

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2018



Westminster Public Schools

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

For the Fiscal Year Ended June 30, 2018

Board of Education

Ryan McCoy, President	Term Expires 2021
Joe Davidek, Vice President	Term Expires 2021
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Max Math, Treasurer	Term Expires 2019
Larry Dean Valente, Director	Term Expires 2019

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Mr. Kirchers Leday	Chief of Staff
Dr. Oliver Grenham	Chief Education Officer
Dr. James Duffy	Chief Operating Officer
Mrs. Sandra Nees	Chief Financial Officer
Mr. Steve Saunders	Chief Communications Officer

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

Westminster Public Schools
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For the Fiscal Year Ended June 30, 2018

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INTRODUCTORY SECTION

Contents:

- Letter of Transmittal
- 2017 Certificate of Achievement for Excellence in Financial Reporting—GFOA
- Organizational Chart





October 18, 2018

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, 2018.

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, 2018.

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,

2018, 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, 2018, 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 20 schools: two high schools, three middle schools, ten elementary schools, one K-8 STEM school, one K-8 international school, one K-8 Marzano Academy, one early childhood center, and one early learning 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 2017 figures, was 9,441 with the following ethnic breakdown:

American Indian	0.52%
Asian	4.16%
African American	1.45%
Hispanic	77.35%
White	14.38%
Other	2.14%

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 2018 Colorado Economic Outlook, prepared by the Governor's Office of State Planning and Budgeting.

Colorado's economy continues to experience strong growth with expectations of ongoing expansion. Business confidence remains positive, while oil production (though not oil employment) remains near record levels. Year-to-date in 2018, Colorado employment growth has been strong, highlighted by increases in the labor force participation rate and in average hourly wages. Economic growth has been widespread, benefiting most industries. Though momentum is weak in the agricultural industry, rural economies have seen some relief in 2018 due to declining farm rental rates and modest increases in crop prices. In the overall economy, continued tight labor markets and rising home prices are expected to constrain growth.

Nationally, the economy continues to expand with most leading indicators suggesting ongoing growth. The unemployment rate and share of part-time workers continue to decline, while the quit rate suggests greater labor market confidence. Corporate earnings continue to strengthen and stock markets remain high. Business confidence is strong despite a marginal increase in economic policy uncertainty in response to U.S. trade policy. Importantly, the economy continues to shake off occasional market shocks, suggesting a strong foundation for continued growth.

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 2017 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.

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.

The current housing market in Colorado is forcing low-income families to move out of the metro area, affecting enrollment in the school district. While the school district is seeing a decline in enrollment, it is projected to see an increase in a few years with new housing developments being completed within the boundaries.

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.

Awards and Acknowledgements

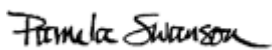
The Government Finance Officers Association of the United States of America and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive financial report (CAFR) for the fiscal year ended June 30, 2017. This was the thirteenth year 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.

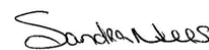
The preparation and completion of this report could not have been accomplished without the direct and indirect contributions of the entire Financial Services Staff. Appreciation and recognition is also extended to our independent audit firm, Eide Bailly LLP, and its professional audit staff for all the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

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for Excellence
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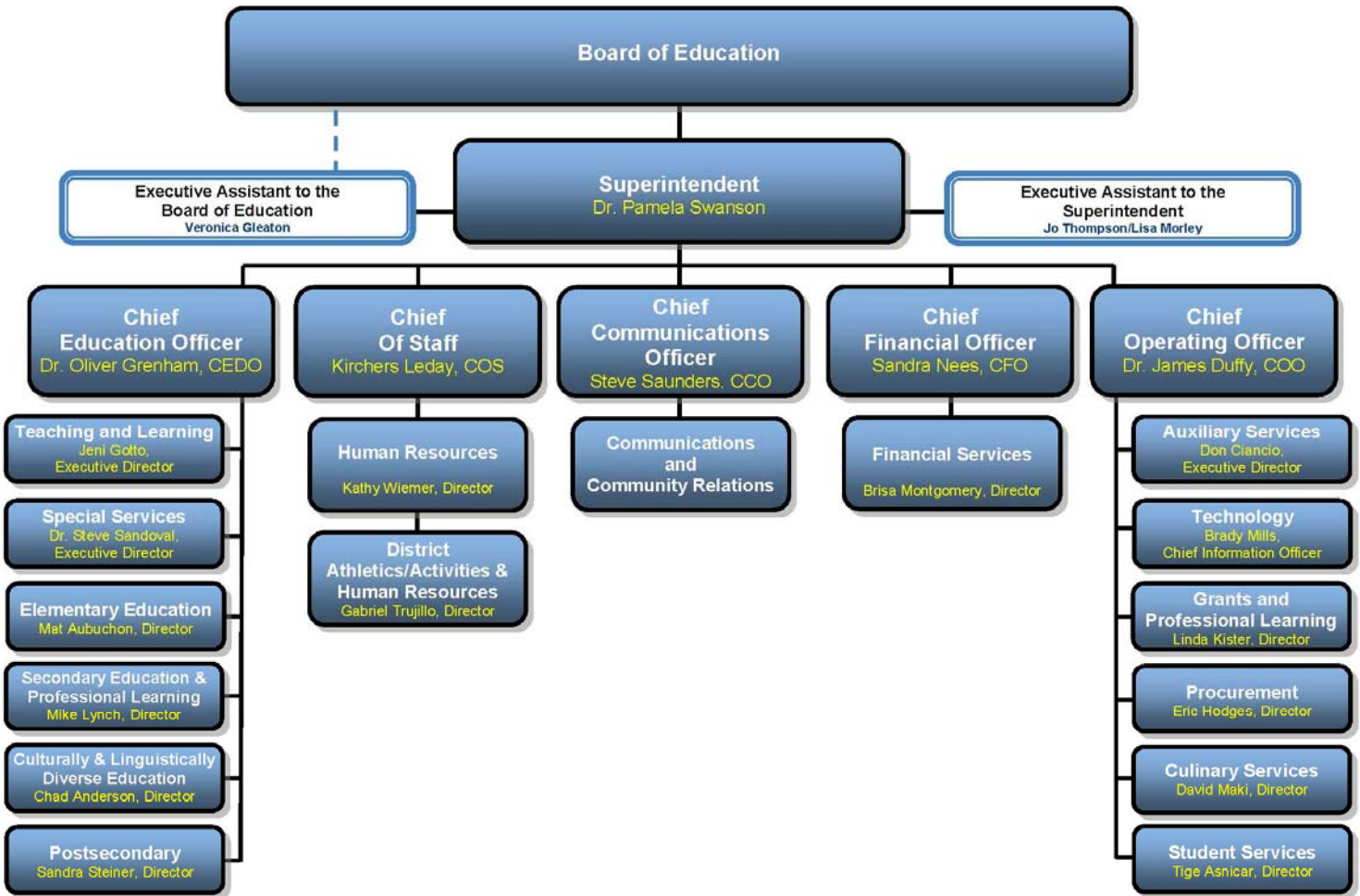
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

Westminster Public Schools – Organizational Chart




August 2018

FINANCIAL SECTION

Contents:

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information





The Financial section may be viewed as a “reporting pyramid.” The financial statements and schedules are presented only as far down the reporting pyramid (in terms of increasing levels of detail) as necessary to (1) report fairly financial position and operating results; (2) demonstrate legal compliance; and (3) assure adequate disclosure.

The levels of the pyramid are:

FINANCIAL SECTION

••• Independent Auditor's Report:

This is the opinion of the Independent Certified Public Accountants, Eide Bailly LLP, on the information in the financial section. This audit is to determine that information is fairly presented, complete and in conformance with accounting principles generally accepted in the United States of America (US GAAP).

••• Management's Discussion and Analysis:

The Management's Discussion and Analysis provides a narrative introduction, overview, and analysis of the basic financial statements.

••• Basic Financial Statements

These statements provide an overview of the financial position of the District as a whole, focusing on major funds instead of fund types and groups. They also serve as an introduction to the more detailed statements and schedules that follow. The notes to the financial statements are an integral part of the basic financial statements and contain the “Summary of Significant Accounting Policies” and other notes necessary for adequate disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a Budgetary Comparison Schedule is required for the General Fund and each of the District's major special revenue funds. For the year ended June 30, 2018, the District identified the following major funds: General Fund, Government Designated - Purpose Grants Fund, Bond Redemption Fund, and Capital Reserve Fund.

••• Supplementary Information Combining Individual Fund Financial Statements

These statements and schedules present information on the individual funds where (a) there is only one fund of a specific type, or (b) sufficient detail to assure adequate disclosure is not presented in the basic statements. These statements and schedules are also used to present certain budgetary data.





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, 2018, 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, 2018, 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.

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Correction of an Error

As discussed in Note 13 to the financial statements, the District recorded adjustments to deferred outflows of resources in the government wide financial statements, related to pensions that were not calculated correctly. Accordingly, the July 1, 2017 beginning net position account balance was updated to correct this error. Our opinions were not modified with respect to this matter.

Change in Accounting Principle

As discussed in Notes 1 and 13 to the financial statements, the District adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which has resulted in a restatement of net position as of July 1, 2017. Our opinions are not modified with respect to this matter.

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 14, budgetary comparison information on pages 52 through 55, Schedule of the Proportionate Share of the Net Pension Liability on page 56, Schedule of Employer Contributions on page 57, Schedule of the Proportionate Share of the Net OPEB Liability on page 58, and Schedule of Employer Contributions (OPEB) on page 59, 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 of 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 October 18, 2018, 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.

Eide Sallee LLP

Denver, Colorado
October 18, 2018

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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, 2018. 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 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 \$248.14 million (net position).
- Governmental activities have an unrestricted net position balance of (\$300.01) million.
- The total net position of the District decreased by \$66.01 million during fiscal year 2018.
- Fund balance of the District's governmental funds increased by \$2.5 million resulting in an ending fund balance of \$38.9 million.
- During the current fiscal year, the fund balance in the District's general fund increased by \$1,753,798.

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 2017-18, the District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$248,135,778.

Overall, the District's net position decreased \$66,007,918 from the prior fiscal year. This decrease in overall financial position is a direct result of the net pension liability increase of \$38,302,881, net OPEB liability increase of \$9,474,821, and the changes in outflows and inflows of resources. Net investment in capital assets increased by \$5,858,268 due to the completion of several construction projects and repayment of debt associated with capital assets. Net position restricted for Debt Service increased \$305,157 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 \$128,855 is due to the calculation factors.

*Westminster Public Schools Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2018*

The assets of the District are classified as current and other assets, and capital assets, net of depreciation. Total assets increased by \$1.6 million. Capital assets not being depreciated had the most significant changes with a decrease of \$7.05 million due to the completion of several construction projects, 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, increased by \$5.87 million mainly due to the capitalization of the completed construction projects. 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 \$40.77 million. This increase in liabilities is the net result of an increase in net pension liability of \$38.3 million, an increase in net OPEB liability of \$9.47 million, and a decrease in long term bonds payable due to the annual principal payments for outstanding debt. Accounts payable increased by \$.38 million due mainly to salary withholdings not paid by year end.

Table 1 and 2 provide a summary of the District's Net Position for 2018 compared to 2017:

Table 1 - Condensed Statement of Net Position

	Total School District	
	2018	2017
Assets		
Current and Other Assets	\$ 47,134,480	\$ 44,349,501
Capital Assets	99,984,338	101,164,237
Total Assets	147,118,818	145,513,738
Deferred Outflows of Resources		
Deferred Charge on Refunding	5,449,788	6,121,538
Deferred Outflows of Resources Related to Pensions	122,583,928	142,517,746
Deferred Outflows of Resources Related to OPEB	467,773	-
Total Deferred Outflows of Resources	128,501,489	148,639,284
Liabilities		
Current Liabilities	7,926,869	7,815,513
Long-Term Liabilities	496,417,512	455,757,585
Total Liabilities	504,344,381	463,573,098
Deferred Inflows of Resources		
Deferred Inflows of Resources Related to Pensions	19,251,618	7,477,528
Deferred Inflows of Resources Related to OPEB	160,086	-
Total Deferred Inflows of Resources	19,411,704	7,477,528
Net Position		
Net Investment in Capital Assets	38,137,924	32,279,656
Restricted	13,814,745	15,673,654
Unrestricted	(300,088,447)	(224,850,914)
Total Net Position	\$(248,135,778)	\$ (176,897,604)

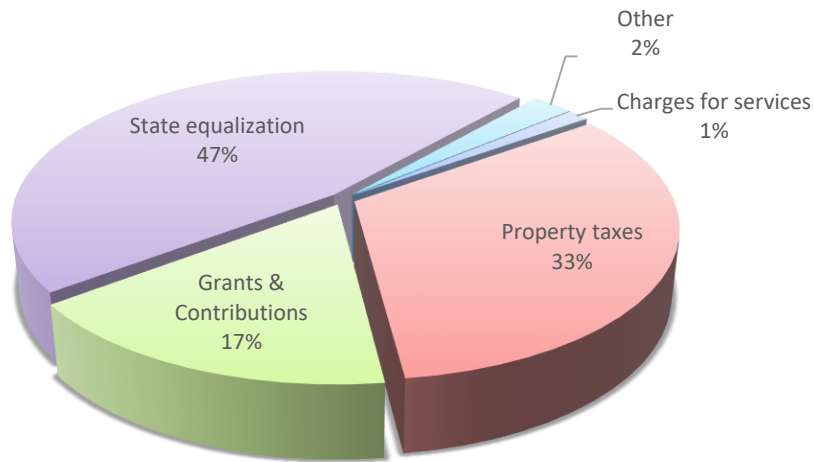
Table 2 - Changes in Net Position

	Total School District	
	2018	2017
Revenues		
Program revenues		
Charges for services	\$ 1,489,968	\$ 1,108,747
Operating Grants & Contributions	19,435,626	19,744,335
Capital Grants & Contributions	349,343	458,091
General revenues		
Property Taxes	38,865,243	35,430,640
State Equalization	55,468,146	55,337,574
Other	2,858,611	1,577,391
Total Revenues	118,466,937	113,656,778
Expenses		
Instruction	99,818,930	88,200,866
Pupil & Instructional Services	21,472,161	19,049,137
Administration & Business	21,818,359	19,806,101
Maintenance & Operations	17,714,776	21,138,489
Transportation	4,449,016	4,054,550
Nutrition Services	6,747,881	6,129,478
Other	13,201,064	11,973,018
Total expenses	185,222,187	170,351,639
Special Item		
Gain on Disposition of Capital Assets	747,332	-
Change in Net Position	(66,007,918)	(56,694,861)
Beginning Net Position-Restated	(182,127,860)	(120,202,743)
Ending Net Position	(248,135,778)	\$ (176,897,604)

During 2017-2018, the District recorded adjustments to deferred inflows and outflows of resources in the government wide financial statements, related to pensions that were not calculated correctly. Accordingly, the July 1, 2017, beginning net position account balance was updated by approximately \$3.8 million to correct this error. Additionally, as of July 1, 2017 the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Beginning net position for governmental activities was restated to retroactively report the prior OPEB liability reported under GASB Statement No 45. See NOTE (13) for further explanation on restated net position.

