191)

In the statement of activities, certain operating expenses - compensated absences (vacations) and special termination benefits (early retirement) - 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 (essentially, the amounts actually paid). This year, vacation used (\$1,931,696) was less than the amounts earned (\$1,867,591) by \$64,105 64,105

Repayment of bonded principal and capital lease 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:

Repayment of Capital Lease	\$	348,634	
Repayment of Bond Principal		5,660,000	
Amortization of Premium on Bond Reissuance		1,083,311	
Amortization of Deferred Loss on Refunding		(671,750)	6,420,195

**Change in net position of governmental activities** \$ (56,694,861)

**The accompanying notes are an integral part of this statement**

**Westminster Public Schools**  
**Statement of Fiduciary Net Position**  
**June 30, 2017**

	<b>Agency Fund</b>	
	<b><u>Interscholastic Athletic and Activity</u></b>	
<b>ASSETS</b>		
Cash and Investments	\$	<u>706,050</u>
<b>TOTAL ASSETS</b>	\$	<u><u>706,050</u></u>
<b>LIABILITIES</b>		
Undistributed Monies	\$	<u>706,050</u>
<b>TOTAL LIABILITIES</b>	\$	<u><u>706,050</u></u>

**The accompanying notes are an integral part of this statement**

# Westminster Public Schools

## Notes to Basic Financial Statements

### NOTE (1) Summary of Significant Accounting Policies

The financial statements of Westminster Public Schools (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the District's accounting policies are described below.

#### **(A) Reporting Entity**

In conformance with Governmental Accounting and Financial Reporting Standards, Westminster Public Schools, Westminster, Colorado, is the reporting entity for financial reporting purposes. The District is the primary government financially accountable for all activities of public school instruction within the geographical area organized as Westminster Public Schools. The District meets the criteria of a primary government: its Board of Education is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The District is not included in any other governmental reporting entity.

The financial statements of the District include all funds that are controlled by or dependent upon the Board of Education. Control by or dependence on the Board of Education is determined on the basis of budget adoption, taxing authority, outstanding debt which may be secured by general obligation of the District, and the responsibility of the District to finance debt or make subsidies to funds.

#### **(B) 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 activities of the District. For the most part, the effect of interfund activity has been removed from these statements. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and
- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and fiduciary funds. Major individual governmental funds (General Fund, Government Designated-Purpose Grants Fund, Bond Redemption Fund and Capital Reserve Fund) are reported as separate columns in the fund financial statements. The District uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

#### **(C) Measurement Focus, Basis of Accounting, and Financial Statement Presentations**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented 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

## **Westminster Public Schools**

### Notes to Basic Financial Statements

as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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 liabilities are generally included on their balance sheet. Governmental fund revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Property tax revenues are considered to be available if collected within 60 days after year end. Other revenues are recognized in the period earned if receipt of the money is expected within a year.

Property and specific ownership 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 receipts. Grant revenues are considered to be available at the point the expenditure is incurred. Expenditures are recorded when the related fund liability is incurred with the exception of general obligation and capital lease debt service, which is recognized when due and certain sick and retirement pay which is accounted for as expenditures when the employee meets the criteria to be eligible to receive payment.

#### **(D) 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures. 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 District reports the following major governmental funds:

- The General Fund is the District’s primary operating fund. It accounts for all financial resources of the District, except those required legally or by sound financial management to be accounted for in another fund.
- The Bond Redemption Fund accounts for the resources accumulated and payments made for principal, interest, and related costs on long-term general obligation debt of governmental funds.
- The Government-Designated-Purpose Grants Fund maintains a separate accounting for programs funded by federal, state and local grants that sometimes have a different fiscal period than that of the District.
- The Capital Reserve Fund is used to account for small capital projects funded by a transfer from the General Fund and sale of capital assets.

Additionally, the District reports the following fund type:

Fiduciary Funds: Fiduciary fund reporting focuses on net position and changes in net position. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has one agency fund, the Interscholastic Athletic and Activity Fund.

#### **(E) Cash and Investments**

The pooled cash concept is used whereby cash balances of each of the District’s funds are pooled and invested in certain investments. Investment income is allocated to the General Fund.

**Westminster Public Schools**  
Notes to Basic Financial Statements

Under Colorado statutes and Board of Education Investment Policy, the District may invest eligible funds in the following securities:

- a. Obligations of the United States and certain U.S. government agencies' securities;
- b. Certain international agencies' securities;
- c. General obligation and revenue bonds of U.S. Local Governments;
- d. Banker's acceptances of certain banks;
- e. Commercial paper holding the highest credit rating category and with a maturity within 180 days;
- f. Local government investment pools;
- g. Written repurchase agreements collateralized by certain authorized securities;
- h. Certain money market funds;
- i. Guaranteed investment contracts.

The District may also deposit funds in Colorado financial institutions, which are members of the Federal Deposit Insurance Corporation. Investment in securities with maturities in excess of 180 days is infrequent. State law requires the Board to approve any investment with a maturity in excess of five years. Investments are stated at fair value.

**(F) Short-term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet.

**(G) Inventories**

The General Fund and Nutrition Services Fund purchased inventories are stated at average cost. Inventory consists of expendable supplies held for consumption. Expenditures for inventory are recorded upon the consumption of these items by the various schools and departments. Although classified as current assets, fund balance is considered nonspendable for inventory balances.

**(H) Capital Assets**

General capital assets are those assets that generally result from expenditures in the governmental funds. These assets are reported in the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Land Improvements	20 Years
Buildings and Improvements	10-50 Years
Furniture and Equipment	5-20 Years
Vehicles	8-15 Years

**Westminster Public Schools**  
Notes to Basic Financial Statements

**(I) Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**(J) Compensated Absences**

It is the District's policy to allow various classes of employees to accumulate unused vacation, cumulative leave and sick leave up to a certain maximum amount of hours. All such benefits are accrued when incurred in the government-wide financial statements. A liability for this amount is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are generally liquidated by the General Fund and Nutrition Services Fund.

Effective January 1, 1991 for classified employees, cumulative leave days will not be accrued from one year to the next except that any employee by election can accumulate up to fifteen days maximum. Each July, the classified employees shall receive payment at a predetermined daily rate for all cumulative days accrued but not used during the preceding year. All unpaid cumulative accrued leave balances can be used later or paid at a predetermined daily rate when the employee retires, resigns or is terminated.

Effective September 1990 for certified employees, cumulative leave days will not be accrued from one year to the next except that any employee can accumulate up to thirty days maximum. Each June, the certified employees will receive payment at the starting substitute's rate for all cumulative days accrued but not used during the year. All unpaid cumulative accrued leave balances can be used later or paid at a predetermined daily rate when the employee retires, resigns or is terminated.

The District has recorded the accrued liability for the above mentioned compensated absences in the accompanying financial statements. In the governmental funds, only the amount matured at year-end are accrued and recorded as expenditures.

**(K) Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bonds payable are reported net of the applicable bond premium and discount. Bond premiums, discounts, and deferred losses on bond refunding are deferred and amortized over the life of the bonds using the straight line method, which approximates the effective-interest method, and charged to interest expense. The unamortized deferred loss on refunding is reflected as a deferred outflow of resources.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, even if withheld from the actual new proceeds received, are reported as debt services expenditures, in both the government-wide statements and fund financial statements.

# Westminster Public Schools

## Notes to Basic Financial Statements

### (L) Net Position and Fund Balance

**Net Position.** The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets is intended to reflect the portion of net position that is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted net position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation.

The District reports the following restricted net position balances:

**Restricted for Debt Service** - Portion of net position that is legally restricted to payment of principal and interest on long-term debt maturing in future years.

**Restricted for TABOR Emergencies** - Emergency reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 14).

**Restricted for Future Insurance Claims** - Portion of net position that is restricted to the District's share in the Insurance Pool (see Note 13).

**Restricted for Colorado Preschool Project** - Portion of net position that is legally restricted to the Colorado Preschool Program as defined by the School Finance Act of 1994 as amended.

Unrestricted net position represents assets that do not have any third party limitations on their use.

The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**Fund Balances.** Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** fund balances include amounts that cannot be spent because they are (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted** fund balances are reported as restricted when there are constraints placed on their use that are either: a) externally imposed by creditors (such as through debt covenant), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- **Committed** fund balances can be used only for specific purposes determined by a formal action of the Board of Education. The Board of Education is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Education.

# Westminster Public Schools

## Notes to Basic Financial Statements

- **Assigned** fund balances are reported as assigned when amounts are constrained by the District's intent to be used for specific purposes, but are not restricted. Intent should be expressed by (a) the governing body itself or (b) a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Under the District's current policy, only the Board of Education may assign amounts for specific purposes.
- **Unassigned** fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The general fund is the only fund that reports a positive unassigned fund balance amount.

**Flow Assumptions** - When both restricted and unrestricted resources of fund balance are available for use for expenditures incurred, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed. For unrestricted amounts of fund balance, it is the District's policy to use committed and assigned fund balances before using unassigned funds.

### **(M) Use of Estimates**

The preparation of financial statements, in conformity with US GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **(N) Interfund Transactions**

Interfund services provided and used are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as interfund transfers. All internal interfund transactions (transfers in/out) are eliminated for presentation purposes on the government-wide statement of activities. Exceptions to this general rule are changes for interfund services that are reasonably equivalent to the services provided.

### **(O) Pensions**

Westminster Public Schools 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.

### **(P) New Accounting Pronouncements**

**GASB Statement No. 79, Certain External Investment Pools and Pool Participants** – this statement establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. As a result of the implementation, disclosures in the notes section have been enhanced, the District was not required to change reporting of current or past transactions.

# Westminster Public Schools

## Notes to Basic Financial Statements

**GASB Statement No. 82, Pension Issues – An Amendment of GASB Statements No. 67 and 68** – this statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements

### NOTE (2) Cash and Investments

#### (A) **Deposits**

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that, in the event of a bank failure, the District's deposits might not be covered. However, the Colorado Public Deposit Protection Act (PDPA) requires that all deposits of all units of local governments be held at eligible public depositories, whose eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. The PDPA allows institutions to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposit as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

As of June 30, 2017 the District had bank deposits of \$1,081,642 that were either insured by Federal Depository Insurance or collateralized with securities held by the financial institution's agent but not in the District's name and consequently were not exposed to custodial credit risk.

#### (B) **Investments and Fair Value**

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

At June 30, 2017, the District had invested \$43,015,450 in the Colorado Local Government Liquid Asset Trust (the Trust), a local government investment pool. Investments measured at fair value on a recurring basis represent the amount invested with the local government investment pool measured at the amortized cost of the investment pool's share price, which is transacted at \$1, multiplied by the number of shares held as of June 30, 2017 (Level 2). As an investment pool, the Trust operates under the C.R.S. 24-75- 701 and is overseen by the Colorado Securities Commissioner. The Trust is exempt from registration with the Securities and Exchange Commission. The Trust offers shares in two portfolios, COLOTRUST Prime and COLOTRUST Plus+. Both portfolios are rated AAA by Standard and Poor's and may invest in U.S. Treasury Securities, repurchase agreements collateralized by U.S. Treasury Securities and the highest rated commercial paper. Wells Fargo Bank serves as custodian for the Trust's portfolios and provides services as the depository in connection with direct investments owned by the Trust. Separate financial statements can be obtained by calling (303) 864-7474 or going to colotrust.com

**Custodial Credit Risk** – Custodial credit risk for investments 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. The District's safekeeping bank must meet the following requirements under District policy: the purchase and sale of securities and repurchase agreements shall be settled on a delivery versus payment basis. Ownership of all securities shall be perfected in the name of the District. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices. As of June 30, 2017, none of the District's investments were exposed to custodial credit risk.

**Westminster Public Schools**  
Notes to Basic Financial Statements

**Interest Rate Risk** – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To manage exposure to this risk, the District’s board approved investment policy limits investment maturities to five years or less. The Colorado revised statute 24-75-601 also limits investment maturity to five years or less.

**Credit Risk** – Generally, 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. Credit risk in the portfolio is minimized by investing the majority of assets in US Treasury and Instrumentalities which have the support of the US government and failure to receive maturing funds is remote. The District’s investment policy does not address credit risk; however, the District follows State statutes which limit investments in U.S. Agency securities to the highest rating issued by nationally recognized statistical rating organizations (NRSROs).

**Concentration of Credit Risk** – The District’s investment policy seeks diversification to reduce overall portfolio risk while attaining market rates of return to enable the District to meet anticipated cash requirements. The District’s policy requires that at least 50% of the portfolio will be invested in some combination of U.S. Treasury securities, Federal Instrumentality securities, Repurchase Agreements or Eligible Local Governmental Investment Pools. The 50% requirement in this combination of safe investments assures that the District's credit risk is spread across a variety of securities and that imprudent concentrations will not occur in slightly more aggressive securities.

**NOTE (3) Property Taxes**

Property taxes attach as an enforceable lien on property on January 1. Property taxes are assessed on December 15 and are levied on property the following January 1. They are payable in full by April 30 or are due in two equal installments on the last day of February and April 15. Adams County bills and collects property taxes for all taxing entities within the county. The property tax receipts collected by the county are remitted to the District in the subsequent month.

**NOTE (4) Due To/From Other Funds**

The District’s claim on cash account holds the cash of all funds. As a result, negative claim on cash balances occur in certain funds and are in essence “financed” by other funds. Positive book cash balances are displayed on the balance sheet as “due from other funds”, while negative cash balances are included in “due to other funds” on the balance sheet.

Individual balances due to/from other funds at June 30, 2017, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Government Designated-Purpose Grants	\$ 371,522

The balances shown above constitute reimbursements to the General Fund for expenditures/expenses initially made from it that are properly applicable to the Government Designated-Purpose Grants Fund. These transactions took place due to grants reimbursement cycle.

**Westminster Public Schools**  
Notes to Basic Financial Statements

**NOTE (5) Interfund Transfers**

Interfund transfers for the year ended June 30, 2017, were composed of the following:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Total</u>
General Fund	Nonmajor Governmental Funds	\$ 694,888
General Fund	Capital Reserve Fund	1,845,180
Non major Governmental Funds	General Fund	272,266
Total		<u>\$ 2,812,334</u>

The principal purpose of these interfund transfers was to fund athletic activities and several capital projects.

**NOTE (6) Capital Assets**

The District's capital asset activity for the fiscal year ended June 30, 2017, was as follows:

	<u>Capital Assets June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Capital Assets June 30, 2017</u>
<b>Governmental Activities</b>					
Capital assets not being depreciated:					
Site	\$ 1,703,416	\$ -	\$ -	\$ -	\$ 1,703,416
Construction in Progress	1,876,177	5,286,796	-	(115,265)	7,047,708
Total capital assets not being depreciated	<u>3,579,593</u>	<u>5,286,796</u>	<u>-</u>	<u>(115,265)</u>	<u>8,751,124</u>
Capital assets being depreciated					
Buildings	124,731,837	-	-	-	124,731,837
Equipment/Transportation	11,635,196	484,221	(69,415)	-	12,050,002
Total capital assets, being depreciated	<u>136,367,033</u>	<u>484,221</u>	<u>(69,415)</u>	<u>-</u>	<u>136,781,839</u>
Less Accumulated depreciation:					
Buildings	(31,071,429)	(3,531,853)	-	-	(34,603,282)
Equipment/Transportation	(9,127,766)	(707,093)	69,415	-	(9,765,444)
Total accumulated depreciation	<u>(40,199,195)</u>	<u>(4,238,946)</u>	<u>69,415</u>	<u>-</u>	<u>(44,368,726)</u>
Total capital assets, being depreciated net	<u>96,167,838</u>	<u>(3,754,725)</u>	<u>-</u>	<u>-</u>	<u>92,413,113</u>
Governmental activities capital assets, net	<u>\$ 99,747,431</u>	<u>\$ 1,532,071</u>	<u>\$ -</u>	<u>\$ (115,265)</u>	<u>\$ 101,164,237</u>

Depreciation expense of \$4,238,946 for the year ended June 30, 2017 was charged to the following governmental functions:

Instruction	\$ 3,266,353
Support:	
Pupil Services	128,112
Instructional Staff	118,360
General Administration	12,737
School Administration	135,801
Business Services	21,254
Maintenance/Operations	258,409
Pupil Transportation	154,508
Central Supporting Services	138,394
Community Services	5,018
Total	<u>\$ 4,238,946</u>

**Westminster Public Schools**  
Notes to Basic Financial Statements

**NOTE (7) Accrued Salaries and Benefits**

Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from August to July, but are earned during a school year of approximately ten months. The salaries and benefits earned, but unpaid, at June 30, 2017, are estimated to be \$4,986,333. Accordingly, this accrued compensation is reflected as a liability in the accompanying financial statements. This liability includes salaries and benefits related to work performed by hourly employees.

**NOTE (8) Long Term Obligations**

**General Obligation Bonds**

In December 2006, the District issued \$98,600,000 in general obligation bonds and are payable from general property taxes. The general obligation serial bonds mature annually with a final principal payment in December 2026. Interest, at rates from 4.25% to 5.00%, is payable semi annually. Bonds maturing on or after December 1, 2017 are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, from such maturities as are selected by the District on December 1, 2016. Proceeds from the 2006 bond issuance were used to build a new elementary school, new signature high school, building infrastructure upgrades and other projects approved by the Board of Education.

In December 2012, the District issued \$63,210,000 of General Obligation Refunding Bonds, Series 2012, with interest rates ranging from 1.5% to 5.0%. The proceeds of the bonds were used to advance refund \$60,730,000 aggregate principal amounts of the District's General Obligation Bonds, Series 2006 and to pay the costs of issuing the Bonds. The refunded portion of the 2006 General Obligation Bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net position.

In February 2013, the District issued \$9,285,000 of General Obligation Refunding Bonds, Series 2013, with interest rates ranging from 2.0% to 3.0%. The proceeds of the bonds were used to advance refund \$8,355,500 aggregate principal amounts of the district's General Obligation Bonds, Series 2006 and to pay the costs of issuing the Bonds. The refunded portion of the 2006 General Obligation Bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net position.

**Prior year defeasance of debt**

In prior years, the District defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. The tables below identify remaining principal and interest due on the outstanding general obligation bonds as of June 30, 2017.

Year	Series 2012 Refunding Bonds			Series 2013 Refunding Bonds			Annual Total
	Principal	Interest	Total	Principal	Interest	Total	
2018	\$ 5,865,000	\$ 2,199,613	\$ 8,064,613	\$ 50,000	\$ 265,969	\$ 315,969	\$ 8,380,582
2019	6,020,000	2,030,225	8,050,225	55,000	264,919	319,919	8,370,144
2020	6,215,000	1,827,275	8,042,275	65,000	263,678	328,678	8,370,953
2021	6,420,000	1,594,575	8,014,575	65,000	262,297	327,297	8,341,872
2022	6,690,000	1,332,338	8,022,338	65,000	260,916	325,916	8,348,253
2023	7,050,000	1,022,250	8,072,250	70,000	259,481	329,481	8,401,731
2024	7,425,000	697,500	8,122,500	70,000	257,994	327,994	8,450,494
2025	7,710,000	394,800	8,104,800	70,000	256,200	326,200	8,431,000
2026	8,020,000	120,300	8,140,300	75,000	254,025	329,025	8,469,325
2027	-	-	-	8,430,000	126,450	8,556,450	8,556,450
<b>Total</b>	<b>\$ 61,415,000</b>	<b>\$ 11,218,876</b>	<b>\$ 72,633,876</b>	<b>\$ 9,015,000</b>	<b>\$ 2,471,929</b>	<b>\$ 11,486,929</b>	<b>\$ 84,120,804</b>

## Westminster Public Schools

### Notes to Basic Financial Statements

The following is a summary of the changes in long-term debt for the year ended June 30, 2017:

	June 30, 2016	Additions	Deletions	June 30, 2017	Due in One Year
<b>Governmental activities:</b>					
General Obligation Bond	\$ 76,090,000	\$ -	\$ 5,660,000	\$ 70,430,000	\$ 5,915,000
Bond premium	7,477,913	-	1,083,311	6,394,602	-
Capital Lease	1,435,861	-	348,634	1,087,227	355,433
Compensated Absences *	1,388,878	1,867,591	1,931,696	1,324,773	600,000
Governmental activities					
Long-term liabilities	<u>\$ 86,392,652</u>	<u>\$ 1,867,591</u>	<u>\$ 9,023,641</u>	<u>\$ 79,236,602</u>	<u>\$ 6,870,433</u>

\* The compensated absences are liquidated by the General Fund and Nutrition Services Fund.

### Annual Requirements

Listed below are annual requirements to amortize all general obligation bonds at June 30:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 5,915,000	\$ 2,465,582	\$ 8,380,582
2019	6,075,000	2,295,144	8,370,144
2020	6,280,000	2,090,953	8,370,953
2021	6,485,000	1,856,872	8,341,872
2022	6,755,000	1,593,254	8,348,254
2023-2027	38,920,000	3,389,000	42,309,000
Principal Due	<u>\$ 70,430,000</u>	<u>\$ 13,690,805</u>	<u>\$ 84,120,805</u>

### Legal Debt Margin

Colorado State Law states that a District may not have outstanding general obligation bonded debt in excess of 20% of its assessed property valuation or 6% of its actual property value, whichever is greater. The 2016-2017 actual valuation is \$4,881,389,313 and maximum debt limit at June 30, 2017 is \$292,883,359 leaving a legal debt margin of \$222,453,359.

### NOTE (9) Capital Lease

In November 2015, the District entered into a capital lease agreement to install an air conditioner over at Flynn Elementary School. The lease terms are for 56 months with an annual percentage rate of 1.95%. Annual payments began July 1, 2016, and subsequent payments are due annually on each July 1, ending on July 1, 2020. The District's obligation to make annual payments under the lease is subject to annual appropriation authority as made by the Board of Education.

Debt Payment Date	Payment Amount	Amount Credited to Interest	Amount Credited to Capital Cost	Outstanding Principal Balance
7/1/2018	\$ 376,634	\$ 21,201	\$ 355,433	\$ 731,793
7/1/2019	376,634	14,270	362,364	369,429
7/1/2020	376,634	7,204	369,430	-
<b>Total</b>	<b>\$ 1,129,902</b>	<b>\$ 42,675</b>	<b>\$ 1,087,227</b>	

**Westminster Public Schools**  
Notes to Basic Financial Statements

NOTE (10) **Operating Lease**

The District has entered into a one year lease obligation for office equipment subject to annual renewal not to exceed 60 months. The amount expensed during the year as lease payments in governmental funds was \$117,732. Estimated annual lease payments as of June 30, 2017 due in 2018 is \$130,000.

NOTE (11) **Defined Benefit Pension Plan**

**(A) Plan Description**

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

**(B) Benefits Provided**

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

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

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

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

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

## Westminster Public Schools

### Notes to Basic Financial Statements

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.

#### (C) Contributions

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

	For the Year Ended December 31, 2016	For the Year Ended December 31, 2017
Employer contribution rate <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%
<b>Total employer contribution rate to the SCHDTF<sup>1</sup></b>	<b>18.13%</b>	<b>18.63%</b>

<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 from the District were \$11,125,236 for the year ended June 30, 2017.

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

At June 30, 2017 the District reported a liability of \$376,520,983 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 1.2646022209 percent, which was an increase of .01229218 from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017 the District recognized pension expense of \$62,126,191. At June 30, 2017 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Westminster Public Schools**  
Notes to Basic Financial Statements

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 4,707,090	\$ 3,313
Net difference between projected and actual earnings on pension plan investments	12,590,076	-
Changes of assumptions or other inputs	122,173,208	1,697,918
Changes in proportionate share	(2,636,825)	5,776,297
School contributions subsequent to the measurement date	5,684,197	-
	<b>\$ 142,517,746</b>	<b>\$ 7,477,528</b>

The \$5,684,197 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>Amortization</b>
2018	\$ 70,324,189
2019	36,805,821
2020	19,707,996
2021	2,518,015
Total	<b>\$ 129,356,021</b>

**(E) Actuarial assumptions**

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

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

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

**Westminster Public Schools**  
Notes to Basic Financial Statements

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 9.70 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	5.26 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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

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.

## Westminster Public Schools

### Notes to Basic Financial Statements

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:

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

## Westminster Public Schools

### Notes to Basic Financial Statements

#### (F) Discount rate

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

- 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.
- 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 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.

**Westminster Public Schools**  
Notes to Basic Financial Statements

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

**(G) Sensitivity of Westminster Public Schools proportionate share of the net pension liability to changes in the discount rate**

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

	1% Decrease (4.26%)	Current Discount Rate (5.26%)	1% Increase (6.26%)
Proportionate share of the net pension liability	\$473,463,037	\$376,520,983	\$322,857,234

**(H) 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).

**NOTE (12) Other Post-Employment Benefits**

**(A) Health Care Trust Fund**

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. The District’s contributions to HCTF for the years ending June 30, 2017, 2016, 2015 were \$594,009, \$575,914, and \$572,310, respectively, equal to their required contributions for each year.

**Westminster Public Schools**  
Notes to Basic Financial Statements

**NOTE (13) 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; injuries to employees; and natural disasters. The District has joined together with three other Adams County school districts to participate in the Adams County BOCES Self-Insurance Pool. The Pool provides insurance to the participating districts in the areas of liability, property, and worker’s compensation. Assets held by the Pool include reserves restricted under the various Pool agreements, including statutory reserves required by the Colorado Commissioner of Insurance. Pool assets consist primarily of direct obligations of the United States government or funds collateralized by such obligations. The District has recorded as a restricted asset its portion of the payments to the Pool in excess of the District’s portion of expenses and liabilities as of June 30, 2017. The Pool has an actuarial study to determine total Pool liabilities incurred but not recorded claims. The deposit represents the District’s allocated assets in excess of claims and the actuarial liability. The District’s deposit in the Pool was \$574,097 at June 30, 2017.

This pooling plan allows the participating districts to increase deductible amounts under the various purchased insurance policies. Types of coverage, deductibles, and amounts of reinsurance are as follows:

	<b>Self – Insured Pool Retentions</b>	<b>Excess Insurance (Per Occurrence)</b>
Property	\$1,000 - \$100,000	\$101,000 - \$1,000,000
Liability	\$0 - \$150,000	\$150,000 - \$5,000,000
Worker’s Compensation	\$0 - \$550,000	\$550,000

The Pool is administered in accordance with the Colorado Pooling Statutes and insurance regulations of the Division of Insurance. Currently, Adams County Board of Cooperative Educational Services (BOCES) is the pool administrator. Annual examinations by the Division of Insurance are conducted in accordance with statute. Wells Fargo serves as the trustee for the funds of the pool and limits their investments to government securities. For fiscal year ended June 30, 2017, Tristar Company is the claims administrator.

The premiums for the Pool are determined by the pooling agreement. Each district pays a pro rata portion of their average daily attendance entitlement for liability coverage, a pro rata portion of their property values for property coverage, and a pro rata portion of their payroll for coverage in the Worker’s Compensation Pool. The contributions for worker’s compensation coverage are based on the expected losses as determined by the actuary study. The Board of Directors has the option of reducing the contributions by any profit the Pool may have made the previous year. The premiums for property coverage are determined by the amount that claims have depleted the pool from the previous year (or expected losses for the coming year) and all anticipated expenses. Contributions to the liability pool have been funded on the basis of the expected losses as determined by the actuary. In the past three years there have been no claims that have exceeded this coverage. Complete financial statements for Pool can be obtained from Adams County BOCES Self Insurance Pool, 10290 Huron Street, Northglenn, Colorado 80260-6037.

**NOTE (14) Commitments and Contingencies**

**(A) Litigation**

The District is involved in several pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial statements of the District.

# **Westminster Public Schools**

## Notes to Basic Financial Statements

### **(B) Grants and State Funding**

The District participates in a number of Federal and State assisted grant programs, principal of which are the National School Lunch Program, Title 1, Title VI-B and other Title programs. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District at June 30, 2017.

### **(C) Construction Commitment**

At June 30, 2017 the District had several incomplete construction contracts. The remaining commitment on these contracts was approximately \$3.3 million.

### **(D) TABOR Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments (TABOR). The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the Amendment based on the interpretations of the Amendment's language available at year end.

In November 1998, Westminster Public Schools citizens passed an election stating the following:

Without imposing any new taxes or increasing tax rates, shall Adams County School District No. 50, Colorado, be authorized to collect, retain, and/or expend all revenues and other funds which are authorized under law or which may lawfully be received by the District from any source during fiscal year 1998-99 and each year thereafter, including without limitation the full revenues authorized under the Colorado Public School Finance Act of 1994 as amended or under any successor act, without regard to the limitations and conditions under Article X, Section 20 of the Colorado Constitution or any other law. This provision shall not remove or avoid any of the remaining restrictions of Article X, Section 20 of the Colorado Constitution which is commonly known as Amendment One and/or the TABOR Amendment. The remaining restrictions include (1) voter approval of all new taxes and tax rate increases; (2) voter approval for multiple year school district debt; (3) existing ad valorem property tax restrictions; and (4) the election requirements contained in Article X, Section 20 of the Colorado Constitution.

The TABOR Amendment requires the District to establish a reserve for emergencies. At June 30, 2017, the District has complied with the requirements to establish emergency reserves which are recorded in the financial statements as restricted fund balance/net position.

### **(E) Excess of expenditures over appropriations**

The District may be in violation of the Colorado Revised Statutes by exceeding budgeted appropriations in the Student Athletic and Activities Fund.

## **GENERAL FUND**

The General Fund accounts for all transactions of the District not required to be accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed primarily from property taxes and state aid. It is the most significant fund in relation to the District's overall operations.