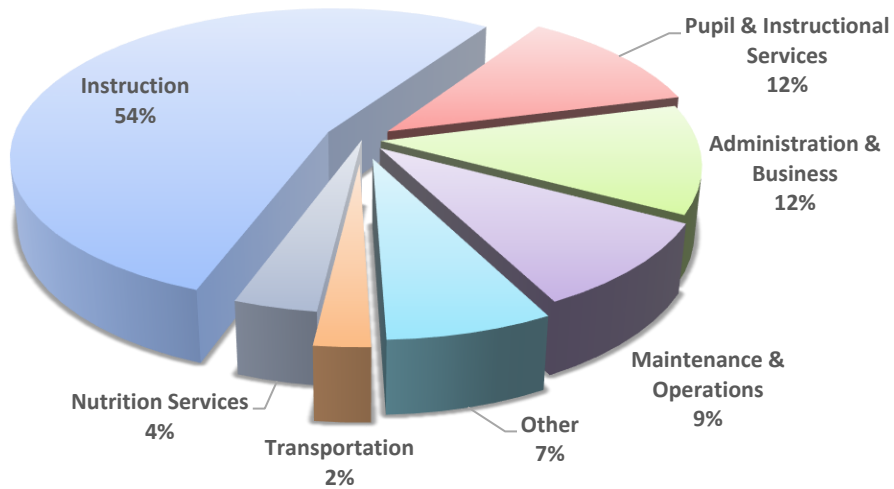
Table 3 shows the different sources of revenues for fiscal year 2017-18. State equalization and property taxes accounted for most of the District's total revenue, with each contributing 47 percent and 33 percent, respectively. Another 17 percent came from state and federal grants for specific programs and the remainder from fees charged for services and miscellaneous sources.

Table 3
Sources of Revenues for Fiscal Year 2017-18



The District's expenses are predominantly related to instructing, caring for (pupil services), feeding and transporting students (72 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 16 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 2017-18



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 2017-2018, the statewide base per pupil funding was increased for inflation by 3.6%. Under the SFA the District received \$8,058 per funded student. In fiscal year 2017-18 the funded pupil count was 9,087.5, this is a decrease 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 introduced a “negative” factor into the finance formula in 2009-10 resulting in a funding gap of over \$80 million since its inception and \$10.3 million in the 2017-18 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 2017-18. During 2017-18, the mill levy rate was set at 11.374, a decrease from the prior year amount of 13.677, 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 decreased the mill rate to 12.533 from 15.046 mills for the 2017-18 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	
	2018	2017	2018	2017
Instruction	\$ 99,818,930	\$ 88,200,866	\$ 90,120,487	\$ 78,386,580
Pupil & Instructional Services	21,472,161	19,049,137	17,518,775	15,686,239
Administration & Business	21,818,359	19,806,101	21,558,471	19,360,580
Maintenance & Operations	17,714,776	21,138,489	17,365,433	20,680,398
Transportation	4,449,016	4,054,550	3,690,258	3,524,720
Nutrition Services	6,747,881	6,129,478	1,096,418	224,556
Other	13,201,064	11,973,018	12,597,408	11,177,393
Total Expenses	\$ 185,222,187	\$ 170,351,639	\$ 163,947,250	\$ 149,040,466

The cost of all *governmental* activities this year was \$185,222,187.

- Some of the cost was financed by the users of the District’s programs (\$1,489,968).
- The federal and state government subsidized certain programs with grants and contributions (\$19,784,969).

- Most of the costs (\$163,947,250), however, were financed by State and District taxpayers.
- A portion of governmental activities was financed with \$55,468,146 in state equalization from the School Finance Act of 1994 (SFA) and \$38,865,243 in property taxes and specific ownership taxes (SOT).

Financial Analysis of the District's Funds

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

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, 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 District, or a group or individual that has been delegated authority to assign resources for use for a particular purpose School District's Board of Education.

All governmental funds have total revenues of \$118,293,844 and expenditures of \$116,540,646. The total governmental funds net changes in fund balance was a \$2,500,530 increase, mainly due to additional property tax revenues. The District's fund balance as of June 30, 2018, is comprised of: 1) 7,638,428 unassigned fund balance; 2) legally restricted fund balance in the amount of \$13,814,745 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 \$15,553,230 for purchases on order, Board of Education 5% contingency reserve, superintendent's contract reserve, subsequent year's expenditures, nutrition services, and capital projects; and 5) nonspendable fund balance in the form of inventory for \$174,670.

The General Fund is the 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 \$1,753,798 in the 2017-18 school year. The increase was mainly due to a shortage of teachers to fill vacancies and two different supplemental given to the District in February and April. Even though the District received additional revenues from the state, 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 \$90 million decreased funding over the past seven years.

The Bond Redemption Fund had an increase of \$305,157 in fund balance due to normal fluctuation in property tax collections. The collected fund balance at June 30, 2018 will be used to meet the required principal and interest payments in December 2018.

The Government Designated-Purpose Grants fund had a \$219,480 decrease in revenues and expenses due mainly to the expiration of some grants received by the District and decreased funding from federal sources.

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 District is able to amend the original budget by January 31st of every year. In the 2017-18 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 \$3.2 million higher compared to the final approved budget. This is a minimal variance (3.5%) compared to the budgeted amount of \$91.25 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 \$.62 million under budget. This is a variance of .69% compared to the budgeted amount of \$90.3 million. This minimal variance is primarily due to unfilled positions throughout the school year.

Capital Assets and Debt Administration

By the end of 2017-18, the District had invested a total of \$99.98 million in land, buildings, equipment, and transportation vehicles.

Table 6 - Capital Assets (Net of Depreciation)

	Total School District	
	2018	2017
Site	\$ 1,703,416	\$ 1,703,416
Buildings	95,936,507	90,128,555
Equipment/Transportation	2,344,415	2,284,558
Construction in Progress	-	7,047,708
Totals	\$ 99,984,338	\$ 101,164,237

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 \$64.5 million in bonds, \$6.1 million due within one year. It also had \$.73 million in capital lease, \$.38 million due within one year.

Table 7 - Outstanding Debt, at Year End

	Total School District	
	2018	2017
General Obligation Bonds	\$ 64,515,000	\$ 70,430,000
Capital Lease	731,794	1,087,227
Total	\$ 65,246,794	\$ 71,517,227

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 2018-19 will be submitted to the Colorado Department of Education by November 10, 2018. 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.
- The November 2018 election will have one item on it that, if approved by the voters, will have a significant impact on the State's ability to fully fund public education. Amendment 73 is a statewide constitutional amendment that would generate \$1.6 billion statewide for PreK-12 public education. The measure would establish a fund called the Quality Public Education Fund. Revenue generated from the new taxes would be dedicated to the Quality Public Education Fund to fund preschool through 12th-grade public education. Specifically, the fund would be used to increase the statewide base per-pupil funding and increase spending for special education, preschool, English language proficiency, and gifted programs, among other things.
- The Board of Education has called for a \$9.9 million mill levy override election on November 6, 2018 to support the operations, program, construction and maintenance needs throughout the District. If approved by the voters, the additional money would be used in the following areas:
 - Improving school safety and security.
 - Expanding existing vocational/career programs.
 - Creating partnerships with organizations like the Boys and Girls Club to enable and enhance learning opportunities for community youth.
 - Attracting and retaining highly-effective teachers, mental health professionals, and counselors.
- There are many development projects in the region that do not involve District 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.

- During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through Senate Bill 18-200. This bill increases employer and employee contribution rates starting July 2019.
- The most significant measure of District success will be the continued academic performance of our students. While the District continues to show success in our competency based model, state and federal mandates continue to be a challenge. 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.

BASIC FINANCIAL STATEMENTS

BASIC FINANCIAL
STATEMENTS



**Westminster Public Schools
Statement of Net Position
For the Year Ended June 30, 2018**

	Primary Government
	Governmental Activities
ASSETS	
Cash and Investments	\$ 43,204,830
Property Tax Receivable	1,028,653
Other Receivables	553,611
Due from Other Governments	1,501,501
Inventory	174,670
Deposits	4,680
Restricted Assets, Deposits in Insurance Pool	666,535
Capital Assets Not Being Depreciated	1,703,416
Capital Assets, Net of Accumulated Depreciation	98,280,922
Total Assets	147,118,818
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Refunding	5,449,788
Deferred Outflows of Resources Related to Pensions	122,583,928
Deferred Outflows of Resources Related to OPEB	467,773
Total Deferred Outflows of Resources	128,501,489
LIABILITIES	
Accounts Payable	1,914,377
Accrued Salaries and Benefits	5,193,890
Unearned Revenue	818,602
Noncurrent Liabilities	
Due Within One Year	7,051,634
Due in More Than One Year	65,070,193
Net OPEB Liability	9,471,821
Net Pension Liability	414,823,864
Total Liabilities	504,344,381
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources Related to Pensions	19,251,618
Deferred Inflows of Resources Related to OPEB	160,086
Total Deferred Inflows of Resources	19,411,704
Net Position:	
Net Investment in Capital Assets	38,137,924
Restricted for:	
Debt Service	9,236,885
TABOR	2,889,504
Future Insurance Claims	419,974
Colorado Preschool Project	1,268,382
Unrestricted	(300,088,447)
Total Net Position	\$ (248,135,778)

The accompanying notes are an integral part of this statement

Westminster Public Schools
Statement of Activities
For the Year Ended June 30, 2018

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u>	
			<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
Governmental Activities:				
Instruction - Schools	\$ 99,818,930	\$ 1,148,284	\$ 8,550,159	\$ -
Support Services:				
Pupil Services	8,685,052	-	2,022,325	-
Instructional Staff	12,787,109	-	1,931,061	-
General Administration	1,829,021	-	34,783	-
School Administration	16,124,106	-	181,073	-
Business Services	3,865,232	-	44,032	-
Maintenance/Operations	17,714,776	-	-	349,343
Pupil Transportation	4,449,016	-	758,758	-
Central Supporting Services	8,470,034	-	489,710	-
Nutrition Services	6,747,881	341,684	5,309,779	-
Community Services	2,277,431	-	113,946	-
Total Support Services	<u>82,949,658</u>	<u>341,684</u>	<u>10,885,467</u>	<u>349,343</u>
Interest and Other Fiscal Charges	<u>2,453,599</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	<u>\$ 185,222,187</u>	<u>\$ 1,489,968</u>	<u>\$ 19,435,626</u>	<u>\$ 349,343</u>

General Revenues:

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

Special Item

Gain on Disposition of Capital Assets

Total General Revenues

Changes in Net Position

Net Position - Beginning as restated

Net Position - Ending

The accompanying notes are an integral part of this statement

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

**Governmental
Activities**

\$	(90,120,487)
	(6,662,727)
	(10,856,048)
	(1,794,238)
	(15,943,033)
	(3,821,200)
	(17,365,433)
	(3,690,258)
	(7,980,324)
	(1,096,418)
	(2,163,485)
	<u>(71,373,164)</u>
	(2,453,599)
\$	<u>(163,947,250)</u>

	19,222,956
	7,800,853
	8,632,725
	3,208,709
	55,468,146
	476,098
	<u>2,382,513</u>
	747,332
	<u>97,939,332</u>
	(66,007,918)
	<u>(182,127,860)</u>
\$	<u>(248,135,778)</u>

Westminster Public Schools
Balance Sheet -Governmental Funds
For the Year Ended June 30, 2018

	<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>
Assets						
Cash and Investments	\$ 29,544,480	\$ -	\$ 9,066,931	\$ 3,639,761	\$ 953,658	\$ 43,204,830
Property Tax Receivable	786,642	-	242,011	-	-	1,028,653
Other Receivables	-	-	-	-	553,611	553,611
Due from Other Governments	-	1,501,501	-	-	-	1,501,501
Due from Other Funds	290,715	(290,715)	-	-	-	-
Inventories	103,648	-	-	-	71,022	174,670
Deposits	4,680	-	-	-	-	4,680
Restricted Assets - Deposits in Insurance Pool	666,535	-	-	-	-	666,535
Total Assets	<u>31,396,700</u>	<u>1,210,786</u>	<u>9,308,942</u>	<u>3,639,761</u>	<u>1,578,291</u>	<u>47,134,480</u>
Liabilities						
Accounts Payable	1,800,346	3,105	-	-	110,926	1,914,377
Accrued Salaries and Benefits	4,688,492	455,118	-	-	50,280	5,193,890
Unearned Revenue	-	752,563	-	-	66,039	818,602
Due to Other Funds	-	-	-	-	-	-
Total Liabilities	<u>6,488,838</u>	<u>1,210,786</u>	<u>-</u>	<u>-</u>	<u>227,245</u>	<u>7,926,869</u>
Deferred Inflows of Resources						
Unavailable Revenue - Property Taxes	254,481	-	72,057	-	-	326,538
Fund Balances						
Nonspendable						
Inventories	103,648	-	-	-	71,022	174,670
Restricted for						
TABOR	2,889,504	-	-	-	-	2,889,504
Future Insurance Claims	419,974	-	-	-	-	419,974
Colorado Preschool Project	1,268,382	-	-	-	-	1,268,382
Debt Service	-	-	9,236,885	-	-	9,236,885
Committed						
Performance Incentives	1,700,000	-	-	-	-	1,700,000
Assigned to						
Contingency Reserve	4,678,450	-	-	-	-	4,678,450
Subsequent Year's Expenditures	5,674,430	-	-	-	-	5,674,430
*Purchases on Order	75,515	-	-	-	-	75,515
Other Purposes	205,050	-	-	3,639,761	1,280,024	5,124,835
Unassigned						
General Fund	7,638,428	-	-	-	-	7,638,428
Total Fund Balances	<u>24,653,381</u>	<u>-</u>	<u>9,236,885</u>	<u>3,639,761</u>	<u>1,351,046</u>	<u>38,881,073</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 31,396,700</u>	<u>\$ 1,210,786</u>	<u>\$ 9,308,942</u>	<u>\$ 3,639,761</u>	<u>\$ 1,578,291</u>	<u>\$ 47,134,480</u>