Required Supplementary Information

Westminster Public Schools  
 General Fund  
 Budgetary Comparison Schedule  
 Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes				
Local Property- School Finance Act	\$ 15,198,151	\$ 15,486,953	\$ 16,200,251	\$ 713,298
Local Property- Mill Levy Override	7,844,000	7,844,000	7,865,902	21,902
Specific Ownership	2,628,000	2,727,870	2,856,084	128,214
Intergovernmental				
Equalization Entitlements	55,861,857	55,066,520	55,337,574	271,054
Special Education	1,849,616	2,051,474	2,132,855	81,381
Vocational Education	55,000	49,000	52,021	3,021
English Language Proficiency Act	1,224,833	1,307,833	1,402,056	94,223
Hold Harmless Kindergarten	109,756	115,698	115,855	157
Transportation	498,895	466,842	477,840	10,998
Read Act	800,000	747,959	747,959	-
At Risk Aid	-	-	103,312	103,312
Other	56,000	58,687	62,735	4,048
Charges for Services	-	-	702,019	702,019
Investment Earnings	22,500	88,500	225,239	136,739
Other	557,298	644,000	1,018,357	374,357
<b>TOTAL REVENUES</b>	<b>86,705,906</b>	<b>86,655,336</b>	<b>89,300,059</b>	<b>2,644,723</b>
<b>TOTAL EXPENDITURES</b>	<b>88,252,318</b>	<b>90,751,367</b>	<b>87,022,219</b>	<b>3,729,148</b>
Excess revenues over (under) expenditures	(1,546,412)	(4,096,031)	2,277,840	6,373,871
Other Financing Sources (Uses):				
Transfers In/(Out):				
Fee Supported Fund	-	-	(44,888)	(44,888)
Nutrition Services Fund	-	-	272,266	272,266
Capital Reserve Fund	(1,784,592)	(1,783,572)	(1,845,180)	(61,608)
Student Athletic/Activity Special Revenue	(650,000)	(650,000)	(650,000)	-
Total Other Financing Sources (Uses)	(2,434,592)	(2,433,572)	(2,267,802)	165,770
<b>Net Change in Fund Balance</b>	<b>\$ (3,981,004)</b>	<b>\$ (6,529,603)</b>	<b>10,038</b>	<b>\$ 6,539,641</b>
<b>Fund Balance - Beginning</b>			<b>22,889,545</b>	
<b>Fund Balance - Ending</b>			<b>\$ 22,899,583</b>	

See Accompanying Independent Auditor's Report and note to required supplementary information

*Required Supplementary Information*

**Westminster Public Schools  
General Fund  
Schedule of Expenditures - Budgetary Comparison Schedule  
Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Instruction:				
Salaries and Benefits	\$ 49,836,272	\$ 47,014,241	\$ 43,783,894	\$ 3,230,347
Purchased Services	590,428	565,428	920,541	(355,113)
Supplies and Materials	837,736	1,565,919	1,799,850	(233,931)
Non-Capitalized Equipment	297,525	608,654	554,897	53,757
Other	126,467	146,817	181,345	(34,528)
<b>Total Instruction</b>	<u>51,688,428</u>	<u>49,901,059</u>	<u>47,240,527</u>	<u>2,660,532</u>
Supporting Services:				
Pupil Services	2,681,273	2,730,921	3,160,736	(429,815)
Instructional Staff	5,683,793	5,992,225	5,156,656	835,569
General Administration	860,571	889,401	1,056,105	(166,704)
School Administration	7,985,848	8,012,944	8,483,041	(470,097)
Maintenance/Operations	9,726,747	10,453,881	9,725,824	728,057
Pupil Transportation	2,042,093	1,992,093	2,208,072	(215,979)
Business Services	1,680,380	1,732,880	1,713,673	19,207
Central Supporting Services	5,605,317	5,274,341	5,256,982	17,359
Community Services	297,868	271,622	366,253	(94,631)
<b>Total Supporting Services</b>	<u>36,563,890</u>	<u>37,350,308</u>	<u>37,127,342</u>	<u>222,966</u>
Debt Service	-	-	376,633	(376,633)
Capital Outlay	-	3,500,000	2,277,717	1,222,283
<b>Total Expenditures</b>	<u>\$ 88,252,318</u>	<u>\$ 90,751,367</u>	<u>\$ 87,022,219</u>	<u>\$ 3,729,148</u>

See Accompanying Independent Auditor's Report and notes to required supplementary information

## **GOVERNMENT DESIGNATED-PURPOSE GRANTS FUND**

The Government Designated-Purpose Grants Fund accounts for all transactions of the District for programs funded by federal, state and local grants that normally have a different fiscal year than that of the District.

Required Supplementary Information

Westminster Public Schools  
 Government Designated-Purpose Grants Fund  
 Budgetary Comparison Schedule  
 Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 7,634,968	\$ 7,634,968	\$ 7,052,651	\$ (582,317)
Other Grants	2,910,735	2,910,735	2,491,492	(419,243)
<b>TOTAL REVENUES</b>	<u>10,545,703</u>	<u>10,545,703</u>	<u>9,544,143</u>	<u>(1,001,560)</u>
<b>Expenditures:</b>				
Instruction				
Salaries and Benefits	2,208,894	2,208,894	3,560,092	(1,351,198)
Purchased Services	489,325	489,325	435,560	53,765
Supplies and Materials	465,652	465,652	376,592	89,060
Equipment	95,085	95,085	23,842	71,243
Other Expenditures	25,062	25,062	33,932	(8,870)
Total Instruction	<u>3,284,018</u>	<u>3,284,018</u>	<u>4,430,018</u>	<u>(1,146,000)</u>
Support Services:				
Pupil Services	1,729,878	1,729,878	1,532,666	197,212
Instructional Staff	3,938,792	3,938,792	1,830,232	2,108,560
General Administration	-	-	145,716	(145,716)
School Administration	198,858	271,218	257,293	13,925
Business Services	37,507	37,507	42,512	(5,005)
Maintenance/Operations	38,010	38,010	-	38,010
Pupil Transportation	424,637	55,376	51,990	3,386
Central Supporting Services	2,753	299,654	634,935	(335,281)
Community Services	259,692	259,692	160,690	99,002
Capital Outlay	631,558	631,558	458,091	173,467
Total Support Services	<u>7,261,685</u>	<u>7,261,685</u>	<u>5,114,125</u>	<u>2,147,560</u>
<b>TOTAL EXPENDITURES</b>	<u>10,545,703</u>	<u>10,545,703</u>	<u>9,544,143</u>	<u>1,001,560</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance - Beginning</b>			<u>-</u>	
<b>Fund Balance - Ending</b>			<u>\$ -</u>	

See Accompanying Independent Auditor's Report and notes to required supplementary information

**Required Supplementary Information**

**Westminster Public Schools  
Schedule of the Proportionate Share of the Net Pension Liability  
PERA Pension Plan - School Division Trust Fund  
Last Ten Years \***

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District Proportion of the Net Pension Liability (Asset)	1.2646022%	1.2523100%	1.3483628%	1.3583746%
District Proportionate Share of the Net Pension Liability (Asset)	\$ 376,520,983	\$ 191,531,980	\$ 182,748,457	\$ 173,260,316
District Covered Payroll	\$ 56,758,135	\$ 54,830,365	\$ 56,643,920	\$ 55,225,593
Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	663.38%	349.32%	322.63%	313.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	43.13%	59.16%	62.84%	64.07%

\* The amounts presented for each fiscal year were determined as of 12/31

NOTE: Information for the prior six years was not available to report.

**See Accompanying Independent Auditor's Report and notes to required supplementary information**

**Required Supplementary Information**

**Schedule of employer Contributions  
PERA Pension Plan - School Division Trust Fund  
Last Ten Fiscal Years**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 11,125,237	\$ 10,527,745	\$ 9,374,471	\$ 8,961,382	\$ 8,286,970
Contributions in Relation to the Contractually Required Contribution	<u>\$ (11,125,237)</u>	<u>\$(10,527,745)</u>	<u>\$ (9,374,471)</u>	<u>\$ (8,961,382)</u>	<u>\$ (8,286,970)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	57,660,852	55,897,577	55,563,094	56,060,530	54,950,807
Contributions as a Percentage of Covered Payroll	19.29%	18.83%	16.87%	15.99%	15.08%

NOTE: Information for the prior five years was not available to report.

**See Accompanying Independent Auditor's Report and notes to required supplementary information**

**Westminster Public Schools**  
Notes to Required Supplementary Information

**NOTE (1) Budgets and Budgetary Accounting**

The District adheres to the following procedures in compliance with Colorado Revised Statutes, establishing the budgetary data reflected in the financial statements:

- 1) Budgets are required by state law for all funds. Prior to May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- 3) Prior to June 30, the budget is adopted by formal resolution.
- 4) Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and reallocation of budget line items within any department in the General Fund rests with the Superintendent of Schools, or Department Directors. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- 5) Budgets for all funds are adopted on a basis consistent with US GAAP.
- 6) Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Board of Education throughout the year.
- 7) Appropriations lapse at year-end.
- 8) For the fiscal year 2016-17, the Board of Education amended the appropriations for several different funds as follows:

	Original Appropriation	Modified Appropriation
General Fund	\$ 91,463,732	\$93,188,758
Risk Management Fund	914,319	1,689,008
Preschool Fund	4,119,895	4,584,784
Fee supported Fund	181,090	-
Capital Reserve Fund	3,571,206	7,489,206
Building Fund	-	17,000
Student Activity Fund	602,457	685,000
Nutrition Services Fund	5,854,726	5,657,490

- Colorado Preschool Program and Risk Management Funds are reported within the General Fund for financial reporting

## **NONMAJOR FUNDS**

### **Student Athletic and Activity Fund**

This fund accounts for the financial sources and uses for student athletic and activity programs within the District.

### **Nutrition Services Fund**

This fund accounts for all financial activities associated with the district school breakfast and lunch programs.

### **Fee Supported Fund**

This fund accounts for the financial sources and uses activity for the District printshop and district-wide facility use agreements. The programs within this fund are intended to be self-supporting through the collection of fees for services.

**Westminster Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2017**

	<b>Special Revenue Funds</b>		<b>Total Nonmajor Governmental Funds</b>
	<b>Student Athletic Activity Fund</b>	<b>Nutrition Services Fund</b>	
<b>ASSETS</b>			
Cash and Investments	\$ 150,616	\$ 1,496,698	\$ 1,647,314
Other Receivables	-	165,879	165,879
Inventory	-	87,217	87,217
<b>Total Assets</b>	<b>\$ 150,616</b>	<b>\$ 1,749,794</b>	<b>\$ 1,900,410</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 5,980	\$ 162,910	\$ 168,890
Accrued Salaries and Benefits	6,020	81,978	87,998
<b>Total Liabilities</b>	<b>12,000</b>	<b>244,888</b>	<b>256,888</b>
<b>Fund Balances:</b>			
Nonspendable	-	87,217	87,217
Assigned	138,616	1,417,689	1,556,305
<b>Total Fund Balance</b>	<b>138,616</b>	<b>1,504,906</b>	<b>1,643,522</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 150,616</b>	<b>\$ 1,749,794</b>	<b>\$ 1,900,410</b>

See Accompanying Independent Auditor's Report

**Westminster Public Schools**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2017**

	<b>Special Revenue Funds</b>			<b>Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Student Athletic Activity Fund</b>	<b>Nutrition Services Fund</b>	<b>Fee Supported Fund</b>	<b>Building Fund</b>	
<b>Revenues:</b>					
Charges for Services	\$ 65,456	\$ 341,272	\$ -	\$ -	\$ 406,728
Intergovernmental	-	5,563,650	-	-	5,563,650
Other	6,141	21,655	-	146	27,942
<b>TOTAL REVENUES</b>	<u>71,597</u>	<u>5,926,577</u>	<u>-</u>	<u>146</u>	<u>5,998,320</u>
<b>Expenditures:</b>					
Instruction					
Salaries and Benefits	444,749	-	-	-	444,749
Purchased Services	60,900	-	-	-	60,900
Supplies and Materials	96,736	-	-	-	96,736
Equipment	16,235	-	-	-	16,235
Other	52,192	-	-	-	52,192
Total Instruction	<u>670,812</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>670,812</u>
Support Services					
Nutrition Services	-	5,606,958	-	-	5,606,958
Community Services	-	-	-	-	-
Capital Outlay	-	-	-	146	146
Total Support Services	<u>-</u>	<u>5,606,958</u>	<u>-</u>	<u>146</u>	<u>5,607,104</u>
<b>TOTAL EXPENDITURES</b>	<u>670,812</u>	<u>5,606,958</u>	<u>-</u>	<u>146</u>	<u>6,277,916</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(599,215)</u>	<u>319,619</u>	<u>-</u>	<u>-</u>	<u>(279,596)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	650,000	44,888	-	-	694,888
Transfers Out	-	-	(272,266)	-	(272,266)
<b>Total Other Financing Sources (Uses)</b>	<u>650,000</u>	<u>44,888</u>	<u>(272,266)</u>	<u>-</u>	<u>422,622</u>
<b>Net Change in Fund Balances</b>	50,785	364,507	(272,266)	-	143,026
<b>Fund Balances - Beginning</b>	<u>87,831</u>	<u>1,140,399</u>	<u>272,266</u>	<u>-</u>	<u>1,500,496</u>
<b>Fund Balances - Ending</b>	<u>\$ 138,616</u>	<u>\$ 1,504,906</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,643,522</u>

See Accompanying Independent Auditor's Report

**Westminster Public Schools**  
**Student Athletic/Activity Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Gate Receipts	\$ 50,000	\$ 53,543	\$ 23,643	\$ (29,900)
Athletic and Activity Fees	30,000	36,245	41,813	5,568
Other	-	-	6,141	6,141
<b>TOTAL REVENUES</b>	<u>80,000</u>	<u>89,788</u>	<u>71,597</u>	<u>(18,191)</u>
<b>Expenditures:</b>				
Instruction:				
Salaries and Benefits	422,150	406,338	444,749	(38,411)
Purchased Services	65,000	65,000	60,900	4,100
Supplies and Materials	71,756	71,756	96,736	(24,980)
Equipment	25,500	25,500	16,235	9,265
Other	80,500	96,312	52,192	44,120
Total Instruction	<u>664,906</u>	<u>664,906</u>	<u>670,812</u>	<u>(5,906)</u>
<b>TOTAL EXPENDITURES</b>	<u>664,906</u>	<u>664,906</u>	<u>670,812</u>	<u>(5,906)</u>
Excess revenues over/(under) expenditures	(584,906)	(575,118)	(599,215)	(24,097)
Other Financing Sources (Uses):				
Transfer In	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 65,094</u>	<u>\$ 74,882</u>	50,785	<u>\$ (24,097)</u>
<b>Fund Balance - Beginning</b>			<u>87,831</u>	
<b>Fund Balance - Ending</b>			<u>\$ 138,616</u>	

See Accompanying Independent Auditor's Report

**Westminster Public Schools  
Nutrition Services Fund  
Budgetary Comparison Schedule  
Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>Revenue:</b>				
Food Sales	\$ 359,462	\$ 359,462	\$ 341,272	\$ (18,190)
Intergovernmental				
USDA Reimbursements	5,237,709	5,237,709	5,108,176	(129,533)
Cash in Lieu of Commodities	315,250	315,250	351,632	36,382
State Revenue	73,817	73,817	103,842	30,025
Other Revenue	227,950	227,950	21,655	(206,295)
<b>TOTAL REVENUES</b>	<u>6,214,188</u>	<u>6,214,188</u>	<u>5,926,577</u>	<u>(287,611)</u>
<b>Expenditures:</b>				
Salaries and Benefits	1,550,000	1,550,000	1,289,188	260,812
Purchased Services	1,533,637	1,533,637	1,634,777	(101,140)
Supplies and Materials	2,065,383	2,065,383	2,255,452	(190,069)
Equipment	-	-	109,141	(109,141)
Other	8,470	508,470	318,400	190,070
<b>TOTAL EXPENDITURES</b>	<u>5,157,490</u>	<u>5,657,490</u>	<u>5,606,958</u>	<u>50,532</u>
Other Financial Sources (Uses)				
Transfers In	-	-	44,888	-
Net Change in Fund Balance	<u>\$ 1,056,698</u>	<u>\$ 556,698</u>	364,507	<u>\$ (192,191)</u>
<b>Fund Balance - Beginning</b>			<u>1,140,399</u>	
<b>Fund Balance - Ending</b>			<u>\$ 1,504,906</u>	

See Accompanying Independent Auditor's Report

**Westminster Public Schools  
 Fee Supported Fund  
 Budgetary Comparison Schedule  
 Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for Services				
Community Facility Use	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Community Services	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfer Out	(181,090)	(272,266)	(272,266)	-
<b>Net Change in Fund Balance</b>	<u>\$ (181,090)</u>	<u>\$ (272,266)</u>	<u>(272,266)</u>	<u>\$ -</u>
<b>Fund Balance - Beginning</b>			<u>272,266</u>	
<b>Fund Balance - Ending</b>			<u>\$ -</u>	

See Accompanying Independent Auditor's Report

## CAPITAL PROJECTS FUNDS

The District has two capital projects funds

### **Building Fund**

This fund accounts for the financial resources to be used to construct, renovate and equip capital facilities. Projects are being funded from the issuance of \$98 million in General Obligation Bonds in December 2006.