NOTE: *Purchases on Order are PO's that were not paid by fiscal year ending June 30, 2018

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
For The Year Ended June 30, 2018**

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

Total Fund Balances - Governmental Funds \$ 38,881,073

Other long-term assets are not available to pay for current period expenditures, and therefore, are deferred in the funds 326,538

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

The Cost of Capital Assets is	148,860,421	
Accumulated Depreciation is	(48,876,083)	99,984,338

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	(731,794)	
Deferred Loss on Refunding	5,449,788	
Bond Premium	(5,689,169)	
Bonds Payable	(64,515,000)	
Compensated Absences	(1,185,864)	
Net OPEB Liability	(9,471,821)	
Net Pension Liability	(414,823,864)	(490,967,724)

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

Deferred outflows of resources related to pensions	122,583,928	
Deferred inflows of resources related to pensions	(19,251,618)	
Deferred outflows of resources related to OPEB	467,773	
Deferred inflows of resources related to OPEB	(160,086)	
		103,639,997

Total Net Position - Governmental Activities \$ (248,135,778)

Westminster Public Schools
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Year Ended June 30, 2018

	<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>
Revenues:						
Taxes	\$ 30,097,360	\$ -	\$ 8,594,790	\$ -	\$ -	\$ 38,692,150
Intergovernmental	60,618,673	7,367,917	-	-	5,309,779	73,296,369
Other Grants	-	1,956,746	-	-	-	1,956,746
Charges for Services	1,066,010	-	-	-	423,958	1,489,968
Investment Earnings	384,650	-	91,448	-	-	476,098
Other	2,325,724	-	-	46,592	10,197	2,382,513
Total Revenues	<u>94,492,417</u>	<u>9,324,663</u>	<u>8,686,238</u>	<u>46,592</u>	<u>5,743,934</u>	<u>118,293,844</u>
Expenditures:						
Current:						
Instruction:						
Salaries and Benefits	46,416,363	3,456,524	-	-	463,177	50,336,064
Purchased Services	566,839	361,832	-	-	51,982	980,653
Supplies and Materials	895,102	237,097	-	-	70,067	1,202,266
Non-Capitalized Equipment	995,522	23,367	-	-	-	1,018,889
Other Expenditures	161,524	14,498	-	-	51,654	227,676
Total Instruction	<u>49,035,350</u>	<u>4,093,318</u>	<u>-</u>	<u>-</u>	<u>636,880</u>	<u>53,765,548</u>
Support Services:						
Pupil Services	3,187,640	2,022,325	-	-	-	5,209,965
Instructional Staff	5,609,477	1,931,061	-	-	-	7,540,538
General Administration	1,105,111	34,783	-	97,807	-	1,237,701
School Administration	8,654,607	181,073	-	29,399	-	8,865,079
Business Services	2,279,796	44,032	-	140,668	-	2,464,496
Maintenance/Operations	9,517,060	-	-	1,097,085	-	10,614,145
Pupil Transportation	2,422,705	65,072	-	791	-	2,488,568
Central Supporting Services	5,728,015	489,710	-	260,173	-	6,477,898
Nutrition Services	-	-	-	-	6,079,530	6,079,530
Community Services	971,999	113,946	-	50,281	-	1,136,226
Total Support Services	<u>39,476,410</u>	<u>4,882,002</u>	<u>-</u>	<u>1,676,204</u>	<u>6,079,530</u>	<u>52,114,146</u>
Capital Outlay	1,413,173	349,343	-	140,721	-	1,903,237
Debt Service - Principal	355,433	-	5,915,000	-	-	6,270,433
Debt Service - Interest & Fiscal Charges	21,201	-	2,466,081	-	-	2,487,282
Total Expenditures	<u>90,301,567</u>	<u>9,324,663</u>	<u>8,381,081</u>	<u>1,816,925</u>	<u>6,716,410</u>	<u>116,540,646</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,190,850</u>	<u>-</u>	<u>305,157</u>	<u>(1,770,333)</u>	<u>(972,476)</u>	<u>1,753,198</u>
Other Financing Sources (Uses):						
Transfers In	-	-	-	1,757,052	680,000	2,437,052
Transfers Out	(2,437,052)	-	-	-	-	(2,437,052)
Total Other Financing Sources (Uses)	<u>(2,437,052)</u>	<u>-</u>	<u>-</u>	<u>1,757,052</u>	<u>680,000</u>	<u>-</u>
Special Item						
Gain from Sale of Capital Assets	-	-	-	747,332	-	747,332
Net Change in Fund Balances	1,753,798	-	305,157	734,051	(292,476)	2,500,530
Fund Balances - Beginning	22,899,583	-	8,931,728	2,905,710	1,643,522	36,380,543
Fund Balances - Ending	<u>\$ 24,653,381</u>	<u>\$ -</u>	<u>\$ 9,236,885</u>	<u>\$ 3,639,761</u>	<u>\$ 1,351,046</u>	<u>\$ 38,881,073</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, 2018

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

Total net change in fund balances - governmental funds \$ 2,500,530

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	3,498,869	
Depreciation Expense	(4,678,768)	(1,179,899)

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

173,093

Governmental funds report District pension and other post-employment benefits contributions (OPEB) as expenditures. However, in the Statement of Activities, the cost of pension and OPEB earned net of employee contributions is reported as pension and OPEB expense. This is the amount by which costs of benefits earned net of employee contributions exceeded pension and OPEB contributions.

(73,944,666)

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 was more than the amounts earned by \$138,909

138,909

Repayment of bonded principal and capital lease I 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	355,433	
Repayment of Bond Principal	5,915,000	
Amortization of Premium on Bond Reissuance	705,433	
Amortization of Deferred Loss on Refunding	(671,751)	6,304,115

Change in net position of governmental activities

\$ (66,007,918)

The accompanying notes are an integral part of this statement

**Westminster Public Schools
Statement of Fiduciary Net Position
For the Year Ended June 30, 2018**

		Agency Fund
		<u>Interscholastic Athletic and Activity</u>
ASSETS		
Cash and Investments	\$	736,262
		<hr/>
TOTAL ASSETS	\$	736,262
		<hr/> <hr/>
LIABILITIES		
Undistributed Monies	\$	736,262
		<hr/>
TOTAL LIABILITIES	\$	736,262
		<hr/> <hr/>

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 15).

Restricted for Future Insurance Claims - Portion of net position that is restricted to the District's share in the Insurance Pool (see Note 14).

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) Implementation of GASB Statement No. 75

As of July 1, 2017, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits Other Than Pensions*. The implementation of this standard replaces the requirements of GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and requires governments calculate and report the costs and obligations associated with postemployment benefits other than pensions (OPEB) in their basic financial statements. Employers are required to recognize OPEB amounts for all benefits provided

Westminster Public Schools

Notes to Basic Financial Statements

through the plan which include the Net OPEB Liability (trusted plan), deferred outflows of resources, deferred inflows of resources, and OPEB expense. The effect of the implementation of this standard on beginning net position is disclosed in Note 13 and the additional disclosures required by this standard is included in Note 12.

Westminster Public Schools participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/ deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

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, 2018 the District had bank deposits of \$2,638,778 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, 2018, the District had invested \$42,785,559 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, 2018 (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.

Westminster Public Schools
Notes to Basic Financial Statements

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, 2018, none of the District's investments were exposed to custodial credit risk.

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, 2018, are as follows:

Receivable Fund	Payable Fund	Amount
General	Government Designated-Purpose Grants	\$ 290,715

Westminster Public Schools
Notes to Basic Financial Statements

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 the grants reimbursement cycle.

NOTE (5) Interfund Transfers

Interfund transfers for the year ended June 30, 2018, were composed of the following:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Total</u>
General Fund	Nonmajor Governmental Funds	\$ 680,000
General Fund	Capital Reserve Fund	1,757,052
Total		<u>\$ 2,437,052</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, 2018, was as follows:

	<u>Capital Assets June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Reclassifications</u>	<u>Capital Assets June 30, 2018</u>
Governmental Activities					
Capital assets not being depreciated:					
Site	\$ 1,703,416	\$ -	\$ -	\$ -	\$ 1,703,416
Construction in Progress	7,047,708	-	-	(7,047,708)	-
Total capital assets not being depreciated	8,751,124	-	-	(7,047,708)	1,703,416
Capital assets being depreciated					
Buildings	124,731,837	2,747,500	-	7,047,708	134,527,045
Equipment/Transportation	12,050,002	751,369	(171,411)	-	12,629,960
Total capital assets, being depreciated	136,781,839	3,498,869	(171,411)	7,047,708	147,157,005
Less Accumulated depreciation:					
Buildings	(34,603,282)	(3,987,256)	-	-	(38,590,538)
Equipment/Transportation	(9,765,444)	(691,512)	171,411	-	(10,285,545)
Total accumulated depreciation	(44,368,726)	(4,678,768)	171,411	-	(48,876,083)
Total capital assets, being depreciated net	92,413,113	(1,179,899)	-	7,047,708	98,280,922
Governmental activities capital assets, net	\$ 101,164,237	\$ (1,179,899)	\$ -	\$ -	\$ 99,984,338

Depreciation expense of \$4,678,768 for the year ended June 30, 2018 was charged to the following governmental functions:

Instruction	\$ 3,605,262
Support:	
Pupil Services	141,404
Instructional Staff	130,640
General Administration	14,058
School Administration	149,891
Business Services	23,460
Maintenance/Operations	285,221
Pupil Transportation	170,540
Central Supporting Services	152,754
Community Services	5,539
Total	<u>\$ 4,678,768</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, 2018, are estimated to be \$5,193,890. 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 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, 2018.

<i>Year</i>	<i>Series 2012 Refunding Bonds</i>			<i>Series 2013 Refunding Bonds</i>			<i>Annual Total</i>
	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	
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
Total	\$ 55,550,000	\$ 9,019,263	\$ 64,569,263	\$ 8,965,000	\$ 2,205,960	\$ 11,170,960	\$ 75,740,222

Westminster Public Schools
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The following is a summary of the changes in long-term debt for the year ended June 30, 2018:

	June 30, 2017	Additions	Deletions	June 30, 2018	Due in One Year
Governmental activities:					
General Obligation Bond	\$ 70,430,000	\$ -	\$ 5,915,000	\$ 64,515,000	\$ 6,075,000
Bond premium	6,394,602	-	705,433	5,689,169	-
Capital Lease	1,087,227	-	355,433	731,794	376,634
Compensated Absences *	1,324,773	1,848,939	1,987,848	1,185,864	600,000
Governmental activities					
Long-term liabilities	<u>\$ 79,236,602</u>	<u>\$ 1,848,939</u>	<u>\$ 8,963,714</u>	<u>\$ 72,121,827</u>	<u>\$ 7,051,634</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
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	1,593,253	8,348,253
2023	7,120,000	1,281,731	8,401,731
2024-2027	31,800,000	2,107,269	33,907,269
Principal Due	<u>\$ 64,515,000</u>	<u>\$ 11,225,222</u>	<u>\$ 75,740,222</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 2017-2018 actual valuation is \$6,678,147,693 and maximum debt limit at June 30, 2018 is \$400,688,862 leaving a legal debt margin of \$336,173,862.

NOTE (9) Capital Lease

In November 2015, the District entered into a capital lease agreement to install an air conditioner unit at Flynn Elementary School with a total acquisition cost of approximately \$1.8 million included within buildings. 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.

Westminster Public Schools
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Debt Payment Date	Payment Amount	Amount Credited to Interest	Amount Credited to Capital Cost	Oustanding Principal Balance
7/1/2019	\$ 376,634	\$ 14,270	\$ 362,364	\$ 369,429
7/1/2020	376,634	7,204	369,429	-
<i>Total</i>	<i>\$ 753,268</i>	<i>\$ 21,474</i>	<i>\$ 731,794</i>	

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 \$133,811. Estimated annual lease payments as of June 30, 2018 due in 2019 is \$150,000.

NOTE (11) Defined Benefit Pension Plan

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. Governmental accounting standards require the net pension liability and related amounts of the SCHDTF for financial reporting purposes be measured using the plan provisions in effect as of the SCHDTF's measurement date of December 31, 2017. As such, the following disclosures do not include the changes to plan provisions required by SB 18-200 with the exception of the section titled *Changes between the measurement date of the net pension liability and June 30, 2018*.

(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.

(B) Benefits Provided as of December 1, 2017

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.

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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.

As of December 31, 2017, 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.

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 Provisions as of June 30, 2018

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, 2017	For the Year Ended December 31, 2018
Employer contribution rate ¹	10.15%	10.15%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%
Amount apportioned to the SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	5.00%	5.50%
Total employer contribution rate to the SCHDTF¹	18.63%	19.13%

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

Employer contributions are recognized by 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 \$11,425,888 for the year ended June 30, 2018.

Westminster Public Schools
Notes to Basic Financial Statements

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

At June 30, 2018 the District reported a liability of \$414,823,864 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll forward the total pension liability to December 31, 2017. The District's proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2017 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2017, the District's proportion was 1.2828369089 percent, which was an increase of .0182346880 from its proportion measured as of December 31, 2016.

For the year ended June 30, 2018 the District recognized pension expense of \$81,203,237. At June 30, 2018 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,626,863	\$ -
Net difference between projected and actual earnings on pension	-	16,290,528
Changes of assumptions or other inputs	105,919,944	672,142
Changes in proportionate share	3,184,917	2,288,946
School contributions subsequent to the measurement date	5,852,204	-
	\$ 122,583,928	\$ 19,251,616

The \$5,852,204 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amortization
2019	\$ 19,399,754
2020	28,807,525
2021	32,331,102
2022	15,296,991
Thereafter	1,644,736
Total	\$ 97,480,106

(E) Actuarial assumptions

The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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

A discount rate of 4.78 percent was used in the roll-forward calculation of the total pension liability of the measurement date of December 31, 2017.

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.

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

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

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

Several factors were considered in evaluating the long-term rate of return assumption for the SCHDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed 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.

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As of the most recent 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%
Total	100.00%	

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

(F) Discount rate

The discount rate used to measure the total pension liability was 4.78 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:

- 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.

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- 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 Bond Buyer, was applied to periods on and after 2041 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.43 percent, resulting in a discount rate of 4.78 percent.

As of the prior measurement date, the long-term expected rate of return on plan investments of 7.25 percent and the municipal bond index rate of 3.86 percent were used in the discount rate determination resulting in a discount rate of 5.26 percent, 0.48 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 4.78 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 (3.78 percent) or 1-percentage-point higher (5.78 percent) than the current rate:

	1% Decrease (3.78%)	Current Discount Rate (4.78%)	1% Increase (5.78%)
Proportionate share of the net pension liability	\$523,993,093	\$414,823,864	\$325,863,409

(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.

Payables to the pension plan

Changes between the measurement date of the net pension liability and June 30, 2018

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through SB 18-200: *Concerning Modifications To the Public Employees’ Retirement Association Hybrid*

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Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to the plans administered by PERA with the goal of eliminating the unfunded actuarial accrued liability of the Division Trust Funds and thereby reach a 100 percent funded ratio for each division within the next 30 years.

A brief description of some of the major changes to plan provisions required by SB 18-200 are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates by 0.25 percent on July 1, 2019.
- Increases employee contribution rates by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- Directs the state to allocate \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution will be allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the other divisions eligible for the direct distribution.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, modifying the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, the direct distribution from the state, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.

At June 30, 2018 the Westminster Public Schools reported a liability of \$414,823,864 for its proportionate share of the net pension liability which was measured using the plan provisions in effect as of the pension plan's year-end based on a discount rate of 4.78%. For comparative purposes, the following schedule presents an estimate of what the Westminster Public Schools proportionate share of the net pension liability and associated discount rate would have been had the provisions of SB 18-200, applicable to the SCHDTF, become law on December 31, 2017. This pro forma information was prepared using the fiduciary net position of the SCHDTF as of December 31, 2017. Future net pension liabilities reported could be materially different based on changes in investment markets, actuarial assumptions, plan experience and other factors.

Estimated Discount Rate Calculated Using Plan Provisions Required by SB 18-200 (pro forma)	Proportionate Share of the Estimated Net Pension Liability Calculated Using Plan Provisions Required by SB 18-200 (pro forma)
7.25%	\$ 187,413,826

Recognizing that the changes in contribution and benefit provisions also affect the determination of the discount rate used to calculate proportionate share of the net pension liability, approximately \$193,642,371 of the estimated reduction is attributable to the use of a 7.25 percent discount rate.

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NOTE (12) Defined Benefit Other Post Employment Benefit (OPEB) Plan

(A) General Information about the OPEB Plan

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

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

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

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

(B) PERA Benefit Structure

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

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option,

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coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Westminster Public Schools is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Westminster Public Schools were \$623,248 for the year ended June 30, 2018.

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

At June 30, 2018, the Westminster Public Schools reported a liability of \$9,471,821 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2017. The Westminster Public Schools proportion of the net OPEB liability was based on Westminster Public Schools contributions to the HCTF for the calendar year 2017 relative to the total contributions of participating employers to the HCTF.

At December 31, 2017, the Westminster Public Schools proportion was .7287720343 percent, which was an increase of .009956034 from its proportion measured as of December 31, 2016.

For the year ended June 30, 2018, the Westminster Public Schools recognized OPEB expense of \$763,019. At June 30, 2018, the Westminster Public Schools reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 44,790	\$ -
Net difference between projected and actual earnings on OPEB plan investments	-	158,450
Changes in proportion and differences between contributions recognized and proportionate share of contributions	107,888	1,636
Contributions subsequent to the measurement date	<u>315,095</u>	<u>-</u>
Total	\$ 467,773	\$ 160,086

\$315,095 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Westminster Public Schools
Notes to Basic Financial Statements

Year ended June 30,		
2019	\$	(3,461)
2020		-3,461
2021		-3,461
2022		-3,461
Thereafter		6,435
Total	\$	(7,408)

Actuarial assumptions. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.00 percent for 2017, gradually rising to 4.25 percent in 2023
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Westminster Public Schools

Notes to Basic Financial Statements

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2017	5.00%	3.00%
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.00%
2023	5.00%	4.25%
2024+	5.00%	4.25%

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

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

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

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

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

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

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

Westminster Public Schools

Notes to Basic Financial Statements

The following economic and demographic assumptions were specifically developed for, and used in, the measurement of the obligations for the HCTF:

- The assumed rates of PERACare participation were revised to reflect more closely actual experience.
- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.
- The percentages of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage were revised to more closely reflect actual experience.
- The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage were revised to reflect more closely actual experience.
- Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the “No Part A Subsidy” when they retire were revised to more closely reflect actual experience.
- Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, were revised to more closely reflect actual experience.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- The rates of PERACare coverage election for spouses of eligible inactive members and future retirees were revised to more closely reflect actual experience.
- The assumed age differences between future retirees and their participating spouses were revised to reflect more closely actual experience.

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

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

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

Westminster Public Schools

Notes to Basic Financial Statements

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

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.00%	3.00%	4.00%
Ultimate Medicare Part A trend rate	3.25%	4.25%	5.25%
Net OPEB Liability	\$ 9,210,534	\$ 9,471,821	\$ 9,784,982

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 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 health care cost trend rates for Medicare Part A premiums as of the December 31, 2017, measurement date.

Westminster Public Schools
Notes to Basic Financial Statements

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- 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.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits 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 HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 10,468,518	\$ 9,471,821	\$ 8,466,181

OPEB plan fiduciary net position. Detailed information about the HCTF’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.

NOTE (13) Adoption of New Standard and Correction of Error

The District recorded adjustments to deferred outflows of resources in the government wide financial statements, related to pensions that were not calculated correctly. Accordingly, the July 1, 2017 beginning net position account balance was updated to correct this error.

As of July 1, 2017, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of this standard replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and require governments to calculate and report the cost and obligations associated with other postemployments benefits other than pensions in their financial

Westminster Public Schools
Notes to Basic Financial Statements

statements, including additional note disclosures and required supplementary information. Beginning net position for governmental activities was restated to retroactively report the prior OPEB liability reported under GASB Statement No. 45 and adopt the provisions of GASB Statement No. 75 to report the beginning total OPEB liability and deferred inflows and outflows of resources related to contributions made after the measurement date as follows:

Net Position at July 1, 2017, as previously reported	\$(176,897,604)
Deferred outflows of resources (pensions)/pension expense – correction of error	3,877,208
Deferred inflows of resources (pensions)/pension expense – correction of error	(89,128)
Deferred outflows of resources (OPEB)/OPEB expense	301,358
Net OPEB liability/OPEB expense	<u>(9,319,694)</u>
Net Position July 1, 2017	<u><u>\$(182,127,860)</u></u>

NOTE (14) 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, 2018. 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 \$666,535 at June 30, 2018.

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:

	Self – Insured Pool Retentions	Excess Insurance (Per Occurrence)
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, 2018, 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

Westminster Public Schools
Notes to Basic Financial Statements

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 (15) 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.

(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, 2018.

(C) Construction Commitment

At June 30, 2018 the District didn't have any outstanding construction contracts.

(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, 2018, the District has complied with the requirements to establish emergency reserves which are recorded in the financial statements as restricted fund balance/net position.

Westminster Public Schools
Notes to Basic Financial Statements

(E) Excess of Expenditures

The District may be in violation of the Colorado Revised Statutes by exceeding budgeted appropriations in the Nutrition Services Fund.

REQUIRED SUPPLEMENTARY INFORMATION

Contents:

In addition to the basic financial statements, a Budgetary Comparison Schedule is required for the General Fund and each of the District's major special revenue funds. Schedules of the Proportionate Share of the Net Pension and OPEB Liability and Schedules of Employer Contributions are required as part of the basic financial statements of the District.

For the year ended June 30, 2018 the District identified the following major funds:

- General Fund
- Government Designated-Purpose Grants 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
For the Year Ended June 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Local Property- School Finance Act	\$ 15,648,414	\$ 18,486,849	\$ 19,087,798	\$ 600,949
Local Property- Mill Levy Override	7,844,000	7,844,000	7,800,853	(43,147)
Specific Ownership	2,628,000	2,628,000	3,208,709	580,709
Intergovernmental				
Equalization Entitlements	56,686,132	55,061,397	55,468,146	406,749
Special Education	1,975,000	1,975,000	2,009,548	34,548
Vocational Education	-	-	173,800	173,800
English Language Proficiency Act	1,357,994	1,209,345	1,247,535	38,190
Hold Harmless Kindergarten	115,698	121,295	121,844	549
Transportation	478,895	564,751	693,686	128,935
Read Act	741,000	697,586	697,585	(1)
At Risk Aid	-	-	118,249	118,249
Other	58,687	58,687	88,280	29,593
Charges for Services	758,000	758,000	1,066,010	308,010
Investment Earnings	152,500	152,500	384,650	232,150
Other	577,060	1,689,317	2,325,724	636,407
TOTAL REVENUES	89,021,380	91,246,727	94,492,417	3,245,690
TOTAL EXPENDITURES	87,773,489	91,281,053	90,301,567	979,486
Excess revenues over (under) expenditures	1,247,891	(34,326)	4,190,850	4,225,176
Other Financing Sources (Uses):				
Transfers In/(Out):				
Capital Reserve Fund	(1,757,052)	(1,757,052)	(1,757,052)	-
Student Athletic/Activity Special Revenue	(650,000)	(670,000)	(680,000)	(10,000)
Total Other Financing Sources (Uses)	(2,407,052)	(2,427,052)	(2,437,052)	(10,000)
Net Change in Fund Balance	\$ (1,159,161)	\$ (2,461,378)	1,753,798	\$ 4,215,176
Fund Balance - Beginning			22,899,583	
Fund Balance - Ending			\$ 24,653,381	

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
For the Year Ended June 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Instruction:				
Salaries and Benefits	\$ 47,012,509	\$ 48,963,767	\$ 46,416,363	\$ 2,547,404
Purchased Services	574,101	484,447	566,839	(82,392)
Supplies and Materials	925,713	1,283,078	895,102	387,976
Non-Capitalized Equipment	272,881	178,331	995,522	(817,191)
Other	133,175	283,025	161,524	121,501
Total Instruction	48,918,379	51,192,648	49,035,350	2,157,298
Supporting Services:				
Pupil Services	3,947,435	3,420,215	3,187,640	232,575
Instructional Staff	5,595,456	5,657,915	5,609,477	48,438
General Administration	988,683	985,353	1,105,111	(119,758)
School Administration	7,453,244	7,514,806	8,654,607	(1,139,801)
Maintenance/Operations	9,160,401	9,323,354	9,517,060	(193,706)
Pupil Transportation	1,991,902	2,086,053	2,422,705	(336,652)
Business Services	1,732,515	1,780,553	2,279,796	(499,243)
Central Supporting Services	6,524,450	6,745,992	5,728,015	1,017,977
Community Services	1,461,024	1,218,682	971,999	246,683
Total Supporting Services	38,855,110	38,732,923	39,476,410	(743,487)
Debt Service	-	355,482	376,634	(21,152)
Capital Outlay	-	1,000,000	1,413,173	(413,173)
Total Expenditures	\$ 87,773,489	\$ 91,281,053	\$ 90,301,567	\$ 979,486

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
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 7,634,968	\$ 7,634,968	\$ 7,367,917	\$ (267,051)
Other Grants	2,894,337	2,894,337	1,956,746	(937,591)
TOTAL REVENUES	<u>10,529,305</u>	<u>10,529,305</u>	<u>9,324,663</u>	<u>(1,204,642)</u>
Expenditures:				
Instruction				
Salaries and Benefits	2,936,895	2,936,895	3,456,524	(519,629)
Purchased Services	489,325	489,325	361,832	127,493
Supplies and Materials	426,066	426,066	237,097	188,969
Equipment	95,085	95,085	23,367	71,718
Other Expenditures	15,062	15,062	14,498	564
Total Instruction	<u>3,962,433</u>	<u>3,962,433</u>	<u>4,093,318</u>	<u>(130,885)</u>
Support Services:				
Pupil Services	1,729,878	1,729,878	2,022,325	(292,447)
Instructional Staff	3,538,792	3,538,792	1,931,061	1,607,731
General Administration	-	-	34,783	(34,783)
School Administration	198,858	198,858	181,073	17,785
Business Services	37,507	37,507	44,032	(6,525)
Pupil Transportation	25,478	25,478	65,072	(39,594)
Central Supporting Services	399,654	399,654	489,710	(90,056)
Community Services	259,692	259,692	113,946	145,746
Capital Outlay	377,013	377,013	349,343	27,670
Total Support Services	<u>6,566,872</u>	<u>6,566,872</u>	<u>5,231,345</u>	<u>1,335,527</u>
TOTAL EXPENDITURES	<u>10,529,305</u>	<u>10,529,305</u>	<u>9,324,663</u>	<u>1,204,642</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning			-	
Fund Balance - Ending			<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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District Proportion of the Net Pension Liability (Asset)	1.2828369%	1.2646022%	1.2523100%	1.3483628%	1.3583746%
District Proportionate Share of the Net Pension Liability (Asset)	\$ 414,823,864	\$ 376,520,983	\$ 191,531,980	\$ 182,748,457	\$ 173,260,316
District Covered Payroll	\$ 59,165,115	\$ 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	701.13%	663.38%	349.32%	322.63%	313.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	43.96%	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 five years was not available to report.