### **Capital Reserve Fund**

This fund is used to account for small capital projects funded by a transfer from the General Fund and sale of fixed assets.

**Westminster Public Schools  
Building Fund  
Budgetary Comparison Schedule  
Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment Earnings	\$ -	\$ 17,000	\$ 146	\$ (16,854)
<b>Expenditures:</b>				
Maintenance Projects	17,000	17,000	146	16,854
<b>TOTAL EXPENDITURES</b>	<u>17,000</u>	<u>17,000</u>	<u>146</u>	<u>16,854</u>
<b>Net Change in Fund Balance</b>	<u>\$ (17,000)</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Fund Balance - Beginning</b>			<u>-</u>	
<b>Fund Balance - Ending</b>			<u>\$ -</u>	

See Accompanying Independent Auditor's Report

**Westminster Public Schools  
Capital Reserve Fund  
Budgetary Comparison Schedule  
Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Sale of Fixed Assets	\$ 800,000	\$ 800,000	\$ -	\$ (800,000)
Other	-	-	256,639	256,639
<b>TOTAL REVENUES</b>	<u>800,000</u>	<u>800,000</u>	<u>256,639</u>	<u>(543,361)</u>
<b>Expenditures:</b>				
Support Services:				
Pupil Services	-	-	93,291	(93,291)
General Administration	-	-	7,856	(7,856)
Business Services	225,000	125,000	174,340	(49,340)
Maintenance/Operations	255,000	255,000	2,700,373	(2,445,373)
Pupil Transportation	135,000	135,000	237,396	(102,396)
Central Supporting Services	675,000	675,000	609,441	65,559
Capital Outlay	2,281,206	6,299,206	1,130,530	5,168,676
Total Support Services	<u>3,571,206</u>	<u>7,489,206</u>	<u>4,953,227</u>	<u>2,535,979</u>
<b>TOTAL EXPENDITURES</b>	<u>3,571,206</u>	<u>7,489,206</u>	<u>4,953,227</u>	<u>2,535,979</u>
Excess revenues over (under) expenditures	(2,771,206)	(6,689,206)	(4,696,588)	1,992,618
Other Financing Sources (Uses):				
Transfer In	1,784,592	1,783,572	1,845,180	(61,608)
<b>Net Change in Fund Balance</b>	<u>\$ (986,614)</u>	<u>\$ (4,905,634)</u>	(2,851,408)	<u>\$ 1,931,010</u>
<b>Fund Balance - Beginning</b>			<u>5,757,118</u>	
<b>Fund Balance - Ending</b>			<u>\$ 2,905,710</u>	

See Accompanying Independent Auditor's Report

## **BOND REDEMPTION FUND**

The District has one debt service fund, the Bond Redemption Fund. This fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. This fund's primary revenue sources are local property taxes levied specifically for debt service.

**Westminster Public Schools  
Bond Redemption Fund  
Budgetary Comparison Schedule  
Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes	\$ 8,502,675	\$ 8,502,675	\$ 8,648,431	\$ 145,756
Investment Earnings	5,000	7,000	49,214	42,214
<b>TOTAL REVENUES</b>	<u>8,507,675</u>	<u>8,509,675</u>	<u>8,697,645</u>	<u>187,970</u>
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	5,660,000	5,660,000	5,660,000	-
Interest and Fiscal Charges	2,800,794	2,800,794	2,669,049	131,745
<b>TOTAL EXPENDITURES</b>	<u>8,460,794</u>	<u>8,460,794</u>	<u>8,329,049</u>	<u>131,745</u>
<b>Net Change in Fund Balance</b>	<u>\$ 46,881</u>	<u>\$ 48,881</u>	368,596	<u>\$ 319,715</u>
<b>Fund Balance - Beginning</b>			<u>8,563,132</u>	
<b>Fund Balance - Ending</b>			<u>\$ 8,931,728</u>	

See Accompanying Independent Auditor's Report

## **FIDUCIARY FUND TYPE**

Fiduciary Funds – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District’s own programs. The District does not have any trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has one agency fund: the Interscholastic Athletic and Activity Fund.

**Westminster Public Schools**  
**Statement of Changes in Assets and Liabilities**  
*Interscholastic Athletic and Activity Fund*  
**Year Ended June 30, 2017**

	<u>Balance June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 627,632	\$ 726,378	\$ 647,960	\$ 706,050
<b>Total Assets</b>	<u>\$ 627,632</u>	<u>\$ 726,378</u>	<u>\$ 647,960</u>	<u>\$ 706,050</u>
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Salaries	-	-	-	-
Undistributed Monies	627,632	726,378	647,960	706,050
<b>Total Liabilities</b>	<u>\$ 627,632</u>	<u>\$ 726,378</u>	<u>\$ 647,960</u>	<u>\$ 706,050</u>

**See Accompanying Independent Auditor's Report**

**Westminster Public Schools**  
**Interscholastic Athletic and Activity Fund**  
**Budgetary Comparison Schedule**  
**Year Ended June 30, 2017**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Additions:</b>				
Fundraising and Events	\$ 650,000	\$ 700,000	\$ 726,376	\$ 26,376
<b>Total Additions</b>	<u>650,000</u>	<u>700,000</u>	<u>726,376</u>	<u>26,376</u>
<b>Deductions:</b>				
Athletic and Activity Expenditures	<u>602,457</u>	<u>685,000</u>	<u>647,958</u>	<u>37,042</u>
<b>Total Deductions</b>	<u>602,457</u>	<u>685,000</u>	<u>647,958</u>	<u>37,042</u>
Change in Undistributed Monies	<u>\$ 47,543</u>	<u>\$ 15,000</u>	78,418	<u>\$ 63,418</u>
<b>Undistributed Monies, Beginning</b>			<u>627,632</u>	
<b>Undistributed Monies, Ending</b>			<u>\$ 706,050</u>	

See Accompanying Independent Auditor's Report

## **STATISTICAL SECTION**

### **Financial Trend Information**

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**These unaudited statistical tables contain trend information to help the reader understand how the District's financial performance and fiscal health have changed over time.**

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Table 1	Net Position by Component
Table 2	Changes in Net Position
Table 3	Fund Balances, Governmental Funds
Table 4	Changes in Fund Balances, Governmental Funds
Table 5	General Governmental Expenditures by Function
Table 6.1	Fiscal Health Tracking Ratios
Table 6.2	Fiscal Health Tracking Ratios – ASR
Table 6.3	Fiscal Health Tracking Ratios – DBR
Table 6.4	Fiscal Health Tracking Ratios – ORR
Table 6.5	Fiscal Health Tracking Ratios – OMR
Table 6.6	Fiscal Health Tracking Ratios – CFBR

Table 1

**Westminster Public Schools**  
**Net Position by Component**  
**Last Ten Years**  
**(unaudited)**

	2017	2016	2015 (1)	2014 (1)	2013
<b>Governmental activities</b>					
Net Investment in Capital Assets	\$ 32,279,656	\$ 21,536,945	\$ 20,013,198	\$ 17,725,857	\$ 14,700,721
Restricted	15,673,654	13,446,358	14,241,328	12,098,148	12,206,411
Unrestricted	(224,850,914)	(155,186,046)	(159,388,318)	(156,070,206)	16,298,313
Total governmental activities net position	<u>\$ (176,897,604)</u>	<u>\$ (120,202,743)</u>	<u>\$ (125,133,792)</u>	<u>\$ (126,246,201)</u>	<u>\$ 43,205,445</u>
<b>Business-Type activities</b>					
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ 198,122
Restricted	-	-	-	-	-
Unrestricted	-	-	-	-	109,226
Total business-type activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 307,348</u>
<b>Primary government</b>					
Net Investment in Capital Assets	\$ 32,279,656	\$ 21,536,945	\$ 20,013,198	\$ 17,725,857	\$ 14,898,843
Restricted	15,673,654	13,446,358	14,241,328	12,098,148	12,206,411
Unrestricted	(224,850,914)	(155,186,046)	(159,388,318)	(156,070,206)	16,407,539
Total primary government	<u>\$ (176,897,604)</u>	<u>\$ (120,202,743)</u>	<u>\$ (125,133,792)</u>	<u>\$ (126,246,201)</u>	<u>\$ 43,512,793</u>

(1) During 2015 the Nutrition Services Fund was changed to Special Revenue Fund and the District implemented GASB Statement No. 68, retroactive to June 30, 2014

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 12,425,146	\$ 12,085,181	\$ 11,327,463	\$ 9,080,225	\$ 4,545,015
11,741,159	10,263,406	11,138,052	10,431,076	9,120,588
17,930,277	15,202,884	12,831,226	9,051,960	7,874,510
<u>\$ 42,096,582</u>	<u>\$ 37,551,471</u>	<u>\$ 35,296,741</u>	<u>\$ 28,563,261</u>	<u>\$ 21,540,113</u>
\$ 65,080	\$ 84,980	\$ 134,660	\$ 235,012	\$ 258,482
-	-	13,490	18,836	16,878
130,170	9,361	397,087	295,838	338,863
<u>\$ 195,250</u>	<u>\$ 94,341</u>	<u>\$ 545,237</u>	<u>\$ 549,686</u>	<u>\$ 614,223</u>
\$ 12,490,226	\$ 12,170,161	\$ 11,462,123	\$ 9,315,237	\$ 4,803,497
11,741,159	10,263,406	11,151,542	10,449,912	9,137,466
18,060,447	15,212,245	13,228,313	9,347,798	8,213,373
<u>\$ 42,291,832</u>	<u>\$ 37,645,812</u>	<u>\$ 35,841,978</u>	<u>\$ 29,112,947</u>	<u>\$ 22,154,336</u>

Table 2

**Westminster Public Schools**  
*Change in Net Position*  
*Last Ten Fiscal Years*  
**(Unaudited)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>EXPENSES</b>					
Governmental activities					
Instruction	\$ 88,200,866	\$ 55,903,652	\$ 60,527,084	\$ 57,331,122	\$ 54,810,733
Pupil Services	7,655,829	4,848,151	4,178,566	4,013,187	3,949,546
Instructional Support	11,393,308	7,408,168	7,469,206	7,887,894	9,050,751
General Administration	1,795,870	1,165,811	1,050,694	911,971	804,415
School Administration	14,894,095	8,365,583	8,126,712	7,382,888	6,877,522
Business Services	3,116,136	1,876,205	1,990,238	1,684,396	1,751,146
Maintenance and Operations	21,138,489	14,527,639	12,247,011	10,072,866	10,331,443
Transportation	4,054,550	2,499,939	2,534,847	2,350,445	2,406,800
Central Services	8,152,965	4,685,106	4,817,651	4,855,181	4,882,671
Nutrition Services	6,129,478	5,495,961	5,314,943		
Community Services	1,534,566	567,495	588,252	395,045	368,239
Interest and Other Fiscal Charges	2,285,487	2,536,552	2,757,983	2,989,833	3,767,580
Total governmental activities	<u>170,351,639</u>	<u>109,880,262</u>	<u>111,603,187</u>	<u>99,874,828</u>	<u>99,000,846</u>
Business-type activities					
Nutritional services	-	-	-	5,447,946	5,161,441
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,447,946</u>	<u>5,161,441</u>
Total primary government expenses	<u>\$ 170,351,639</u>	<u>\$ 109,880,262</u>	<u>\$ 111,603,187</u>	<u>\$ 105,322,774</u>	<u>\$ 104,162,287</u>
<b>PROGRAM REVENUES</b>					
Governmental activities					
Charges for Services - Instructional	\$ 767,475	\$ 502,024	\$ 384,349	\$ 384,863	\$ 368,182
Charges for Services - Support Services	341,272	489,230	446,714	78,448	77,045
Operating Grants and Contributions	19,744,335	20,004,152	19,693,017	13,203,662	13,549,183
Capital Grants and Contributions	458,091	499,921	1,158,322	-	53,563
Total governmental activities revenues	<u>21,311,173</u>	<u>21,495,327</u>	<u>21,682,402</u>	<u>13,666,973</u>	<u>14,047,973</u>
Business-type activities					
Charges for Services - Nutrition Services	-	-	-	392,640	441,782
Operating Grants and Contributions	-	-	-	4,975,939	4,673,396
Capital Grants and Contributions	-	-	-	-	158,361
Total business-type activities revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,368,579</u>	<u>5,273,539</u>
Total primary government program revenues	<u>\$ 21,311,173</u>	<u>\$ 21,495,327</u>	<u>\$ 21,682,402</u>	<u>\$ 19,035,552</u>	<u>\$ 19,321,512</u>
<b>NET (EXPENSE)</b>					
Governmental Activities	\$ (149,040,466)	\$ (88,384,935)	\$ (89,920,785)	\$ (86,207,855)	\$ (84,952,873)
Business-type Activities	-	-	-	(79,367)	112,098
Total primary government net expenses	<u>\$ (149,040,466)</u>	<u>\$ (88,384,935)</u>	<u>\$ (89,920,785)</u>	<u>\$ (86,287,222)</u>	<u>\$ (84,840,775)</u>
<b>GENERAL REVENUES AND OTHER</b>					
<b>CHANGES IN NET POSITION</b>					
Governmental activities					
Property taxes	\$ 32,574,556	\$ 32,552,368	\$ 31,394,959	\$ 30,969,422	\$ 31,429,775
Specific ownership taxes	2,856,084	2,753,360	2,613,878	2,391,870	2,244,412
State Equalization	55,337,574	54,582,192	56,765,739	51,186,997	50,786,362
Interest Earnings	274,599	103,450	17,741	24,279	54,283
Miscellaneous revenues	1,302,792	457,347	240,877	557,494	817,379
Total governmental activities	<u>92,345,605</u>	<u>90,448,717</u>	<u>91,033,194</u>	<u>85,130,062</u>	<u>85,332,211</u>
Special Item	<u>-</u>	<u>2,867,267</u>	<u>-</u>	<u>-</u>	<u>729,525</u>
Total Primary government general revenues and other changes in net position	<u>\$ (56,694,861)</u>	<u>\$ 93,315,984</u>	<u>\$ 91,033,194</u>	<u>\$ 85,130,062</u>	<u>\$ 86,061,736</u>
<b>CHANGES IN NET POSITION</b>					
Governmental activities	\$ (56,694,861)	\$ 4,931,049	\$ 1,112,409	\$ (1,077,793)	\$ 1,108,863
Business-type activities	-	-	-	(79,367)	112,098
Total primary government	<u>\$ (56,694,861)</u>	<u>\$ 4,931,049</u>	<u>\$ 1,112,409</u>	<u>\$ (1,157,160)</u>	<u>\$ 1,220,961</u>