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

Required Supplementary Information

**Westminster Public Schools
Schedule of Employer Contributions
PERA Pension Plan - School Division Trust Fund
Last Ten Fiscal Years**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 11,425,888	\$ 11,125,237	\$ 10,527,745	\$ 9,374,471	\$ 8,961,382	\$ 8,286,970
Contributions in Relation to the Contractually Required Contribution	\$ (11,425,888)	\$ (11,125,237)	\$ (10,527,745)	\$ (9,374,471)	\$ (8,961,382)	\$ (8,286,970)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	60,509,552	57,660,852	55,897,577	55,563,094	56,060,530	54,950,807
Contributions as a Percentage of Covered Payroll	18.88%	19.29%	18.83%	16.87%	15.99%	15.08%

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

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

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

	<u>2017</u>	<u>2016</u>
District Proportion of the Net OPEB Liability (Asset)	0.7287720343%	0.7188160008%
District Proportionate Share of the Net OPEB Liability (Asset)	\$ 9,471,821	\$ 9,319,694
District Covered Payroll	\$ 59,165,115	\$ 56,758,135
Proportionate Share of Net OPEB Liability as a Percentage of its Covered Payroll	16.01%	16.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	17.53%	16.72%

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

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

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

Westminster Public Schools
Schedule of Employer Contributions (OPEB)
PERA Pension Plan - School Division Health Care Trust Fund
Last Ten Fiscal Years *

	2018
Contractually Required Contribution	\$ 623,248
Contributions in Relation to the Contractually Required Contribution	\$ (623,248)
Contribution Deficiency (Excess)	\$ -
Covered Payroll	60,509,552
Contributions as a Percentage of Covered Payroll	1.03%

*NOTE: Information for the prior nine 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.
- Sup Notes
- 7) Appropriations lapse at year-end.
 - 8) For the fiscal year 2017-18, the Board of Education amended the appropriations for several different funds as follows:

	<u>Original Appropriation</u>	<u>Modified Appropriation</u>
General Fund	\$ 89,021,380	\$ 91,246,727
Risk Management Fund	1,352,500	1,600,000
Nutrition Services Fund	5,903,282	6,048,520
Capital Reserve Fund	2,635,000	4,662,762
Student Activity Fund	674,154	687,839

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

SUPPLEMENTARY INFORMATION

Contents:

These financial statements present more detailed information, such as budget to actual comparisons for the individual funds in a format that segregates information by major fund type and non-major funds.



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
For the Year Ended June 30, 2018**

	<u>Special Revenue Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Student Athletic Activity Fund</u>	<u>Nutrition Services Fund</u>	
ASSETS			
Cash and Investments	\$ 277,875	\$ 675,783	\$ 953,658
Other Receivables	-	553,611	553,611
Inventory	-	71,022	71,022
Total Assets	<u>\$ 277,875</u>	<u>\$ 1,300,416</u>	<u>\$ 1,578,291</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ 110,926	\$ 110,926
Deferred Revenue	-	66,039	66,039
Accrued Salaries and Benefits	9,668	40,612	50,280
Total Liabilities	<u>9,668</u>	<u>217,577</u>	<u>227,245</u>
Fund Balances:			
Nonspendable	-	71,022	71,022
Restricted	-	-	-
Assigned	268,207	1,011,817	1,280,024
Total Fund Balance	<u>268,207</u>	<u>1,082,839</u>	<u>1,351,046</u>
Total Liabilities and Fund Balances	<u>\$ 277,875</u>	<u>\$ 1,300,416</u>	<u>\$ 1,578,291</u>

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, 2018

	Special Revenue Funds		
	Student Athletic Activity Fund	Nutrition Services Fund	Total Nonmajor Governmental Funds
Revenues:			
Charges for Services	\$ 82,274	\$ 341,684	\$ 423,958
Intergovernmental	-	5,309,779	5,309,779
Other	4,197	6,000	10,197
TOTAL REVENUES	86,471	5,657,463	5,743,934
Expenditures:			
Instruction			
Salaries and Benefits	463,177	-	463,177
Purchased Services	51,982	-	51,982
Supplies and Materials	70,067	-	70,067
Equipment	-	-	-
Other	51,654	-	51,654
Total Instruction	636,880	-	636,880
Support Services			
Nutrition Services	-	6,079,530	6,079,530
Total Support Services	-	6,079,530	6,079,530
TOTAL EXPENDITURES	636,880	6,079,530	6,716,410
Excess (Deficiency) of Revenues Over Expenditures	(550,409)	(422,067)	(972,476)
Other Financing Sources (Uses):			
Transfers in	680,000	-	680,000
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	680,000	-	680,000
Net Change in Fund Balances	129,591	(422,067)	(292,476)
Fund Balances - Beginning	138,616	1,504,906	1,643,522
Fund Balances - Ending	\$ 268,207	\$ 1,082,839	\$ 1,351,046

See Accompanying Independent Auditor's Report

Westminster Public Schools
Student Athletic/Activity Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Gate Receipts	\$ 50,000	\$ 50,000	\$ 22,188	\$ (27,812)
Athletic and Activity Fees	30,000	30,000	60,086	30,086
Other	-	-	4,197	4,197
TOTAL REVENUES	<u>80,000</u>	<u>80,000</u>	<u>86,471</u>	<u>6,471</u>
Expenditures:				
Instruction:				
Salaries and Benefits	422,150	406,338	463,177	(56,839)
Purchased Services	65,000	65,000	51,982	13,018
Supplies and Materials	71,756	71,756	70,067	1,689
Equipment	25,500	25,500	-	25,500
Other	80,500	96,312	51,654	44,658
Total Instruction	<u>664,906</u>	<u>664,906</u>	<u>636,880</u>	<u>28,026</u>
TOTAL EXPENDITURES	<u>664,906</u>	<u>664,906</u>	<u>636,880</u>	<u>28,026</u>
Excess revenues over/(under) expenditures	(584,906)	(584,906)	(550,409)	34,497
Other Financing Sources (Uses):				
Transfer In	<u>670,000</u>	<u>670,000</u>	<u>680,000</u>	<u>(10,000)</u>
Net Change in Fund Balance	<u>\$ 85,094</u>	<u>\$ 85,094</u>	129,591	<u>\$ 24,497</u>
Fund Balance - Beginning			<u>138,616</u>	
Fund Balance - Ending			<u>\$ 268,207</u>	

See Accompanying Independent Auditor's Report

**Westminster Public Schools
Nutrition Services Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenue:				
Food Sales	\$ 328,170	\$ 328,170	\$ 341,684	\$ 13,514
Intergovernmental				
USDA Reimbursements	5,308,850	5,308,850	4,844,516	(464,334)
Cash in Lieu of Commodities	326,000	326,000	365,407	39,407
State Revenue	85,500	85,500	99,856	14,356
Other Revenue	-	-	6,000	6,000
TOTAL REVENUES	<u>6,048,520</u>	<u>6,048,520</u>	<u>5,657,463</u>	<u>(391,057)</u>
Expenditures:				
Salaries and Benefits	1,310,377	1,310,377	1,034,616	275,761
Purchased Services	1,607,227	1,607,227	1,738,266	(131,039)
Supplies and Materials	2,115,678	2,115,678	2,044,427	71,251
Equipment	70,000	927,135	685,322	241,813
Other	800,000	-	576,899	(576,899)
TOTAL EXPENDITURES	<u>5,903,282</u>	<u>5,960,417</u>	<u>6,079,530</u>	<u>(119,113)</u>
Net Change in Fund Balance	<u>\$ 145,238</u>	<u>\$ 88,103</u>	(422,067)	<u>\$ (510,170)</u>
Fund Balance - Beginning			<u>1,504,906</u>	
Fund Balance - Ending			<u>\$ 1,082,839</u>	

See Accompanying Independent Auditor's Report

CAPITAL PROJECTS FUNDS

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
Capital Reserve Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues:				
Other	\$ -	\$ -	\$ 46,592	\$ 46,592
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>46,592</u>	<u>46,592</u>
Expenditures:				
Support Services:				
Pupil Services	-	-	97,807	(97,807)
General Administration	-	-	29,399	(29,399)
Business Services	200,000	200,000	140,668	59,332
Maintenance/Operations	280,000	1,860,000	1,097,085	762,915
Pupil Transportation	130,000	130,000	791	129,209
Central Supporting Services	175,000	175,000	260,173	(85,173)
Community Services	-	-	50,281	(50,281)
Capital Outlay	1,580,000	2,297,762	140,721	2,157,041
Total Support Services	<u>2,365,000</u>	<u>4,662,762</u>	<u>1,816,925</u>	<u>2,845,837</u>
TOTAL EXPENDITURES	<u>2,365,000</u>	<u>4,662,762</u>	<u>1,816,925</u>	<u>2,845,837</u>
Excess revenues over (under) expenditures	(2,365,000)	(4,662,762)	(1,770,333)	2,892,429
Other Financing Sources (Uses):				
Transfer In	<u>1,757,052</u>	<u>1,757,052</u>	<u>1,757,052</u>	<u>-</u>
Total other Sources (Uses)	1,757,052	1,757,052	1,757,052	-
Special Item				
Proceeds from Sale of Capital Assets	<u>800,000</u>	<u>800,000</u>	<u>747,332</u>	<u>(52,668)</u>
Net Change in Fund Balance	<u>\$ 192,052</u>	<u>\$ (2,105,710)</u>	<u>\$ 734,051</u>	<u>\$ 2,839,761</u>
Fund Balance - Beginning			<u>2,905,710</u>	
Fund Balance - Ending			<u>\$ 3,639,761</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
For the Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 8,487,675	\$ 8,487,675	\$ 8,594,790	\$ 107,115
Investment Earnings	16,578	16,578	91,448	74,870
TOTAL REVENUES	<u>8,504,253</u>	<u>8,504,253</u>	<u>8,686,238</u>	<u>181,985</u>
Expenditures:				
Debt Service:				
Principal Retirement	5,915,000	5,915,000	5,915,000	-
Interest and Fiscal Charges	2,537,469	2,537,469	2,466,081	71,388
TOTAL EXPENDITURES	<u>8,452,469</u>	<u>8,452,469</u>	<u>8,381,081</u>	<u>71,388</u>
Net Change in Fund Balance	<u>\$ 51,784</u>	<u>\$ 51,784</u>	305,157	<u>\$ 253,373</u>
Fund Balance - Beginning			<u>8,931,728</u>	
Fund Balance - Ending			<u>\$ 9,236,885</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
For the Year Ended June 30, 2018

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Assets:				
Cash and Cash Equivalents	\$ 706,050	\$ 663,619	\$ 633,407	\$ 736,262
Total Assets	\$ 706,050	\$ 663,619	\$ 633,407	\$ 736,262
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Salaries	-	-	-	-
Undistributed Monies	706,050	663,619	633,407	736,262
Total Liabilities	\$ 706,050	\$ 663,619	\$ 633,407	\$ 736,262

See Accompanying Independent Auditor's Report

Westminster Public Schools
Interscholastic Athletic and Activity Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Additions:				
Fundraising and Events	\$ 700,000	\$ 687,839	\$ 663,619	\$ (24,220)
Total Additions	<u>700,000</u>	<u>687,839</u>	<u>663,619</u>	<u>(24,220)</u>
Deductions:				
Athletic and Activity Expenditures	<u>674,154</u>	<u>674,154</u>	<u>633,407</u>	<u>40,747</u>
Total Deductions	<u>674,154</u>	<u>674,154</u>	<u>633,407</u>	<u>40,747</u>
Change in Undistributed Monies	<u>\$ 25,846</u>	<u>\$ 13,685</u>	30,212	<u>\$ 16,527</u>
Undistributed Monies, Beginning			<u>706,050</u>	
Undistributed Monies, Ending			<u>\$ 736,262</u>	

See Accompanying Independent Auditor's Report

STATISTICAL SECTION

Contents:

The Statistical Section of the Comprehensive Annual Financial Report (CAFR) is intended to familiarize readers with the historical structure of the District. Data in the majority of the tables cover the last ten fiscal years to provide demographic and financial trend information.

Two of the fifteen tables recommended by the Government Accounting Standards Board (GASB) have not been included in this report for the following reasons:

- Special Assessment Collections – The District collects no money for special assessments
- Revenue Bond Coverage – The District is not allowed by law to issue revenue bonds. All bonded indebtedness is general obligation.