Note: Beginning in 2015, the District does not report any Business type activities

	2012	2011	2010	2009	2008
\$	53,861,323	\$ 54,744,601	\$ 52,147,359	\$ 50,674,993	\$ 51,235,600
	3,784,157	4,156,650	4,455,537	4,426,832	4,300,299
	8,696,150	8,500,128	7,431,523	6,247,663	4,948,367
	665,568	1,021,094	840,145	892,457	785,184
	6,731,410	6,372,230	6,717,696	6,570,599	6,495,279
	1,660,863	1,865,671	1,819,865	1,759,078	1,667,967
	10,573,781	10,830,559	12,129,642	10,234,869	9,180,809
	2,332,117	2,734,603	2,070,696	2,188,429	1,969,870
	4,639,972	5,398,931	6,194,956	5,316,180	5,384,462
	513,404	1,491,541	833,716	564,472	382,729
	3,807,668	3,781,008	3,556,895	6,462,732	5,825,342
	<u>97,266,413</u>	<u>100,897,016</u>	<u>98,198,030</u>	<u>95,338,304</u>	<u>92,175,908</u>
	4,834,669	4,901,552	4,075,054	3,966,905	3,866,405
	<u>4,834,669</u>	<u>4,901,552</u>	<u>4,075,054</u>	<u>3,966,905</u>	<u>3,866,405</u>
\$	<u>102,101,082</u>	<u>105,798,568</u>	<u>102,273,084</u>	<u>99,305,209</u>	<u>96,042,313</u>
\$	294,957	\$ 331,195	\$ 343,312	\$ 537,203	\$ 400,074
	62,208	66,978	45,242	52,242	35,720
	14,744,304	18,889,236	13,018,962	8,845,221	9,792,293
	631,558	-	-	-	-
	<u>15,733,027</u>	<u>19,287,409</u>	<u>13,407,516</u>	<u>9,434,666</u>	<u>10,228,087</u>
	489,752	431,811	352,425	410,206	476,674
	4,431,835	4,009,345	3,718,180	3,392,051	3,171,904
	13,991	9,500	-	100,111	-
	<u>4,935,578</u>	<u>4,450,656</u>	<u>4,070,605</u>	<u>3,902,368</u>	<u>3,648,578</u>
\$	<u>20,668,605</u>	<u>23,738,065</u>	<u>17,478,121</u>	<u>13,337,034</u>	<u>13,876,665</u>
\$	(81,533,386)	\$ (81,609,607)	\$ (84,790,514)	\$ (85,903,638)	\$ (81,947,821)
	100,909	(450,896)	(4,449)	(64,537)	(217,827)
\$	<u>(81,432,477)</u>	<u>(82,060,503)</u>	<u>(84,794,963)</u>	<u>(85,968,175)</u>	<u>(82,165,648)</u>
\$	31,240,461	\$ 30,583,334	\$ 30,793,641	\$ 31,274,878	\$ 30,611,589
	2,013,748	1,992,401	2,157,606	2,435,925	2,727,706
	51,581,120	50,408,837	56,296,047	53,158,471	51,958,194
	36,612	54,287	1,657,108	4,533,125	5,407,802
	518,280	769,153	563,267	692,062	794,876
	<u>85,390,221</u>	<u>83,808,012</u>	<u>91,467,669</u>	<u>92,094,461</u>	<u>91,500,167</u>
	631,950	-	-	-	-
\$	<u>86,022,171</u>	<u>83,808,012</u>	<u>91,467,669</u>	<u>92,094,461</u>	<u>91,500,167</u>
\$	4,488,785	\$ 2,198,405	\$ 6,677,155	\$ 6,190,823	\$ 9,552,346
	100,909	(450,896)	(4,449)	(64,537)	(217,827)
\$	<u>4,589,694</u>	<u>1,747,509</u>	<u>6,672,706</u>	<u>6,126,286</u>	<u>9,334,519</u>

Table 3

**Westminster Public Schools**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund					
Nonspendable	\$ 85,016	\$ 66,506	\$ 76,185	\$ 77,205	\$ 68,854
Restricted	5,041,926	4,812,222	5,022,687	4,011,193	3,950,140
Committed	1,700,000	-	-	-	-
Assigned	8,115,977	12,554,085	8,493,263	6,787,794	10,842,362
Unassigned	7,956,664	5,456,732	5,745,200	3,925,384	3,781,373
Total General Fund	<u>22,899,583</u>	<u>22,889,545</u>	<u>19,337,335</u>	<u>14,801,576</u>	<u>18,642,729</u>
All Other Governmental Funds					
Nonspendable	87,217	42,449	44,326	-	-
Restricted	8,931,728	8,563,132	9,218,641	9,960,605	17,176,371
Assigned, reported in:					
Special Revenue Funds	1,556,305	1,458,047	858,359	162,872	244,166
Capital Project Funds	2,905,710	5,757,118	2,170,533	2,274,339	2,123,048
Total All Other Governmental Funds	<u>13,480,960</u>	<u>15,820,746</u>	<u>12,291,859</u>	<u>12,397,816</u>	<u>19,543,585</u>
Governmental Funds					
Nonspendable	172,233	108,955	120,511	77,205	68,854
Restricted	13,973,654	13,375,354	14,241,328	13,971,798	21,126,511
Committed	1,700,000	-	-	-	-
Assigned	12,577,992	19,769,250	11,522,155	9,225,005	13,209,576
Unassigned	7,956,664	5,456,732	5,745,200	3,925,384	3,781,373
Total Governmental Funds	<u>\$ 36,380,543</u>	<u>\$ 38,710,291</u>	<u>\$ 31,629,194</u>	<u>\$ 27,199,392</u>	<u>\$ 38,186,314</u>

(1) In January 2007 the District issued \$98,600,000 in General Obligation Debt, increasing reserve fund balance significantly.

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 98,127	\$ 96,071	\$ 119,372	\$ 103,465	\$ 155,072
3,677,520	3,765,314	4,505,636	4,475,955	4,204,865
-	-	-	-	-
9,137,370	3,641,163	4,207,604	4,161,132	4,111,678
6,913,244	10,410,623	6,995,291	4,793,311	3,853,208
<u>19,826,261</u>	<u>17,913,171</u>	<u>15,827,903</u>	<u>13,533,863</u>	<u>12,324,823</u>
-	-	-	-	-
17,693,898	17,753,389	24,194,640	66,468,424	102,879,759
356,754	213,705	207,959	1,000,664	587,210
2,180,199	1,462,014	2,190,363	-	-
<u>20,230,851</u>	<u>19,429,108</u>	<u>26,592,962</u>	<u>67,469,088</u>	<u>103,466,969</u>
98,127	96,071	119,372	103,465	155,072
21,371,418	21,518,703	28,700,276	70,944,379	107,084,624
-	-	-	-	-
11,674,323	5,316,882	6,605,926	5,161,796	4,698,888
6,913,244	10,410,623	6,995,291	4,793,311	3,853,208
<u>\$ 40,057,112</u>	<u>\$ 37,342,279</u>	<u>\$ 42,420,865</u>	<u>\$ 81,002,951</u>	<u>\$ 115,791,792</u>

Table 4

**Westminster Public Schools**  
*Change in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
 (unaudited)

	2017	2016	2015	2014	2013
<b>Revenues:</b>					
Taxes	\$ 35,570,668	\$ 35,237,371	\$ 34,220,147	\$ 33,541,787	\$ 33,755,296
Intergovernmental	73,048,508	72,519,280	74,846,649	63,244,723	63,046,054
Other Grants	2,491,492	2,566,985	2,770,429	1,145,936	1,343,054
Charges for Services	1,108,747	991,254	831,063	463,311	445,227
Investment earnings	274,453	103,388	16,668	24,279	54,283
Other	1,302,938	457,409	241,950	557,494	817,379
<b>TOTAL REVENUES</b>	<b>113,796,806</b>	<b>111,875,687</b>	<b>112,926,906</b>	<b>98,977,530</b>	<b>99,461,293</b>
<b>Expenditures:</b>					
Current:					
Instruction	52,341,357	51,839,798	53,292,564	55,166,141	52,157,416
Pupil Services	4,693,402	4,498,987	3,772,428	3,907,440	3,843,425
Instructional Staff	6,986,888	6,973,107	6,929,799	7,797,521	8,936,953
General Administration	1,295,112	1,117,030	982,249	909,254	785,161
School Administration	8,748,190	7,785,876	7,400,273	7,270,564	6,746,465
Business Services	1,930,525	1,768,948	1,843,899	1,682,837	1,719,880
Maintenance/Operations	12,426,197	9,851,655	9,232,841	9,628,312	9,602,493
Pupil Transportation	2,497,458	2,233,747	2,242,302	2,529,076	2,703,011
Central Supporting Services	6,501,358	4,644,057	4,715,485	4,770,168	5,177,007
Nutrition Services	5,606,958	5,457,360	5,221,501	-	-
Community Services	526,943	488,413	536,416	390,565	364,064
Capital Outlay	3,866,484	4,125,831	4,050,283	7,286,180	1,795,288
Debt Service:					
Principal Retirements	6,008,634	5,789,139	5,210,000	5,225,000	4,360,000
Interest and Fiscal Charges	2,697,048	2,948,113	3,169,544	3,401,394	3,878,158
Bond Issuance Costs	-	-	-	-	430,184
Rebatable Arbitrage	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>116,126,554</b>	<b>109,522,061</b>	<b>108,599,584</b>	<b>109,964,452</b>	<b>102,499,505</b>
<b>Other Financing Sources (Uses):</b>					
Transfers In	2,812,334	3,253,179	2,287,418	2,375,682	2,473,079
Transfers Out	(2,812,334)	(3,253,179)	(2,287,418)	(2,375,682)	(2,473,079)
Proceeds from Capital Lease	-	1,790,000	-	-	-
Refunding Bonds Issued	-	-	-	-	72,495,000
Payment to Refunded Bond Escrow Agent	-	-	-	-	(81,627,616)
Premium on Refunding Bonds Issued	-	-	-	-	9,570,505
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>1,790,000</b>	<b>-</b>	<b>-</b>	<b>437,889</b>
<b>Special Item:</b>					
Proceeds from Capital Assets	-	2,937,471	-	-	729,525
<b>Net Change in Fund Balances</b>	<b>\$ (2,329,748)</b>	<b>\$ 7,081,097</b>	<b>\$ 4,327,322</b>	<b>\$ (10,986,922)</b>	<b>\$ (1,870,798)</b>
Debt Service as a percentage of non-capital expenditures (1)	7.75%	7.60%	7.87%	8.12%	8.22%

(1) Ratio of total debt service expenditures to noncapital expenditures

Principal Retirement	6,008,634	
+ Interest and Fiscal Charges	2,697,048	
Total Debt Service	8,705,682	
Total Expenditures	116,126,554	
-Capital Outlay	(3,866,484)	
Non-Capitalized Expense	112,260,070	
Total Debt Service	8,705,682	= 7.75%
Non-Capitalized Expense	112,260,070	

	2012	2011	2010	2009	2008
\$	33,240,958	\$ 32,618,773	\$ 32,964,666	\$ 33,788,487	\$ 33,214,895
	65,688,174	69,298,074	69,315,009	62,003,692	61,750,487
	1,268,808	-	-	-	-
	357,165	398,173	388,554	517,731	337,741
	36,612	54,287	1,657,108	4,533,125	5,407,802
	518,280	769,153	410,874	763,776	892,929
	<u>101,109,997</u>	<u>103,138,460</u>	<u>104,736,211</u>	<u>101,606,811</u>	<u>101,603,854</u>
	51,219,556	51,992,899	51,778,733	50,199,682	50,617,285
	3,732,516	4,058,940	4,414,716	4,381,014	4,247,080
	8,582,352	8,426,687	7,363,613	6,182,999	4,887,128
	645,731	1,017,747	832,448	883,221	775,467
	6,545,873	6,261,855	6,656,150	6,502,593	6,414,896
	1,614,853	1,837,844	1,803,192	1,761,238	2,062,875
	8,926,675	9,268,414	9,373,994	9,000,275	8,925,636
	2,221,108	2,632,877	2,579,380	2,542,897	2,403,177
	4,565,961	5,301,580	5,277,569	5,225,054	5,318,126
	-	-	-	-	-
	531,554	733,917	826,077	558,630	377,992
	1,528,315	8,491,086	45,580,847	41,700,625	13,772,057
	3,000,000	3,425,000	2,955,000	2,476,626	2,387,531
	4,644,425	4,768,200	4,878,419	4,980,798	5,075,900
	-	-	-	-	-
	1,276,968	-	-	-	-
	<u>99,035,887</u>	<u>108,217,046</u>	<u>144,320,138</u>	<u>136,395,652</u>	<u>107,265,150</u>
	2,438,948	2,821,400	2,967,611	3,377,092	2,970,836
	(2,438,948)	(2,821,400)	(2,967,611)	(3,377,092)	(2,970,836)
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>640,723</u>	<u>-</u>	<u>1,001,841</u>	<u>-</u>	<u>-</u>
\$	<u>2,714,833</u>	<u>\$ (5,078,586)</u>	<u>\$ (38,582,086)</u>	<u>\$ (34,788,841)</u>	<u>\$ (5,661,296)</u>
	<u>7.74%</u>	<u>8.03%</u>	<u>7.22%</u>	<u>7.90%</u>	<u>8.50%</u>

Table 5

**Westminster Public Schools**  
**General Governmental Expenditures by Function**  
**Last Ten Years**  
**(unaudited)**

<b>Function</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Instruction	\$ 52,341,357	\$ 51,839,798	\$ 53,292,564	\$ 55,166,141	\$ 52,157,416
Support Services					
Pupils	4,693,402	4,498,987	3,772,428	3,907,440	3,843,425
Instructional Staff	6,986,888	6,973,107	6,929,799	7,797,521	8,936,953
General Administration	1,295,112	1,117,030	982,249	909,254	785,161
School Administration	8,748,190	7,785,876	7,400,273	7,270,564	6,746,465
Business Support Services:					
Operations and Maintenance	12,426,197	9,851,655	9,232,841	9,628,312	9,602,493
Pupil Transportation	2,497,458	2,233,747	2,242,302	2,529,076	2,703,011
Other Business Services	1,930,525	1,768,948	1,843,899	1,682,837	1,719,880
Central Supporting Services	6,501,358	4,644,057	4,715,485	4,770,168	5,177,007
Nutrition Services	5,606,958	5,457,360	5,221,501		
Community Services	526,943	488,413	536,416	390,565	364,064
Debt Service	8,705,682	8,737,252	8,379,544	8,626,394	8,668,342
Capital Outlay	3,866,484	4,125,831	4,050,283	7,286,180	1,795,288
<b>Total Expenditures</b>	<b>\$ 116,126,554</b>	<b>\$ 109,522,061</b>	<b>\$ 108,599,584</b>	<b>\$ 109,964,452</b>	<b>\$ 102,499,505</b>
<b>Expenditures per Student</b>					
Instruction	\$ 5,430.16	\$ 5,454.52	\$ 5,275.97	\$ 5,461	\$ 5,180
Support Services					
Pupils	487	473	373	387	382
Instructional Staff	725	734	686	772	888
General Administration	134	118	97	90	78
School Administration	908	819	733	720	670
Business Support Services:					
Operations and Maintenance	1,289	1,037	914	953	954
Pupil Transportation	259	235	222	250	268
Other Business Services	200	186	183	167	171
Central Supporting Services	674	489	489	472	514
Nutrition Services	582	574	542		
Community Services	55	51	56	39	36
Debt Service	903	919	869	854	861
Capital Outlay	401	434	420	721	178
<b>Total Expenditures Per Student</b>	<b>\$ 12,048</b>	<b>\$ 11,524</b>	<b>\$ 10,892</b>	<b>\$ 10,886</b>	<b>\$ 10,180</b>

General Governmental expenditures include the General, Special Revenue, Nutrition Services, Debt Service and Capital Projects Funds.

	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$	51,219,556	\$ 51,992,899	\$ 51,778,733	\$ 50,199,682	\$ 50,617,285
	3,732,516	4,058,940	4,414,716	4,381,014	4,247,080
	8,582,352	8,426,687	7,363,613	6,182,999	4,887,128
	645,731	1,017,747	832,448	883,221	775,467
	6,545,873	6,261,855	6,656,150	6,502,593	6,414,896
	8,926,675	9,268,414	9,373,994	9,000,275	8,925,636
	2,221,108	2,632,877	2,579,380	2,542,897	2,403,177
	1,614,853	1,837,844	1,803,192	1,761,238	2,062,875
	4,565,961	5,301,580	5,277,719	5,225,054	5,318,126
	531,554	733,917	826,077	558,630	377,992
	8,921,393	8,193,200	7,833,269	7,457,424	7,463,431
	1,528,315	8,491,086	45,580,847	41,700,625	13,772,057
\$	<u>99,035,887</u>	<u>\$ 108,217,046</u>	<u>\$ 144,320,138</u>	<u>\$ 136,395,652</u>	<u>\$ 107,265,150</u>
\$	5,071	\$ 5,174	\$ 5,250	\$ 5,162	\$ 5,077
	370	404	448	451	426
	850	839	747	636	490
	64	101	84	91	78
	648	623	675	669	643
	884	922	951	926	895
	220	262	262	262	241
	160	183	183	181	207
	452	528	535	537	533
	53	73	84	57	38
	883	815	794	767	749
	151	845	4,622	4,288	1,381
\$	<u>9,805</u>	<u>\$ 10,769</u>	<u>\$ 14,635</u>	<u>\$ 14,027</u>	<u>\$ 10,758</u>

Table 6.1

**Westminster Public Schools**  
*Fiscal Health Tracking Ratios*  
*Last Ten Years*  
**(unaudited)**

	<b>Assets Sufficiency</b>	<b>Debt Burden</b>	<b>Operating</b>	<b>Operating Margin</b>	<b>Fund Balance</b>
	<b>Ratio</b>	<b>Ratio</b>	<b>Reserve Ratio</b>	<b>Ratio</b>	<b>Ratio</b>
2017	5.2275	1.0038	0.2565	0.0001	0.0004
2016	6.0517	1.0083	0.2728	0.0406	0.1837
2015	4.8935	1.0066	0.2315	0.0515	0.3064
2014	3.5647	1.0138	0.1743	(0.0474)	(0.2060)
2013	4.4422	0.9959	0.2291	(0.0148)	(0.0597)
2012	5.2083	1.2012	0.2564	0.0241	0.1068
2011	4.9481	0.9908	0.2340	0.0265	0.1317
2010	4.0800	1.0838	0.1934	0.0273	0.1695
2009	3.3390	1.1290	0.1659	0.0146	0.0981
2008	2.4980	1.0179	0.1568	0.0402	0.3647

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

The following 5 pages present detail and explanations for each ratio.

Table 6.2

**Westminster Public Schools  
Fiscal Health Tracking Ratios  
Asset Sufficiency Ratio (ASR)  
Last Ten Fiscal Years  
(unaudited)**

2017	$\frac{28,463,963}{5,445,057}$	=	5.227
2016	$\frac{27,687,102}{4,575,088}$	=	6.052
2015	$\frac{24,517,504}{5,010,209}$	=	4.894
2014	$\frac{21,023,855}{5,897,855}$	=	3.565
2013	$\frac{24,645,525}{5,548,042}$	=	4.442
2012	$\frac{24,537,455}{4,711,194}$	=	5.208
2011	$\frac{22,450,290}{4,537,119}$	=	4.948
2010	$\frac{20,966,462}{5,138,559}$	=	4.080
2009	$\frac{19,319,693}{5,785,830}$	=	3.339
2008	$\frac{20,553,215}{8,228,392}$	=	2.498

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

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

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

Negative Indicators: ASR < 1.0 (liabilities exceed assets)

The District's assets are greater than five times its liabilities.

Table 6.3

**Westminster Public Schools**  
*Fiscal Health Tracking Ratios*  
*Debt Burden Ratio (DBR)*  
*Last Ten Years*  
**(Unaudited)**

2017	$\frac{8,965,850}{8,931,728}$	=	1.0038
2016	$\frac{8,634,136}{8,563,132}$	=	1.0083
2015	$\frac{8,391,918}{8,336,762}$	=	1.0066
2014	$\frac{8,198,957}{8,086,955}$	=	1.0138
2013	$\frac{8,632,635}{8,668,342}$	=	0.9959
2012	$\frac{9,182,740}{7,644,425}$	=	1.2012
2011	$\frac{8,117,656}{8,193,200}$	=	0.9908
2010	$\frac{8,490,206}{7,833,419}$	=	1.0838
2009	$\frac{8,147,210}{7,216,437}$	=	1.1290
2008	$\frac{7,352,222}{7,222,544}$	=	1.0179

FORMULA: 
$$\frac{\text{Funds Paying Debt Service}}{\text{Total Governmental Debt Service}}$$

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

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

Negative Indicators: DBR<1.0 (debt service exceeds revenue)

Table 6.4

**Westminster Public Schools**  
*Fiscal Health Tracking Ratios*  
*Operating Reserve Ratio (ORR)*  
*Last Ten Fiscal Years*  
**(unaudited)**

2017	<u>22,899,583</u>	=	0.2565
	87,023,430 + 2,267,802		
2016	<u>22,889,545</u>	=	0.2728
	80,642,764 + 3,253,179		
2015	<u>19,337,335</u>	=	0.2315
	81251027 + 2287418		
2014	<u>14,801,576</u>	=	0.1743
	82,544,569 + 2,375,682		
2013	<u>18,642,729</u>	=	0.2291
	79,058,755 + 2,307,023		
2012	<u>19,826,261</u>	=	0.2564
	74,891,702 + 2,438,948		
2011	<u>17,913,171</u>	=	0.2340
	73,735,948 + 2,821,400		
2010	<u>15,827,903</u>	=	0.1934
	78,890,426 + 2,967,611		
2009	<u>13,533,863</u>	=	0.1659
	78,207,707 + 3,377,092		
2008	<u>12,324,823</u>	=	0.1568
	75,617,321 + 2,970,836		

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

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

Benchmark: an ORR of .0192(1/52, or one week) equates to one week of reserves for current expenditures and transfers.

Negative Indicators: ORR < .0192

The District's general fund fund balance can cover approximately nine weeks of expenditures. The amount has been increasing since 2002 with a slight decreases in 2006 and 2007.

Table 6.5

**Westminster Public Schools**  
*Fiscal Health Tracking Ratios*  
*Operating Margin Ratio (OMR)*  
*Last Ten Fiscal Years*  
**(unaudited)**

2017	$\frac{89,300,059 - (87,022,219 + 2,267,802)}{89,300,059}$	=	0.0001
2016	$\frac{87,448,153 - (80,642,764 + 3,253,179)}{87,448,153}$	=	0.0406
2015	$\frac{88,074,204 - (81,251,027 + 2,287,418)}{88,074,204}$	=	0.0515
2014	$\frac{81,079,098 - (82,544,569 + 2,375,682)}{81,079,098}$	=	(0.0474)
2013	$\frac{80,182,246 - (79,058,755 + 2,307,023)}{80,182,246}$	=	(0.0148)
2012	$\frac{79,243,740 - (74,891,702 + 2,438,948)}{79,243,740}$	=	0.0241
2011	$\frac{78,642,616 - (73,735,948 + 2,821,400)}{78,642,616}$	=	0.0265
2010	$\frac{84,152,077 - (78,890,426 + 2,967,611)}{84,152,077}$	=	0.0273
2009	$\frac{82,793,839 - (78,207,707 + 3,377,092)}{82,793,839}$	=	0.0146
2008	$\frac{81,882,291 - (75,617,321 + 2,970,836)}{81,882,291}$	=	0.0402

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

Description: Indicates for every \$1 produced in total general fund gross revenue the amount that results in net income

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

Negative Indicators: OMR < 0.00

Table 6.6

**Westminster Public Schools**  
*Fiscal Health Tracking Ratios*  
*Change in Fund Balance Ratio (CFBR)*  
*Last Ten Fiscal Years*  
**(unaudited)**

2017	$\frac{22,899,583 - 22,889,545}{22,889,545}$	=	0.0004
2016	$\frac{22,889,545 - 19,337,335}{19,337,335}$	=	0.1837
2015	$\frac{19,337,335 - 14,801,576}{14,801,576}$	=	0.3064
2014	$\frac{14,801,576 - 18,642,729}{18,642,729}$	=	(0.2060)
2013	$\frac{18,642,729 - 19,826,261}{19,826,261}$	=	(0.0597)
2012	$\frac{19,826,261 - 17,913,171}{17,913,171}$	=	0.1068
2011	$\frac{17,913,171 - 15,827,903}{15,827,903}$	=	0.1317
2010	$\frac{15,827,903 - 13,533,863}{13,533,863}$	=	0.1695
2009	$\frac{13,533,863 - 12,324,823}{12,324,823}$	=	0.0981
2008	$\frac{12,324,823 - 9,030,689}{9,030,689}$	=	0.3647

Formula: 
$$\frac{\text{Current Year General Fund Fund Balance} - \text{Last Year General Fund Fund Balance}}{\text{Prior Year General Fund Fund Balance}}$$

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

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

Negative Indicators: CFBR < 0 (This would be a decrease in beginning fund balance)

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## Revenue Capacity

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**The following unaudited statistical tables contain information to help the reader assess the District's significant source of revenue, the property tax.**

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- Table 7 General Governmental Revenues by Source
- Table 8 Assessed and Estimated Actual Value of Taxable Property
- Table 9 Property Tax Rates – Direct and Overlapping Governments
- Table 10 Principal Taxpayers
- Table 11 Property Tax Levies and Collections

Table 7

**Westminster Public Schools**  
*General Governmental Revenues by Source*  
 Last Ten Fiscal Years  
 (unaudited)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenue from Local Sources					
Property Taxes	\$ 32,714,584	\$ 32,484,011	\$ 31,606,269	\$ 31,149,917	\$ 31,510,885
Specific Ownership Taxes	2,856,084	2,753,360	2,613,878	2,391,870	2,244,411
Interest on Investments	274,453	103,388	16,668	24,279	54,283
Other Local Revenue	4,903,177	1,448,663	3,843,442	1,549,745	2,160,700
Total Local Sources	<u>40,748,298</u>	<u>36,789,422</u>	<u>38,080,257</u>	<u>35,115,811</u>	<u>35,970,279</u>
Revenue from State Sources					
Equalization	55,337,574	54,582,192	56,765,739	51,186,997	50,786,362
Special Education	2,132,855	2,151,649	2,223,234	2,153,609	1,860,741
Transportation	477,840	519,210	519,569	516,729	554,934
Vocational Education	52,021	55,747	91,424	56,664	98,635
All Other	2,431,917	8,031,553	2,432,569	1,832,737	1,091,069
Total State Sources	<u>60,432,207</u>	<u>65,340,351</u>	<u>62,032,535</u>	<u>55,746,736</u>	<u>54,391,741</u>
Revenue from Federal Sources					
Federal Grants	12,616,301	9,745,914	12,814,114	8,114,983	9,099,273
Total Federal Sources	<u>12,616,301</u>	<u>9,745,914</u>	<u>12,814,114</u>	<u>8,114,983</u>	<u>9,099,273</u>
Total Revenue	<u>\$ 113,796,806</u>	<u>\$ 111,875,687</u>	<u>\$ 112,926,906</u>	<u>\$ 98,977,530</u>	<u>\$ 99,461,293</u>

General Revenues by Source equal all funds considered Governmental Activities type funds. Those funds include major funds and all non-major funds.