STATISTICAL SECTION

Financial Trend Information

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.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015 (1)</u>
Governmental activities:				
Net Investment in Capital Assets	\$ 38,137,924	\$ 32,279,656	\$ 21,536,945	\$ 20,013,198
Restricted	13,814,745	(209,177,260)	13,446,358	14,241,328
Unrestricted	(300,088,447)	-	(155,186,046)	(159,388,318)
Total governmental activities net position	<u>\$ (248,135,778)</u>	<u>\$ (176,897,604)</u>	<u>\$ (120,202,743)</u>	<u>\$ (125,133,792)</u>
Business-Type activities:				
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unrestricted	-	-	-	-
Total business-type activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government:				
Net Investment in Capital Assets	\$ 38,137,924	\$ 32,279,656	\$ 21,536,945	\$ 20,013,198
Restricted	13,814,745	(209,177,260)	13,446,358	14,241,328
Unrestricted	(300,088,447)	-	(155,186,046)	(159,388,318)
Total primary government	<u>\$ (248,135,778)</u>	<u>\$ (176,897,604)</u>	<u>\$ (120,202,743)</u>	<u>\$ (125,133,792)</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

2014 (1)	2013	2012	2011	2010	2009
\$ 17,725,857	\$ 14,700,721	\$ 12,425,146	\$ 12,085,181	\$ 11,327,463	\$ 9,080,225
12,098,148	12,206,411	11,741,159	10,263,406	11,138,052	10,431,076
(156,070,206)	16,298,313	17,930,277	15,202,884	12,831,226	9,051,960
<u>\$ (126,246,201)</u>	<u>\$ 43,205,445</u>	<u>\$ 42,096,582</u>	<u>\$ 37,551,471</u>	<u>\$ 35,296,741</u>	<u>\$ 28,563,261</u>
\$ -	\$ 198,122	\$ 65,080	\$ 84,980	\$ 134,660	\$ 235,012
-	-	-	-	13,490	18,836
-	109,226	130,170	9,361	397,087	295,838
<u>\$ -</u>	<u>\$ 307,348</u>	<u>\$ 195,250</u>	<u>\$ 94,341</u>	<u>\$ 545,237</u>	<u>\$ 549,686</u>
\$ 17,725,857	\$ 14,898,843	\$ 12,490,226	\$ 12,170,161	\$ 11,462,123	\$ 9,315,237
12,098,148	12,206,411	11,741,159	10,263,406	11,151,542	10,449,912
(156,070,206)	16,407,539	18,060,447	15,212,245	13,228,313	9,347,798
<u>\$ (126,246,201)</u>	<u>\$ 43,512,793</u>	<u>\$ 42,291,832</u>	<u>\$ 37,645,812</u>	<u>\$ 35,841,978</u>	<u>\$ 29,112,947</u>

Table 2

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

	2018	2017	2016	2015	2014
EXPENSES					
Governmental activities					
Instruction	\$ 99,818,930	\$ 88,200,866	\$ 55,903,652	\$ 60,527,084	\$ 57,331,122
Pupil Services	8,685,052	7,655,829	4,848,151	4,178,566	4,013,187
Instructional Support	12,787,109	11,393,308	7,408,168	7,469,206	7,887,894
General Administration	1,829,021	1,795,870	1,165,811	1,050,694	911,971
School Administration	16,124,106	14,894,095	8,365,583	8,126,712	7,382,888
Business Services	3,865,232	3,116,136	1,876,205	1,990,238	1,684,396
Maintenance and Operations	17,714,776	21,138,489	14,527,639	12,247,011	10,072,866
Transportation	4,449,016	4,054,550	2,499,939	2,534,847	2,350,445
Central Services	8,470,034	8,152,965	4,685,106	4,817,651	4,855,181
Nutrition Services	6,747,881	6,129,478	5,495,961	5,314,943	
Community Services	2,277,431	1,534,566	567,495	588,252	395,045
Interest and Other Fiscal Charges	2,453,599	2,285,487	2,536,552	2,757,983	2,989,833
Total governmental activities	<u>185,222,187</u>	<u>170,351,639</u>	<u>109,880,262</u>	<u>111,603,187</u>	<u>99,874,828</u>
Business-type activities					
Nutritional services	-	-	-	-	5,447,946
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,447,946</u>
Total primary government expenses	<u>\$ 185,222,187</u>	<u>\$ 170,351,639</u>	<u>\$ 109,880,262</u>	<u>\$ 111,603,187</u>	<u>\$ 105,322,774</u>
PROGRAM REVENUES					
Governmental activities					
Charges for Services - Instructional	\$ 1,148,284	\$ 767,475	\$ 502,024	\$ 384,349	\$ 384,863
Charges for Services - Support Services	341,684	341,272	489,230	446,714	78,448
Operating Grants and Contributions	19,435,626	19,744,335	20,004,152	19,693,017	13,203,662
Capital Grants and Contributions	349,343	458,091	499,921	1,158,322	-
Total governmental activities revenues	<u>21,274,937</u>	<u>21,311,173</u>	<u>21,495,327</u>	<u>21,682,402</u>	<u>13,666,973</u>
Business-type activities					
Charges for Services - Nutrition Services	-	-	-	-	392,640
Operating Grants and Contributions	-	-	-	-	4,975,939
Capital Grants and Contributions	-	-	-	-	-
Total business-type activities revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,368,579</u>
Total primary government program revenues	<u>\$ 21,274,937</u>	<u>\$ 21,311,173</u>	<u>\$ 21,495,327</u>	<u>\$ 21,682,402</u>	<u>\$ 19,035,552</u>
NET (EXPENSE)					
Governmental Activities	\$ (163,947,250)	\$ (149,040,466)	\$ (88,384,935)	\$ (89,920,785)	\$ (86,207,855)
Business-type Activities	-	-	-	-	(79,367)
Total primary government net expenses	<u>\$ (163,947,250)</u>	<u>\$ (149,040,466)</u>	<u>\$ (88,384,935)</u>	<u>\$ (89,920,785)</u>	<u>\$ (86,287,222)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental activities					
Property taxes	\$ 35,656,534	\$ 32,574,556	\$ 32,552,368	\$ 31,394,959	\$ 30,969,422
Specific ownership taxes	3,208,709	2,856,084	2,753,360	2,613,878	2,391,870
State Equalization	55,468,146	55,337,574	54,582,192	56,765,739	51,186,997
Interest Earnings	476,098	274,453	103,450	17,741	24,279
Miscellaneous revenues	2,382,513	1,302,938	457,347	240,877	557,494
Total governmental activities	<u>97,192,000</u>	<u>92,345,605</u>	<u>90,448,717</u>	<u>91,033,194</u>	<u>85,130,062</u>
Special Item	<u>747,332</u>	<u>-</u>	<u>2,867,267</u>	<u>-</u>	<u>-</u>
Total Primary government general revenues and other changes in net position	<u>\$ (66,007,818)</u>	<u>\$ (56,694,861)</u>	<u>\$ 93,315,984</u>	<u>\$ 91,033,194</u>	<u>\$ 85,130,062</u>
CHANGES IN NET POSITION					
Governmental activities	\$ (66,007,818)	\$ (56,694,861)	\$ 4,931,049	\$ 1,112,409	\$ (1,077,793)
Business-type activities	-	-	-	-	(79,367)
Total primary government	<u>\$ (66,007,818)</u>	<u>\$ (56,694,861)</u>	<u>\$ 4,931,049</u>	<u>\$ 1,112,409</u>	<u>\$ (1,157,160)</u>

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$	54,810,733	\$ 53,861,323	\$ 54,744,601	\$ 52,147,359	\$ 50,674,993
	3,949,546	3,784,157	4,156,650	4,455,537	4,426,832
	9,050,751	8,696,150	8,500,128	7,431,523	6,247,663
	804,415	665,568	1,021,094	840,145	892,457
	6,877,522	6,731,410	6,372,230	6,717,696	6,570,599
	1,751,146	1,660,863	1,865,671	1,819,865	1,759,078
	10,331,443	10,573,781	10,830,559	12,129,642	10,234,869
	2,406,800	2,332,117	2,734,603	2,070,696	2,188,429
	4,882,671	4,639,972	5,398,931	6,194,956	5,316,180
	368,239	513,404	1,491,541	833,716	564,472
	3,767,580	3,807,668	3,781,008	3,556,895	6,462,732
	<u>99,000,846</u>	<u>97,266,413</u>	<u>100,897,016</u>	<u>98,198,030</u>	<u>95,338,304</u>
	5,161,441	4,834,669	4,901,552	4,075,054	3,966,905
	<u>5,161,441</u>	<u>4,834,669</u>	<u>4,901,552</u>	<u>4,075,054</u>	<u>3,966,905</u>
\$	<u>104,162,287</u>	<u>102,101,082</u>	<u>105,798,568</u>	<u>102,273,084</u>	<u>99,305,209</u>
\$	368,182	\$ 294,957	\$ 331,195	\$ 343,312	\$ 537,203
	77,045	62,208	66,978	45,242	52,242
	13,549,183	14,744,304	18,889,236	13,018,962	8,845,221
	53,563	631,558	-	-	-
	<u>14,047,973</u>	<u>15,733,027</u>	<u>19,287,409</u>	<u>13,407,516</u>	<u>9,434,666</u>
	441,782	489,752	431,811	352,425	410,206
	4,673,396	4,431,835	4,009,345	3,718,180	3,392,051
	158,361	13,991	9,500	-	100,111
	<u>5,273,539</u>	<u>4,935,578</u>	<u>4,450,656</u>	<u>4,070,605</u>	<u>3,902,368</u>
\$	<u>19,321,512</u>	<u>20,668,605</u>	<u>23,738,065</u>	<u>17,478,121</u>	<u>13,337,034</u>
\$	(84,952,873)	\$ (81,533,386)	\$ (81,609,607)	\$ (84,790,514)	\$ (85,903,638)
	112,098	100,909	(450,896)	(4,449)	(64,537)
\$	<u>(84,840,775)</u>	<u>(81,432,477)</u>	<u>(82,060,503)</u>	<u>(84,794,963)</u>	<u>(85,968,175)</u>
\$	31,429,775	\$ 31,240,461	\$ 30,583,334	\$ 30,793,641	\$ 31,274,878
	2,244,412	2,013,748	1,992,401	2,157,606	2,435,925
	50,786,362	51,581,120	50,408,837	56,296,047	53,158,471
	54,283	36,612	54,287	1,657,108	4,533,125
	817,379	518,280	769,153	563,267	692,062
	<u>85,332,211</u>	<u>85,390,221</u>	<u>83,808,012</u>	<u>91,467,669</u>	<u>92,094,461</u>
	729,525	631,950	-	-	-
\$	<u>86,061,736</u>	<u>86,022,171</u>	<u>83,808,012</u>	<u>91,467,669</u>	<u>92,094,461</u>
\$	1,108,863	\$ 4,488,785	\$ 2,198,405	\$ 6,677,155	\$ 6,190,823
	112,098	100,909	(450,896)	(4,449)	(64,537)
\$	<u>1,220,961</u>	<u>4,589,694</u>	<u>1,747,509</u>	<u>6,672,706</u>	<u>6,126,286</u>

Table 3

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund					
Nonspendable	\$ 103,648	\$ 85,016	\$ 66,506	\$ 76,185	\$ 77,205
Restricted	4,577,860	5,041,926	4,812,222	5,022,687	4,011,193
Committed	1,700,000	1,700,000	-	-	-
Assigned	10,633,445	8,115,977	12,554,085	8,493,263	6,787,794
Unassigned	7,638,428	7,956,664	5,456,732	5,745,200	3,925,384
Total General Fund	<u>24,653,381</u>	<u>22,899,583</u>	<u>22,889,545</u>	<u>19,337,335</u>	<u>14,801,576</u>
All Other Governmental Funds					
Nonspendable	71,022	87,217	42,449	44,326	-
Restricted	9,236,885	8,931,728	8,563,132	9,218,641	9,960,605
Assigned, reported in:					
Special Revenue Funds	1,280,024	1,556,305	1,458,047	858,359	162,872
Capital Project Funds	3,639,761	2,905,710	5,757,118	2,170,533	2,274,339
Total All Other Governmental Funds	<u>14,227,692</u>	<u>13,480,960</u>	<u>15,820,746</u>	<u>12,291,859</u>	<u>12,397,816</u>
Governmental Funds					
Nonspendable	174,670	172,233	108,955	120,511	77,205
Restricted	13,814,745	13,973,654	13,375,354	14,241,328	13,971,798
Committed	1,700,000	1,700,000	-	-	-
Assigned	15,553,230	12,577,992	19,769,250	11,522,155	9,225,005
Unassigned	7,638,428	7,956,664	5,456,732	5,745,200	3,925,384
Total Governmental Funds	<u>\$ 38,881,073</u>	<u>\$ 36,380,543</u>	<u>\$ 38,710,291</u>	<u>\$ 31,629,194</u>	<u>\$ 27,199,392</u>

2013	2012	2011	2010	2009
\$ 68,854	\$ 98,127	\$ 96,071	\$ 119,372	\$ 103,465
3,950,140	3,677,520	3,765,314	4,505,636	4,475,955
-	-	-	-	-
10,842,362	9,137,370	3,641,163	4,207,604	4,161,132
3,781,373	6,913,244	10,410,623	6,995,291	4,793,311
<u>18,642,729</u>	<u>19,826,261</u>	<u>17,913,171</u>	<u>15,827,903</u>	<u>13,533,863</u>
-	-	-	-	-
17,176,371	17,693,898	17,753,389	24,194,640	66,468,424
244,166	356,754	213,705	207,959	1,000,664
2,123,048	2,180,199	1,462,014	2,190,363	-
<u>19,543,585</u>	<u>20,230,851</u>	<u>19,429,108</u>	<u>26,592,962</u>	<u>67,469,088</u>
68,854	98,127	96,071	119,372	103,465
21,126,511	21,371,418	21,518,703	28,700,276	70,944,379
-	-	-	-	-
13,209,576	11,674,323	5,316,882	6,605,926	5,161,796
3,781,373	6,913,244	10,410,623	6,995,291	4,793,311
<u>\$ 38,186,314</u>	<u>\$ 40,057,112</u>	<u>\$ 37,342,279</u>	<u>\$ 42,420,865</u>	<u>\$ 81,002,951</u>