Does not include the revenues from the refunding of Bond indebtedness

	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$	31,227,210	\$ 30,626,373	\$ 30,807,060	\$ 31,352,562	\$ 30,487,189
	2,013,748	1,992,401	2,157,606	2,435,925	2,727,706
	36,612	54,287	1,657,108	4,533,125	5,407,802
	2,133,683	1,167,326	799,428	1,281,507	1,230,670
	<u>35,411,253</u>	<u>33,840,387</u>	<u>35,421,202</u>	<u>39,603,119</u>	<u>39,853,367</u>
	51,581,120	50,408,837	56,296,047	53,158,471	51,958,194
	1,782,693	1,711,864	1,539,987	1,654,442	1,611,701
	540,265	522,513	513,791	397,440	414,799
	138,853	113,625	346,617	272,033	235,286
	1,678,993	2,302,486	1,526,073	388,115	313,084
	<u>55,721,924</u>	<u>55,059,325</u>	<u>60,222,515</u>	<u>55,870,501</u>	<u>54,533,064</u>
	9,976,820	14,238,748	9,092,494	6,133,191	7,217,423
	<u>9,976,820</u>	<u>14,238,748</u>	<u>9,092,494</u>	<u>6,133,191</u>	<u>7,217,423</u>
\$	<u>101,109,997</u>	<u>\$ 103,138,460</u>	<u>\$ 104,736,211</u>	<u>\$ 101,606,811</u>	<u>\$ 101,603,854</u>

Table 8

**Westminster Public Schools**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(unaudited)**

<b>Tax Year</b>	<b>Collection Year</b>	<b>Direct Rate</b>	<b>Net Assessed Valuation</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Vacant Land</b>
2016	2017	56.896	\$ 573,590,860	\$ 3,963,458,920	\$ 479,059,724	\$ 23,465,552	\$ 29,991,069
2015	2016	56.994	572,968,570	3,961,847,990	474,824,966	22,706,793	28,349,483
2014	2015	59.695	527,230,520	3,481,420,729	451,320,897	21,574,966	26,172,483
2013	2014	58.451	536,276,080	3,478,580,402	455,598,069	21,701,276	26,144,690
2012	2013	59.983	527,994,880	3,509,532,915	424,892,103	22,708,690	25,501,793
2011	2012	61.473	512,605,120	3,512,575,628	437,547,276	23,065,310	26,635,379
2010	2011	58.722	518,806,580	3,632,519,095	439,264,414	22,237,241	33,581,345
2009	2010	59.704	517,295,650	3,634,012,186	439,189,828	22,268,897	35,561,724
2008	2009	56.970	551,961,890	2,169,768,450	1,192,553,440	89,914,790	186,478,600
2007	2008	55.601	549,665,460	2,133,545,890	1,413,864,230	283,101,710	206,593,000

Source: Adams County Assessors Office

The following are the assessment rates for 2005 to 2014:

<b>Collection Year</b>	<b>Residential Rate</b>	<b>Commercial Rate</b>
2007	7.96%	29.00%
2008	7.96%	29.00%
2009	7.96%	29.00%
2010	7.96%	29.00%
2011	7.96%	29.00%
2012	7.96%	29.00%
2013	7.96%	29.00%
2014	7.96%	29.00%
2015	7.96%	29.00%
2016	7.96%	29.00%

Notes:

(1) Residential Property Assessed Values is calculated by applying the Residential Rate to the Residential Market Value.

7.96% is the current Assessment Rate for residential property, set by the State Legislature, not the percentage of increase or decrease in market value. This is the percentage of the estimated Market value upon which your property tax is calculated.

(2) Commercial Property Assessed Value is calculated by applying the Commercial Rate to the Other Property Classes' Total Market Value.

The Assessor multiplies the actual value of the commercial property by the assessment rate of 29% to arrive at an assessed value. The assessed value is then multiplied by a tax rate (mill levy) to calculate the taxes for the property.

$$\$10,000 \text{ (Market Value)} \times 29\% \text{ (Assessment Rate)} = \$2,900 \text{ (Assessed Value)}$$

\* Find in Assessor's office/District Values by class

<b>Agriculture Acre Valuation</b>	<b>Natural Resources</b>	<b>State Assessed Property</b>	<b>Tax Exempt Property</b>	<b>Total Actual Value</b>	<b>Assessed Value To Total Actual Value</b>
\$ 698,172	\$ 240,241	\$ 24,381,820	\$ 272,468,379	\$ 4,793,763,878	11.97%
710,103	240,241	25,958,860	271,949,828	4,786,588,264	11.97%
617,034	240,241	29,859,830	259,555,759	4,270,761,938	12.35%
547,379	240,241	37,877,330	259,574,379	4,280,263,766	12.53%
373,276	221,345	39,959,080	245,878,586	4,269,067,788	12.37%
373,310	220,552	13,500,090	269,068,552	4,282,986,097	11.97%
368,552	220,552	12,220,340	255,044,172	4,395,455,711	11.80%
368,586	220,552	12,305,620	246,261,655	4,390,189,047	11.78%
18,565,270	48,727,710	29,371,810	819,675,180	4,555,055,250	12.12%
18,542,410	65,225,140	316,986,840	753,675,810	4,437,859,220	12.39%

Table 9

**Westminster Public Schools**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**(per \$1,000 of Assessed Value)**  
**Last Ten Fiscal Years**  
**(unaudited)**

Levy Year	2016	2015	2014	2013	2012	2011
Collection Year	2017	2016	2015	2014	2013	2012
<b>School Direct Rates:</b>						
General Fund	27.904	27.905	28.532	27.967	28.748	28.041
Mill Levy Override	13.946	14.062	14.880	14.629	14.858	15.304
Debt Services	15.046	15.027	16.283	15.855	16.377	18.128
School District Total	56.896	56.994	59.695	58.451	59.983	61.473
<b>Overlapping Rates:</b>						
City of Westminster	3.650	3.650	3.650	3.650	3.650	3.650
Adams County	27.055	26.817	27.042	26.815	26.903	26.806
Amherst GID	5.000	5.000	5.000	5.000	5.000	5.000
Bradburn Metro #2	50.000	50.000	50.000	50.000	50.000	50.000
Bradburn Metro #3	36.708	36.708	36.708	36.708	36.708	36.708
Crestview Water and Sanitation	4.547	4.428	4.789	4.590	4.416	4.057
Hyland Hills Park and Rec District	5.359	5.372	5.565	5.515	5.587	5.588
North Metro Fire Rescue	14.810	14.713	14.903	11.246	11.375	11.176
Southwest Adams County Fire District #2	16.841	16.892	18.800	17.800	17.800	18.800
Urban Drainage & Flood Control District	0.559	0.553	0.632	0.608	0.599	0.566
Urban Drainage & Flood Control District South Platte	0.061	0.058	0.068	0.064	0.058	0.057

Source: Abstract of assessment and tax levies - Adams County Assessor's Office

<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
28.073	28.073	28.007	28.119
15.121	15.166	14.213	14.273
15.528	16.465	14.750	13.209
<u>58.722</u>	<u>59.704</u>	<u>56.970</u>	<u>55.601</u>
3.650	3.650	3.650	3.650
26.883	26.824	26.809	26.899
5.000	5.000	5.000	5.000
50.000	50.000	50.000	50.000
36.708	36.708	36.708	36.708
3.754	3.664	3.343	3.010
5.557	5.617	5.541	5.597
11.225	11.307	11.268	11.179
18.800	18.800	13.190	13.190
0.523	0.508	0.528	0.542
0.053	0.061	0.063	0.066

Table 10

**Westminster Public Schools**  
*Principal Taxpayers*  
 Last Ten Fiscal Years  
 (unaudited)

Taxpayer	2016			2007		
	Assessed Valuation	Rank	Percent of Total County Valuation	Assessed Valuation	Rank	Percent of Total County Valuation
Xcel Energy CO (Public Service Co)	\$ 273,233,000	1	5.10%	\$ 101,148,970	2	2.28%
Suncor Energy, USA, Inc	126,670,030	2	2.36%	107,262,370	1	2.42%
Qwest Corporation	69,434,000	3	1.30%	64,994,200	3	1.46%
Colorado Interstate Gas Co.	56,653,500	4	1.06%	19,384,600	6	0.44%
Verizon Wireless, LLC	30,239,600	5	0.56%	15,920,700	8	0.36%
Tri-State Generation	26,175,330	6	0.49%	19,837,000	5	0.45%
Vestar Orchard Town Center LLC	25,916,440	7	0.48%	-	0	0.00%
United Power, Inc	25,576,900	8	0.48%	12,994,800	10	0.29%
Kerr-McGee Gathering LLC	20,223,430	9	0.38%	-		0.00%
Wal-Mart Real Estate Business Trust	20,005,460	10	0.37%	-		0.00%
Blue Spruce Energy				29,237,200	4	0.66%
Avaya, Inc				18,270,000	7	0.41%
Denver News/Rocky Mtn News				14,306,430	9	0.32%
	<u>\$ 674,127,690</u>		<u>12.58%</u>	<u>\$ 403,356,270</u>		<u>9.09%</u>

Source: Adams County Assessor's Office

Table 11

**Westminster Public Schools**  
*Property Tax Levies and Collection*  
*Last Ten Fiscal Years*  
**(unaudited)**

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy		Collections Subsequent to Fiscal Year End	Total Collection to Date	
		Amount	Percentage of Levy		Amount	Percentage of levy
2017	\$ 32,635,026	31,572,192	96.7%	\$ 727,853	32,300,045	99.0%
2016	32,655,771	31,592,006	96.7%	728,597	32,320,603	99.0%
2015	31,473,026	30,389,054	96.6%	535,541	30,924,595	98.3%
2014	31,345,873	30,075,797	95.9%	511,690	30,587,487	97.6%
2013	31,670,717	30,413,164	96.0%	994,702	31,407,866	99.2%
2012	31,511,375	30,030,634	95.3%	385,072	30,415,706	96.5%
2011	30,465,360	29,477,325	96.8%	491,407	29,968,732	98.4%
2010	30,848,409	29,357,524	95.2%	454,582	29,812,106	96.6%
2009	31,708,861	29,988,815	94.6%	400,764	30,389,579	95.8%
2008	30,418,314	30,434,405	100.1%	734,439	30,487,189	100.2%

Source: Adams County Treasurers Office and District's Financial information

(1) In accordance with modified accrual accounting, delinquent taxes are recorded in the year collected, not the year assessed. Ratios above 100% represent collections of prior year delinquent taxes.

(2) Additional outstanding delinquent taxes will be collected from September 1 to December 31.

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## Debt Capacity

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**The following unaudited statistical tables contain information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future.**

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- Table 12 Ratios of Outstanding Debt by Type
- Table 13 Ratios of Net General Bonded Debt Outstanding
- Table 14 Computation of Direct and Overlapping Bonded Debt
- Table 15 Computation of Legal Debt Margin

Table 12

**Westminster Public Schools  
Ratios of Outstanding Debt by Type  
Last Ten Years  
(unaudited)**

<b>Fiscal Year</b>	<b>Governmental Activities</b>		<b>Total Primary Government</b>	<b>District Population</b>	<b>Net Debt Per Capita</b>	<b>Percentage of Personal Income</b>
	<b>General Obligation Bonds</b>	<b>Capital Lease</b>				
2017	\$ 70,430,000	\$ 1,087,227	\$ 71,517,227	113,130	\$ 632	1.50%
2016	76,774,625	1,435,861	78,210,486	112,090	698	1.66%
2015	81,525,000	-	81,525,000	110,946	735	1.73%
2014	86,735,000	-	86,735,000	109,456	792	1.92%
2013	91,960,000	-	91,960,000	107,967	852	2.05%
2012	92,910,000	-	92,910,000	109,652	847	2.08%
2011	95,910,000	-	95,910,000	106,114	904	2.10%
2010	99,335,000	-	99,335,000	109,353	908	2.34%
2009	102,290,000	-	102,290,000	111,257	919	2.36%
2008	104,535,000	231,626	104,766,626	109,724	955	2.42%

Source: Adams County Assessor's/Treasurer's Office, City of Westminster most recent CAFR, and District Fiscal Records

Table 13

**Westminster Public Schools**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
**(unaudited)**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Restricted for Repayment of Principal</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
2017	\$ 70,430,000	\$ 5,915,000	\$ 64,515,000	1.35%	570
2016	76,774,625	5,660,000	71,114,625	1.48%	634
2015	81,525,000	5,435,000	76,090,000	1.78%	686
2014	86,735,000	5,210,000	81,525,000	1.90%	745
2013	91,960,000	5,225,000	86,735,000	2.03%	803
2012	92,910,000	4,360,000	88,550,000	2.07%	808
2011	95,910,000	3,000,000	92,910,000	2.11%	876
2010	99,335,000	3,425,000	95,910,000	2.18%	877
2009	102,290,000	2,955,000	99,335,000	2.18%	893
2008	104,535,000	2,476,626	102,058,374	2.30%	930

Table 14

**Westminster Public Schools**  
*Computation of Direct and Overlapping Bonded Debt*  
*General Obligation Bonds*  
 June 30, 2017  
**(unaudited)**

	<b>General Obligation Long-Term Debt Outstanding</b>	<b>Percent Applicable to the District</b>	<b>Net Direct and Overlapping Debt</b>
<b>Direct Entities:</b>			
Westminster Public Schools	\$ 70,430,000	100.00%	\$ 70,430,000
<b>Overlapping Entities</b>			
Hyland Hills Park and Recreation District	7,315,000	64.80%	4,740,120
Adams County Fire Protection Dist	3,039,537	13.80%	419,456
Total Overlapping Entities	10,395,847		5,200,184
<b>Total Direct and Overlapping Bonded Debt</b>	<b>\$ 80,825,847</b>		<b>\$ 75,630,184</b>

Source: Adams County Assessor's Office and Individual Entity

Note: The percentage of each entity's outstanding debt chargeable to the District is calculated by comparing the assessed valuation of the portion overlapping the District to the total assessed valuation of the overlapping entity. To the extent the District's assessed valuation changes disproportionately with the assessed valuation of overlapping entities, the percentage of debt for which property owners within the District are responsible will also change.

Table 15

**Westminster Public Schools**  
*Computation of Legal Debt Margin*  
*Las Ten Fiscal Years*  
**(unaudited)**

<b>Year</b>	<b>Assessed Value</b>	<b>Debt Limit (20% of assessed )</b>	<b>Debt Applicable to Limit General Obligation Bonds</b>	<b>Legal Debt Margin</b>	<b>Total Debt as a Percentage of Debt Limit</b>
2017	\$ 573,590,860	\$ 114,718,172	\$ 70,430,000	44,288,172	61.39%
2016	572,968,570	114,593,714	76,774,625	37,819,089	67.00%
2015	527,230,520	105,446,104	81,525,000	23,921,104	77.31%
2014	536,276,080	107,255,216	86,735,000	20,520,216	80.87%
2013	527,994,880	105,598,976	91,960,000	13,638,976	87.08%
2012	512,605,120	102,521,024	92,910,000	9,611,024	90.63%
2011	518,806,580	103,761,316	95,910,000	7,851,316	92.43%
2010	517,295,650	103,459,130	99,335,000	4,124,130	96.01%
2009	551,961,890	110,392,378	102,290,000	8,102,378	92.66%
2008	549,665,460	109,933,092	104,535,000	5,398,092	95.09%

Source: District Fiscal Records

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## **Demographic and Economic Information**

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**The following unaudited statistical tables present demographic and economic indicators to help the reader understand the socioeconomic environment in which the District operates and how the District compares to other governments.**

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Table 16 Demographic Statistics – City of Westminster

Table 17 Principal Employers – City of Westminster

**Table 16**

**Westminster Public Schools**  
*Demographics Statistics*  
*Last Ten Fiscal Years*  
**(unaudited)**

<b>Year Ended December 31</b>	<b>Estimated Population</b>	<b>Total Personal Income</b>	<b>Per Capita Income</b>	<b>Unemployment Rate</b>	<b>WPS School Enrollment</b>
2016	113,130	\$ 5,092,094,430	\$ 45,011	2.80%	9,854
2015	112,090	4,715,626,300	42,070	3.40%	9,504
2014	110,946	4,704,955,560	42,408	4.10%	10,161
2013	109,456	4,511,010,128	41,213	6.00%	10,101
2012	107,967	4,477,067,589	41,467	8.00%	10,069
2011	109,652	4,475,336,728	40,814	8.90%	10,124
2010	106,114	4,574,427,144	43,109	9.00%	10,049
2009	109,353	4,238,522,280	38,760	7.70%	9,862
2008	111,257	4,327,786,043	38,899	5.60%	9,724
2007	109,724	4,328,502,176	39,449	3.90%	9,969

Source : City of Westminster most recent CAFR  
 Figures are based on City of Westminster demographics

Table 17

**Westminster Public Schools**  
*Westminster Principal Employers*  
**2015 and 2006**

Employer	2016			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
St. Anthony's North Hospital	895	1	1.96%	655	3	1.47%
Alliance Data Systems	829	2	1.81%	323	5	0.72%
Ball Corporation	587	3	1.28%	659	2	1.48%
DigitalGlobe	557	4	1.22%			
Trimble Navigation	550	5	1.20%	132	10	0.30%
Tri State Generation	512	6	1.12%	355	7	0.80%
Kaiser Permanente	475	7	1.03%	340	6	0.76%
Reed Group	430	8	0.94%			
Mtech Mechanical Technologies Group	410	9	0.90%			
LGS Innovations	342	10	0.75%			
Avaya				1,303	1	2.92%
LaFarge North America				190	8	0.43%
Global Healthcare Exchange				150	9	0.34%
Access Distribution Systems (GE)				390	4	0.88%
Total	5,587		12.21%	4,497		10.10%

Source: City of Westminster most recent CAFR

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## Operating Information

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**The following unaudited statistical tables contain facility, enrollment, employment and assessment data to help the reader understand how the information in the District's financial report relates to the services it provides and the activities it performs.**

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Table 18 District Building Information

Table 19 Full-time Equivalent Employees by Functional Program

Table 20 Operating Statistics

Table 18

**Westminster Public Schools  
District Building Information  
Last Ten Fiscal Years  
(unaudited)**

	Enrollment History				
	Square Feet	Capacity	2017	2016	2015
<b>Elementary Schools</b>					
Baker Elementary	-	-			
Berkeley Gardens Elementary	-	-			
Clara E. Metz Elementary	26,700	456	340	350	338
Francis M. Day Elementary	33,300	552	381	355	383
Fairview Elementary	37,650	432	330	341	338
Gregory Hill Early Childhood	24,000	312	296	282	278
Harris Park Elementary	30,350	475	318	340	352
Hodgkins Elementary (Opened 2009)	80,000	700	649	662	645
Mesa Elementary	28,300	504	369	355	369
Flynn Elementary	27,850	456	264	288	330
Sherrelwood Elementary	30,950	480	282	265	309
Skyline Vista Elementary	33,900	552	373	391	402
Sunset Ridge Elementary	27,850	528	375	353	373
Tennyson Knolls Elementary	30,400	480	371	374	400
Westminster Elementary (closed 2016)	-	-	-	248	278
Colorado STEM Academy (Opened 2013)	28,000	350	396	283	264
Westminster Academy for International Studies	21,800	360	248		
<b>Middle Schools</b>					
Clear Lake Middle	-	-			
M. Scott Carpenter Middle	102,350	792	519	527	585
Shaw Heights Middle	82,700	936	625	611	577
Iver C. Ranum Middle	201,600	1,488	723	727	762
<b>High Schools</b>					
Westminster High	375,000	2,900	2,512	2,493	2,456
Iver C. Ranum High	-	-		-	-
Hidden Lake High	95,800	888	264	259	256
<b>Administration Buildings</b>					
Maintenance	12,000				
Transportation	5,600				
Purchasing/Warehouse	9,800				

**Enrollment History**

<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
-	-	-	-	-	-	360
-	-	-	-	-	-	288
360	381	418	410	430	414	425
356	356	354	363	341	372	326
348	384	366	362	343	358	317
276	364	348	337	341	321	306
354	359	405	396	399	395	438
659	657	682	748	743	636	-
376	402	395	432	415	471	472
303	325	367	361	407	405	373
291	274	263	270	281	280	291
373	388	402	413	389	407	396
363	344	340	348	373	348	365
403	411	413	410	431	363	336
298	273	273	224	202	267	279
184	-	-	-	-	-	-
-	-	-	-	749	722	773
594	566	582	551	593	594	678
615	648	645	619	674	658	742
772	812	830	808	-	-	-
2,388	2,398	2,366	2,342	1,909	1,693	1,092
-	-	-	-	200	465	1,309
293	291	260	284	301	239	161

Table 19

**Westminster Public Schools**  
*Full-Time Equivalent Employees*  
 Last Ten Fiscal Years  
**(unaudited)**

	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>	<u>2013-2014</u>	<u>2012-2013</u>
Instructional	783.25	774.73	766.43	770.50	808.73
Support Services	3.20	3.20	1.00	1.50	1.50
Instructional Support Services	31.13	17.00	14.00	12.00	13.00
General Administration	3.00	3.00	4.00	5.00	6.00
Business Services	17.50	17.50	17.50	15.50	17.00
Operations and Maintenance	34.00	34.00	38.00	33.00	34.00
Transportation Services	44.00	44.00	46.00	35.00	38.00
Central Services	25.00	24.00	21.00	20.00	23.00
Other Non-Instructional Services	1.00	1.00	0.50	0.00	0.25
Nutrition Services	29.00	38.00	38.00	41.00	48.00
Total	<u>971.08</u>	<u>956.43</u>	<u>946.43</u>	<u>933.50</u>	<u>989.48</u>

Source: District General Fund Adopted Budget

<u>2011-2012</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>2008-2009</u>	<u>2007-2008</u>
787.61	781.08	796.44	818.14	879.82
8.60	7.60	8.18	28.30	11.10
13.05	16.25	18.00	2.25	18.25
4.00	4.00	3.50	3.50	3.00
19.50	20.00	20.33	20.33	19.33
32.25	32.00	32.25	33.50	33.00
49.00	49.00	49.00	49.00	49.00
23.00	24.00	26.00	24.00	26.00
0.50	5.00	4.50	3.50	4.00
<u>52.00</u>	<u>55.00</u>	<u>65.00</u>	<u>65.00</u>	<u>67.00</u>
<u><u>989.51</u></u>	<u><u>993.93</u></u>	<u><u>1,023.20</u></u>	<u><u>1,047.52</u></u>	<u><u>1,110.50</u></u>

Table 20

**Westminster Public Schools**  
*Operating Statistics*  
*Last Ten Fiscal Years*  
**(unaudited)**

	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>	<u>2013-2014</u>	<u>2012-2013</u>
Expenses	\$ 116,126,554	\$ 109,880,262	\$ 111,603,187	\$ 99,874,828	\$ 99,000,846
Enrollment	9,639	9,504	10,161	10,101	10,069
Funded Pupil Count	9,232	9,232	9,857	9,571	9,453
Cost per Funded Pupil Count	\$ 12,579	\$ 11,902	\$ 11,322	\$ 10,436	\$ 10,473
Percentage Change	11.10%	5.12%	8.50%	-0.36%	2.05%
Certified Teaching Staff	545.95	526.20	523.20	523.20	544.43
Pupil/Teacher Ratio	17.66	18.06	19.42	19.31	18.49
Average Teacher Salaries (does not include Benefits)	\$ 60,974	\$ 60,709	\$ 57,780	\$ 58,513	\$ 58,562
Teachers Average Years of Experience	11.22	10.44	10.36	11.50	11.50
Percentage of Teachers with Bachelors Degrees	24.00%	24.55%	26.76%	25.65%	20.94%
Percentage of Teachers with Masters Degrees plus	76.00%	75.45%	73.24%	74.35%	75.14%

Source:

District Adopted Budget  
 District Internal Reports

<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>
\$ 97,266,413	\$ 100,897,016	\$ 98,198,030	\$ 95,338,304	\$ 92,175,908	\$ 92,016,307
10,124	10,049	9,862	9,724	9,969	10,683
9,478	9,511	9,667	9,163	9,911	10,058
\$ 10,263	\$ 10,608	\$ 10,158	\$ 10,405	\$ 9,301	\$ 9,149
-3.26%	4.44%	-2.37%	11.87%	1.66%	6.15%
528.53	532.03	548.70	534.50	653.91	685.28
19.16	18.00	18.00	18.48	15.25	15.59
\$ 58,657	\$ 56,952	\$ 57,164	\$ 55,979	\$ 47,562	\$ 46,161
11.66	10.00	11	11	10	10
22.82%	21.00%	23.50%	35.70%	38.60%	64.60%
77.18%	79.00%	76.50%	64.30%	61.40%	35.40%

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**Independent Auditor's 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***

To the Board of Education  
Westminster Public Schools  
Westminster, Colorado

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Westminster Public Schools (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 17, 2017.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

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

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Denver, Colorado  
November 17, 2017



## **Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance**

To the Board of Education  
Westminster Public Schools  
Westminster, Colorado

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

We have audited Westminster Public Schools’ (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2017. The District’s major federal programs are identified in the summary of auditor’s 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.

### **Auditor’s Responsibility**

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

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

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

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement 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 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.



Denver, Colorado  
November 17, 2017

Westminster Public Schools  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2017

**Section I – Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted	No

Federal Awards

Internal controls over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported

Type of auditor’s report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 200.516 of the Uniform Guidance No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Special Education Cluster (IDEA)	84.027 & 84.173
Supporting Effective Instruction State Grant (formerly Improving Teacher Quality State Grants)	84.367

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

Auditee qualified as low-risk auditee Yes

Westminster Public Schools  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2017

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**Section II – Financial Statement Findings**

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**None Reported**

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**Section III – Federal Award Findings and Questioned Costs**

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**None Reported**

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**Section IV– Prior Year Findings**

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**None Reported**

## Schedule of Expenditures of Federal Awards

**Westminster Public Schools**  
**Schedule of Expenditures of Federal Awards**  
**For the Period Ended June 30, 2017**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>State Grant Number</b>	<b>Federal CFDA Number</b>	<b>Grant Expenditures</b>
<b>U.S. Department of Defense</b>			
<b>Direct</b>			
Reserve Officer Training Corps	9001	12.357	\$ 62,735
<b>U.S. Department of Education</b>			
Passed Through Colorado Department of Education			
Title IV-B Special Education Grants to States IDEA Part B	4027	84.027	2,060,337
Title IV-B Special Education IDEA Part B Preschool Grants	4173	84.173	75,373
Special Education Cluster Subtotal			<u>2,135,710</u>
Title I Part A - Improving Basic Programs Operated by Schools - Formula Grant	4010	84.010	3,217,341
Title I Part A - Improving Basic Programs Operated by Schools - Pathways to Early Education	5010	84.010	21,824
Title I Part C Education of Migrant Children	4011	84.011	7,257
Title III-English Language Acquisition Language Enhancement - Formula Grant	4365	84.365	207,044
Title III-English Language Acquisition Language Enhancement - Competitive Grant	5365	84.365	14,802
Title III Part A Immigrant English Language Acquisition, Language Enhancement Set Aside	7365	84.365	3,254
Title II-Part A Improving Teacher and Principal Training and Recruiting Fund	4367	84.367	449,905
Race to the Top-Early Childhood Readiness Assessment	5412	84.412	287
Title X McKinney - Vento Homeless Education Assistance Improvement Grant	5196	84.196	35,253
Title I Part G - Advanced Placement for Disadvantaged Students	5330	84.330	22,540
Colorado Graduation Pathways - Competitive Grant - High School Graduation Initiative	5360	84.360	-
Tiered Intervention Grant - Funding source 1	7377	84.377	172,913
Passed through State Community Colleges and Occupational Education Systems			
Carl Perkins Vocational & Applied Technology Education - Basic Grants to States	4048	84.048	100,385
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<u><u>6,388,515</u></u>
<b>U.S. Department of Agriculture</b>			
Passed Through the Colorado Department of Human Services:			
Food Donation- National School Lunch Program Cash in Lieu of Commodities	4555	10.555	351,632
Passed Through the Colorado Department of Education:			
National School Lunch Program	4555	10.555	2,875,242
National School Breakfast Program	4553	10.553	1,870,890
Special Milk Program for Children	4556	10.556	4,585
National Summer Food Service Program for Children	4559	10.559	281,733
Food Service Program for Children Cluster Subtotal			<u>5,384,082</u>
Child and Adult Care Food Program (CACFP)	4558	10.558	18,804
Federal Fresh Fruit & Vegetable Program	4582	10.582	227,631
National School Lunch Equipment Assistance	5579	10.579	9,521
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u><u>5,640,038</u></u>
<b>Federal Highway Administration</b>			
Passed Through the Colorado Department of Transportation:			
Highway Planning and Construction - Safe Routes to Schools Grant	7205	20.205	19,290
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<u><u>\$ 12,110,578</u></u>

**Westminster Public Schools**  
Notes to Schedule of Expenditures of Federal Awards

NOTE (1) **Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Westminster Public Schools and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements

NOTE 2: **Significant Accounting Policies**

Revenue from federal awards is recognized when the District has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when it becomes both measureable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred. The District has elected to not use the 10 percent de minimis indirect cost ate as allowed under the Uniform Guidance.



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 0070 - WESTMINSTER PUBLIC SCHOOLS  
 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
<b>Governmental</b>							
10 General Fund	20,706,027		81,106,450		81,194,171		20,618,306
18 Risk Mgmt Sub-Fund of General Fund	386,839		1,382,157		1,618,958		150,038
19 Colorado Preschool Program Fund	1,796,679		4,543,650		4,209,090		2,131,239
Sub- Total	22,889,545		87,032,257		87,022,219		22,899,583
11 Charter School Fund	0		0		0		0
20,26-29 Special Revenue Fund	272,266		-272,266		0		0
06 Supplemental Cap Const, Tech, Main, Fund	0		0		0		0
21 Food Service Spec Revenue Fund	1,140,398		5,971,465		5,606,958		1,504,906
22 Govt Designated-Purpose Grants Fund	0		9,544,143		9,544,143		0
23 Pupil Activity Special Revenue Fund	87,831		721,597		670,812		138,616
24 Full Day Kindergarten Mill Levy Override	0		0		0		0
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	8,563,132		8,697,645		8,329,049		8,931,728
39 Certificate of Participation (COP) Debt Service Fund	0		0		0		0
41 Building Fund	0		146		146		0
42 Special Building Fund	0		0		0		0
43 Capital Reserve Capital Projects Fund	5,757,117		2,101,820		4,953,227		2,905,710
46 Supplemental Cap Const, Tech, Main Fund	0		0		0		0
<b>Totals</b>	<b>38,710,289</b>		<b>113,796,807</b>		<b>116,126,553</b>		<b>36,380,543</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	0		0		0		0
74 Pupil Activity Agency Fund	627,632		726,376		647,958		706,049
79 GASB 34-Permanent Fund	0		0		0		0
85 Foundations	0		0		0		0
<b>Totals</b>	<b>627,632</b>		<b>726,376</b>		<b>647,958</b>		<b>706,049</b>

FINAL