Table 4

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

	2018	2017	2016	2015	2014
Revenues:					
Taxes	\$ 38,692,150	\$ 35,570,668	\$ 35,237,371	\$ 34,220,147	\$ 33,541,787
Intergovernmental	73,296,369	73,048,508	72,519,280	74,846,649	63,244,723
Other Grants	1,956,746	2,491,492	2,566,985	2,770,429	1,145,936
Charges for Services	1,489,968	1,108,747	991,254	831,063	463,311
Investment earnings	476,098	274,453	103,388	16,668	24,279
Other	2,382,513	1,302,938	457,409	241,950	557,494
TOTAL REVENUES	118,293,844	113,796,806	111,875,687	112,926,906	98,977,530
Expenditures:					
Current:					
Instruction	53,765,548	52,341,357	51,839,798	53,292,564	55,166,141
Pupil Services	5,209,965	4,693,402	4,498,987	3,772,428	3,907,440
Instructional Staff	7,540,538	6,986,888	6,973,107	6,929,799	7,797,521
General Administration	1,237,701	1,295,112	1,117,030	982,249	909,254
School Administration	8,865,079	8,748,190	7,785,876	7,400,273	7,270,564
Business Services	2,464,496	1,930,525	1,768,948	1,843,899	1,682,837
Maintenance/Operations	10,614,145	12,426,197	9,851,655	9,232,841	9,628,312
Pupil Transportation	2,488,568	2,497,458	2,233,747	2,242,302	2,529,076
Central Supporting Services	6,477,898	6,501,358	4,644,057	4,715,485	4,770,168
Nutrition Services	6,079,530	5,606,958	5,457,360	5,221,501	-
Community Services	1,136,226	526,943	488,413	536,416	390,565
Capital Outlay	1,903,237	3,866,484	4,125,831	4,050,283	7,286,180
Debt Service:					
Principal Retirements	6,270,433	6,008,634	5,789,139	5,210,000	5,225,000
Interest and Fiscal Charges	2,487,282	2,697,048	2,948,113	3,169,544	3,401,394
Bond Issuance Costs	-	-	-	-	-
Rebtable Arbitrage	-	-	-	-	-
TOTAL EXPENDITURES	116,540,646	116,126,554	109,522,061	108,599,584	109,964,452
Other Financing Sources (Uses):					
Transfers In	2,437,052	2,812,334	3,253,179	2,287,418	2,375,682
Transfers Out	(2,437,052)	(2,812,334)	(3,253,179)	(2,287,418)	(2,375,682)
Proceeds from Capital Lease	-	-	1,790,000	-	-
Refunding Bonds Issued	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	1,790,000	-	-
Special Item:					
Proceeds from Capital Assets	747,332	-	2,937,471	-	-
Net Change in Fund Balances	\$ 2,500,530	\$ (2,329,748)	\$ 7,081,097	\$ 4,327,322	\$ (10,986,922)
Debt Service as a percentage of non-capital expenditures (1)	7.59%	7.75%	7.60%	7.87%	8.12%

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

Principal Retirement	6,270,433	
+ Interest and Fiscal Charges	2,487,282	
Total Debt Service	8,757,715	
Total Expenditures	116,540,646	
-Capital Outlay	(1,179,899)	
Non-Capitalized Expense	115,360,747	
Total Debt Service	8,757,715 =	7.64%
Non-Capitalized Expense	114,637,409	

	2013	2012	2011	2010	2009
\$	33,755,296	\$ 33,240,958	\$ 32,618,773	\$ 32,964,666	\$ 33,788,487
	63,046,054	65,688,174	69,298,074	69,315,009	62,003,692
	1,343,054	1,268,808	-	-	-
	445,227	357,165	398,173	388,554	517,731
	54,283	36,612	54,287	1,657,108	4,533,125
	817,379	518,280	769,153	410,874	763,776
	<u>99,461,293</u>	<u>101,109,997</u>	<u>103,138,460</u>	<u>104,736,211</u>	<u>101,606,811</u>
	52,157,416	51,219,556	51,992,899	51,778,733	50,199,682
	3,843,425	3,732,516	4,058,940	4,414,716	4,381,014
	8,936,953	8,582,352	8,426,687	7,363,613	6,182,999
	785,161	645,731	1,017,747	832,448	883,221
	6,746,465	6,545,873	6,261,855	6,656,150	6,502,593
	1,719,880	1,614,853	1,837,844	1,803,192	1,761,238
	9,602,493	8,926,675	9,268,414	9,373,994	9,000,275
	2,703,011	2,221,108	2,632,877	2,579,380	2,542,897
	5,177,007	4,565,961	5,301,580	5,277,569	5,225,054
	-	-	-	-	-
	364,064	531,554	733,917	826,077	558,630
	1,795,288	1,528,315	8,491,086	45,580,847	41,700,625
	4,360,000	3,000,000	3,425,000	2,955,000	2,476,626
	3,878,158	4,644,425	4,768,200	4,878,419	4,980,798
	430,184	-	-	-	-
	-	1,276,968	-	-	-
	<u>102,499,505</u>	<u>99,035,887</u>	<u>108,217,046</u>	<u>144,320,138</u>	<u>136,395,652</u>
	2,473,079	2,438,948	2,821,400	2,967,611	3,377,092
	(2,473,079)	(2,438,948)	(2,821,400)	(2,967,611)	(3,377,092)
	-	-	-	-	-
	72,495,000	-	-	-	-
	(81,627,616)	-	-	-	-
	9,570,505	-	-	-	-
	<u>437,889</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	729,525	640,723	-	1,001,841	-
\$	<u>(1,870,798)</u>	<u>\$ 2,714,833</u>	<u>\$ (5,078,586)</u>	<u>\$ (38,582,086)</u>	<u>\$ (34,788,841)</u>
	<u>8.22%</u>	<u>7.74%</u>	<u>8.03%</u>	<u>7.22%</u>	<u>7.90%</u>

Table 5

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

Function	2018	2017	2016	2015	2014
Instruction	\$ 53,765,548	\$ 52,341,357	\$ 51,839,798	\$ 53,292,564	\$ 55,166,141
Support Services					
Pupils	5,209,965	4,693,402	4,498,987	3,772,428	3,907,440
Instructional Staff	7,540,538	6,986,888	6,973,107	6,929,799	7,797,521
General Administration	1,237,701	1,295,112	1,117,030	982,249	909,254
School Administration	8,865,079	8,748,190	7,785,876	7,400,273	7,270,564
Business Support Services:					
Operations and Maintenance	10,614,145	12,426,197	9,851,655	9,232,841	9,628,312
Pupil Transportation	2,488,568	2,497,458	2,233,747	2,242,302	2,529,076
Other Business Services	2,464,496	1,930,525	1,768,948	1,843,899	1,682,837
Central Supporting Services	6,477,898	6,501,358	4,644,057	4,715,485	4,770,168
Nutrition Services	6,079,530	5,606,958	5,457,360	5,221,501	
Community Services	1,136,226	526,943	488,413	536,416	390,565
Debt Service	8,757,715	8,705,682	8,737,252	8,379,544	8,626,394
Capital Outlay	1,903,237	3,866,484	4,125,831	4,050,283	7,286,180
Total Expenditures	\$ 116,540,646	\$ 116,126,554	\$ 109,522,061	\$ 108,599,584	\$ 109,964,452
Expenditures per Student					
Instruction	\$ 5,578	\$ 5,430	\$ 5,455	\$ 5,276	\$ 5,461
Support Services					
Pupils	541	487	473	373	387
Instructional Staff	782	725	734	686	772
General Administration	128	134	118	97	90
School Administration	920	908	819	733	720
Business Support Services:					
Operations and Maintenance	1,101	1,289	1,037	914	953
Pupil Transportation	258	259	235	222	250
Other Business Services	256	200	186	183	167
Central Supporting Services	672	674	489	489	472
Nutrition Services	631	582	574	542	
Community Services	118	55	51	56	39
Debt Service	909	903	919	869	854
Capital Outlay	197	401	434	420	721
Total Expenditures Per Student	\$ 12,091	\$ 12,048	\$ 11,524	\$ 10,892	\$ 10,886

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

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 52,157,416	\$ 51,219,556	\$ 51,992,899	\$ 51,778,733	\$ 50,199,682
3,843,425	3,732,516	4,058,940	4,414,716	4,381,014
8,936,953	8,582,352	8,426,687	7,363,613	6,182,999
785,161	645,731	1,017,747	832,448	883,221
6,746,465	6,545,873	6,261,855	6,656,150	6,502,593
9,602,493	8,926,675	9,268,414	9,373,994	9,000,275
2,703,011	2,221,108	2,632,877	2,579,380	2,542,897
1,719,880	1,614,853	1,837,844	1,803,192	1,761,238
5,177,007	4,565,961	5,301,580	5,277,719	5,225,054
364,064	531,554	733,917	826,077	558,630
8,668,342	8,921,393	8,193,200	7,833,269	7,457,424
1,795,288	1,528,315	8,491,086	45,580,847	41,700,625
<u>\$ 102,499,505</u>	<u>\$ 99,035,887</u>	<u>\$ 108,217,046</u>	<u>\$ 144,320,138</u>	<u>\$ 136,395,652</u>
\$ 5,180	\$ 5,071	\$ 5,174	\$ 5,250	\$ 5,162
382	370	404	448	451
888	850	839	747	636
78	64	101	84	91
670	648	623	675	669
954	884	922	951	926
268	220	262	262	262
171	160	183	183	181
514	452	528	535	537
36	53	73	84	57
861	883	815	794	767
178	151	845	4,622	4,288
<u>\$ 10,180</u>	<u>\$ 9,805</u>	<u>\$ 10,769</u>	<u>\$ 14,635</u>	<u>\$ 14,027</u>

Table 6.1

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

	Assets Sufficiency	Debt Burden	Operating	Operating Margin	Fund Balance
	Ratio	Ratio	Reserve Ratio	Ratio	Ratio
2018	4.8386	1.0078	0.2658	0.0186	0.0766
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

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)**

2018	<u>31,396,700</u>	=	4.839
	<u>6,488,838</u>		
2017	<u>28,463,963</u>	=	5.227
	<u>5,445,057</u>		
2016	<u>27,687,102</u>	=	6.052
	<u>4,575,088</u>		
2015	<u>24,517,504</u>	=	4.894
	<u>5,010,209</u>		
2014	<u>21,023,855</u>	=	3.565
	<u>5,897,855</u>		
2013	<u>24,645,525</u>	=	4.442
	<u>5,548,042</u>		
2012	<u>24,537,455</u>	=	5.208
	<u>4,711,194</u>		
2011	<u>22,450,290</u>	=	4.948
	<u>4,537,119</u>		
2010	<u>20,966,462</u>	=	4.080
	<u>5,138,559</u>		
2009	<u>19,319,693</u>	=	3.339
	<u>5,785,830</u>		

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)

2018	$\frac{9,308,942}{9,236,885} =$	1.0078
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

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)

2018	<u>24,653,381</u> 90,301,567+2,437,052	=	0.2658
2017	<u>22,899,583</u> 87,023,430 + 2,267,802	=	0.2565
2016	<u>22,889,545</u> 80,642,764 + 3,253,179	=	0.2728
2015	<u>19,337,335</u> 81251027 + 2287418	=	0.2315
2014	<u>14,801,576</u> 82,544,569 + 2,375,682	=	0.1743
2013	<u>18,642,729</u> 79,058,755 + 2,307,023	=	0.2291
2012	<u>19,826,261</u> 74,891,702 + 2,438,948	=	0.2564
2011	<u>17,913,171</u> 73,735,948 + 2,821,400	=	0.2340
2010	<u>15,827,903</u> 78,890,426 + 2,967,611	=	0.1934
2009	<u>13,533,863</u> 78,207,707 + 3,377,092	=	0.1659

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 decrease in 2006 and 2007

Table 6.5

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

2018	<u>94,492,417 - (90,301,567+2,437,052)</u> 94,492,417	=	0.0186
2017	<u>89,300,059 - (87,022,219+2,267,802)</u> 89,300,059	=	0.0001
2016	<u>87,448,153 - (80,642,764 + 3,253,179)</u> 87,448,153	=	0.0406
2015	<u>88,074,204 - (81,251,027 + 2,287,418)</u> 88,074,204	=	0.0515
2014	<u>81,079,098 - (82,544,569 + 2,375,682)</u> 81,079,098	=	(0.0474)
2013	<u>80,182,246 - (79,058,755 + 2,307,023)</u> 80,182,246	=	(0.0148)
2012	<u>79,243,740 - (74,891,702 + 2,438,948)</u> 79,243,740	=	0.0241
2011	<u>78,642,616 - (73,735,948 + 2,821,400)</u> 78,642,616	=	0.0265
2010	<u>84,152,077 - (78,890,426 + 2,967,611)</u> 84,152,077	=	0.0273
2009	<u>82,793,839 - (78,207,707 + 3,377,092)</u> 82,793,839	=	0.0146

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)

2018	<u>24,653,381-22,899,583</u> 22,899,583	=	0.0766
2017	<u>22,899,583-22,889,545</u> 22,889,545	=	0.0004
2016	<u>22,889,545-19,337,335</u> 19,337,335	=	0.1837
2015	<u>19,337,335-14,801,576</u> 14,801,576	=	0.3064
2014	<u>14,801,576 - 18,642,729</u> 18,642,729	=	(0.2060)
2013	<u>18,642,729 - 19,826,261</u> 19,826,261	=	(0.0597)
2012	<u>19,826,261 - 17,913,171</u> 17,913,171	=	0.1068
2011	<u>17,913,171 - 15,827,903</u> 15,827,903	=	0.1317
2010	<u>15,827,903 - 13,533,863</u> 13,533,863	=	0.1695
2009	<u>13,533,863 - 12,324,823</u> 12,324,823	=	0.0981

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

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

- 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenue from Local Sources					
Property Taxes	\$ 35,656,534	\$ 32,714,584	\$ 32,484,011	\$ 31,606,269	\$ 31,149,917
Specific Ownership Taxes	3,208,709	2,856,084	2,753,360	2,613,878	2,391,870
Interest on Investments	476,098	274,453	103,388	16,668	24,279
Other Local Revenue	5,829,227	4,903,177	1,448,663	3,843,442	1,549,745
Total Local Sources	<u>45,170,568</u>	<u>40,748,298</u>	<u>36,789,422</u>	<u>38,080,257</u>	<u>35,115,811</u>
Revenue from State Sources					
Equalization	55,468,146	55,337,574	54,582,192	56,765,739	51,186,997
Special Education	2,009,548	2,132,855	2,151,649	2,223,234	2,153,609
Transportation	693,686	477,840	519,210	519,569	516,729
Vocational Education	173,800	52,021	55,747	91,424	56,664
All Other	3,020,825	2,431,917	8,031,553	2,432,569	1,832,737
Total State Sources	<u>61,366,005</u>	<u>60,432,207</u>	<u>65,340,351</u>	<u>62,032,535</u>	<u>55,746,736</u>
Revenue from Federal Sources					
Federal Grants	12,677,696	12,616,301	9,745,914	12,814,114	8,114,983
Total Federal Sources	<u>12,677,696</u>	<u>12,616,301</u>	<u>9,745,914</u>	<u>12,814,114</u>	<u>8,114,983</u>
Total Revenue	<u>\$ 119,214,269</u>	<u>\$ 113,796,806</u>	<u>\$ 111,875,687</u>	<u>\$ 112,926,906</u>	<u>\$ 98,977,530</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.

2013		2012		2011		2010		2009	
\$	31,510,885	\$	31,227,210	\$	30,626,373	\$	30,807,060	\$	31,352,562
	2,244,411		2,013,748		1,992,401		2,157,606		2,435,925
	54,283		36,612		54,287		1,657,108		4,533,125
	2,160,700		2,133,683		1,167,326		799,428		1,281,507
	<u>35,970,279</u>		<u>35,411,253</u>		<u>33,840,387</u>		<u>35,421,202</u>		<u>39,603,119</u>
	50,786,362		51,581,120		50,408,837		56,296,047		53,158,471
	1,860,741		1,782,693		1,711,864		1,539,987		1,654,442
	554,934		540,265		522,513		513,791		397,440
	98,635		138,853		113,625		346,617		272,033
	1,091,069		1,678,993		2,302,486		1,526,073		388,115
	<u>54,391,741</u>		<u>55,721,924</u>		<u>55,059,325</u>		<u>60,222,515</u>		<u>55,870,501</u>
	9,099,273		9,976,820		14,238,748		9,092,494		6,133,191
	<u>9,099,273</u>		<u>9,976,820</u>		<u>14,238,748</u>		<u>9,092,494</u>		<u>6,133,191</u>
\$	<u>99,461,293</u>	\$	<u>101,109,997</u>	\$	<u>103,138,460</u>	\$	<u>104,736,211</u>	\$	<u>101,606,811</u>

Table 8

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

Tax Year	Collection Year	Direct Rate	Net Assessed Valuation	Residential Property	Commercial Property	Industrial Property	Vacant Land
2017	2018	51.807	\$ 689,735,170	\$ 5,674,462,361	\$ 531,021,276	\$ 531,021,276	\$ 47,894,310
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

Source: Adams County Assessors Office

The following are the assessment rates for 2008 to 2017:

Collection Year	Residential Rate	Commercial Rate
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%
2017	7.20%	29.00%

Notes:

- (1) Residential Property Assessed Values is calculated by applying the Residential Rate to the Residential Market Value.
 7.20% 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

Agriculture Acre Valuation	Natural Resources	State Assessed Property	Tax Exempt Property	Total Actual Value	Assessed Value To Total Actual Value
\$ 586,379	\$ 1,655	\$ 22,519,940	\$ 276,012,241	\$ 7,083,519,439	9.74%
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%

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 Collection Year	<u>2017 2018</u>	<u>2016 2017</u>	<u>2015 2016</u>	<u>2014 2015</u>	<u>2013 2014</u>	<u>2012 2013</u>
School Direct Rates:						
General Fund	27.752	27.904	27.905	28.532	27.967	28.748
Mill Levy Override	11.522	13.946	14.062	14.880	14.629	14.858
Debt Services	12.533	15.046	15.027	16.283	15.855	16.377
School District Total	<u>51.807</u>	<u>56.896</u>	<u>56.994</u>	<u>59.695</u>	<u>58.451</u>	<u>59.983</u>
Overlapping Rates:						
City of Westminster	3.650	3.650	3.650	3.650	3.650	3.650
Adams County	26.929	27.055	26.817	27.042	26.815	26.903
Amherst GID	5.000	5.000	5.000	5.000	5.000	5.000
Bradburn Metro #2	62.675	50.000	50.000	50.000	50.000	50.000
Bradburn Metro #3	39.832	36.708	36.708	36.708	36.708	36.708
Crestview Water and Sanitation	4.217	4.547	4.428	4.789	4.590	4.416
Hyland Hills Park and Rec District	5.079	5.359	5.372	5.565	5.515	5.587
North Metro Fire Rescue	14.710	14.810	14.713	14.903	11.246	11.375
Southwest Adams County Fire District #2	16.733	16.841	16.892	18.800	17.800	17.800
Urban Drainage & Flood Control District	0.500	0.559	0.553	0.632	0.608	0.599
Urban Drainage & Flood Control District South Platte	0.057	0.061	0.058	0.068	0.064	0.058

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

2011 2012	2010 2011	2009 2010	2008 2009
28.041	28.073	28.073	28.007
15.304	15.121	15.166	14.213
18.128	15.528	16.465	14.750
<u>61.473</u>	<u>58.722</u>	<u>59.704</u>	<u>56.970</u>
3.650	3.650	3.650	3.650
26.806	26.883	26.824	26.809
5.000	5.000	5.000	5.000
50.000	50.000	50.000	50.000
36.708	36.708	36.708	36.708
4.057	3.754	3.664	3.343
5.588	5.557	5.617	5.541
11.176	11.225	11.307	11.268
18.800	18.800	18.800	13.190
0.566	0.523	0.508	0.528
0.057	0.053	0.061	0.063

Table 10

Westminster Public Schools
Adams County Principal Property Taxpayers
 Last Ten Fiscal Years
 (unaudited)

Taxpayer	2017			2008		
	Assessed Valuation	Rank	Percent of Total County Valuation	Assessed Valuation	Rank	Percent of Total County Valuation
Xcel Energy CO (Public Service Co)	\$ 295,872,200	1	4.66%	\$ 106,201,900	2	2.33%
Suncor Energy, USA, Inc	111,433,320	2	1.75%	114,789,150	1	2.52%
Qwest Corporation	67,024,200	3	1.06%	66,494,900	3	1.46%
Colorado Interstate Gas Co.	48,228,400	4	0.76%	21,231,200	7	0.47%
Verizon Wireless, LLC	29,727,000	5	0.47%	15,920,700	10	0.35%
Vestar Orchard Town Center LLC	26,918,120	6	0.42%	-		0.00%
Tri-State Generation	23,018,510	7	0.36%	20,119,110	9	0.44%
United Power, Inc	22,229,570	8	0.35%	-		0.00%
Kerr-McGee Gathering LLC	17,702,870	9	0.28%	-		0.00%
Union Pacific Railroad	16,222,390	10	0.26%	-		0.00%
Denver News/Rocky Mtn News			0.00%	34,227,920	4	0.75%
Blue Spruce Energy			0.00%	29,249,200	5	0.64%
Avaya, Inc			0.00%	26,724,140	6	0.59%
Platte Valley Medical Center			0.00%	20,690,860	8	0.45%
	<u>\$ 658,376,580</u>		<u>10.37%</u>	<u>\$ 455,649,080</u>		<u>10.00%</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
2018	\$ 35,733,110	34,338,192	96.1%	\$ 1,028,654	35,366,846	99.0%
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%

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

(1) In accordance with modified accrual accounting, delinquent taxes are recorded in the year levied, 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

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.

- 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)**

Fiscal Year	Governmental Activities		Total Primary Government	District Population	Net Debt Per Capita	Percentage of Personal Income
	General Obligation Bonds	Capital Lease				
2018	\$ 64,515,000	\$ 731,793	\$ 65,246,793	115,732	\$ 564	1.21%
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%

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

Table 13

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

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Restricted for Repayment of Principal</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2018	\$ 64,515,000	\$ 6,075,000	\$ 58,440,000	0.83%	505
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)

	General Obligation Long-Term Debt Outstanding	Percent Applicable to the District	Net Direct and Overlapping Debt
Direct Entities:			
Westminster Public Schools	\$ 64,515,000	100.00%	\$ 64,515,000
Overlapping Entities			
Hyland Hills Park and Recreation District	6,225,000	64.80%	4,033,800
Adams County Fire Protection Dist	2,619,537	13.80%	361,496
Total Overlapping Entities	8,885,847		4,435,904
Total Direct and Overlapping Bonded Debt	\$ 73,400,847		\$ 68,950,904

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)

Year	Assessed Value	Debt Limit (20% of assessed)	Debt Applicable to Limit General Obligation Bonds	Legal Debt Margin	Total Debt as a Percentage of Debt Limit
2018	\$ 689,735,170	\$ 137,947,034	\$ 64,515,000	73,432,034	46.77%
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

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.

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)

Year Ended December 31	Estimated Population	Total Personal Income	Per Capita Income	Unemployment Rate	WPS School Enrollment
2017	115,732	5,384,894,228	46,529	3.00%	9,453
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

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

Table 17

Westminster Public Schools
Westminster Principal Employers
2017 and 2008

Employer	2017			2008		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total Employment
Ball Corporation	1,182	1	2.46%	800	2	1.96%
Alliance Data Systems	1,045	2	2.18%	400	5	0.98%
St. Anthony North Hospital	915	3	1.91%	750	3	1.84%
DigitalGlobe	809	4	1.69%			
Trimble Navigation	600	5	1.25%	277	9	0.68%
Tri State Generation	550	6	1.15%	400	5	0.98%
Reed Group	477	7	0.99%			
Mtech Mechanical Technologies Group	460	8	0.96%			
Kaiser Permanente	441	9	0.92%	307	8	0.75%
LGS Innovations	373	10	0.78%			
Avaya				1,318	1	3.23%
McKesson Information Systems				430	4	1.05%
LPS Asset Management Solutions				400	5	0.98%
Kaiser Permanente (Sheridan)				240	10	0.59%
Total	4,625		9.65%	3,882		13.04%

Source: City of Westminster most recent CAFR

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Operating Information

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.

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)**

	Square Feet	Capacity	Enrollment History		
			2018	2017	2016
Elementary Schools					
Clara E. Metz Elementary	26,700	456	317	340	350
Francis M. Day Elementary	33,300	552	386	381	355
Fairview Elementary	37,650	432	302	330	341
Gregory Hill Early Childhood	24,000	312	290	296	282
Harris Park Elementary	30,350	475	324	318	340
Hodgkins Elementary (Opened 2009)	80,000	700	638	649	662
Mesa Elementary	28,300	504	368	369	355
Flynn Elementary	27,850	456	274	264	288
Sherrelwood Elementary	30,950	480	270	282	265
Skyline Vista Elementary	33,900	552	347	373	391
Sunset Ridge Elementary	27,850	528	371	375	353
Tennyson Knolls Elementary	30,400	480	378	371	374
Westminster Elementary (Closed 2016)	-	-	-	-	248
Colorado STEM Academy (Opened 2013)	28,000	350	383	396	283
Westminster Academy for International Studies	21,800	360	270	248	-
Middle Schools					
Clear Lake Middle (Closed 2010)	-	-	-	-	-
M. Scott Carpenter Middle	102,350	792	502	519	527
Shaw Heights Middle	82,700	936	566	625	611
Iver C. Ranum Middle	201,600	1,488	697	723	727
High Schools					
Westminster High	375,000	2,900	2,392	2,512	2,493
Iver C. Ranum High (Closed 2011)	-	-	-	-	-
Hidden Lake High	95,800	888	345	264	259
Administration Buildings					
Maintenance	12,000	-	-	-	-
Transportation	5,600	-	-	-	-
Purchasing/Warehouse	9,800	-	-	-	-

Enrollment History						
2015	2014	2013	2012	2011	2010	2009
338	360	381	418	410	430	414
383	356	356	354	363	341	372
338	348	384	366	362	343	358
278	276	364	348	337	341	321
352	354	359	405	396	399	395
645	659	657	682	748	743	636
369	376	402	395	432	415	471
330	303	325	367	361	407	405
309	291	274	263	270	281	280
402	373	388	402	413	389	407
373	363	344	340	348	373	348
400	403	411	413	410	431	363
278	298	273	273	224	202	267
264	184	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	749	722
585	594	566	582	551	593	594
577	615	648	645	619	674	658
762	772	812	830	808	-	-
2,456	2,388	2,398	2,366	2,342	1,909	1,693
-	-	-	-	-	200	465
256	293	291	260	284	301	239
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Table 19

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

	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>	<u>2013-2014</u>
Instructional	793.58	783.25	774.73	766.43	770.50
Support Services	3.00	3.20	3.20	1.00	1.50
Instructional Support Services	38.00	31.13	17.00	14.00	12.00
General Administration	3.00	3.00	3.00	4.00	5.00
Business Services	17.50	17.50	17.50	17.50	15.50
Operations and Maintenance	31.00	34.00	34.00	38.00	33.00
Transportation Services	46.00	44.00	44.00	46.00	35.00
Central Services	27.10	25.00	24.00	21.00	20.00
Other Non-Instructional Services	1.00	1.00	1.00	0.50	0.00
Nutrition Services	<u>29.00</u>	<u>29.00</u>	<u>38.00</u>	<u>38.00</u>	<u>41.00</u>
Total	<u><u>989.18</u></u>	<u><u>971.08</u></u>	<u><u>956.43</u></u>	<u><u>946.43</u></u>	<u><u>933.50</u></u>

Source: District General Fund Adopted Budget

<u>2012-2013</u>	<u>2011-2012</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>2008-2009</u>
808.73	787.61	781.08	796.44	818.14
1.50	8.60	7.60	8.18	28.30
13.00	13.05	16.25	18.00	2.25
6.00	4.00	4.00	3.50	3.50
17.00	19.50	20.00	20.33	20.33
34.00	32.25	32.00	32.25	33.50
38.00	49.00	49.00	49.00	49.00
23.00	23.00	24.00	26.00	24.00
0.25	0.50	5.00	4.50	3.50
<u>48.00</u>	<u>52.00</u>	<u>55.00</u>	<u>65.00</u>	<u>65.00</u>
<u><u>989.48</u></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>

Table 20

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

	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>
Expenses	\$ 116,540,646	\$ 116,126,554	\$ 109,880,262	\$ 111,603,187
Enrollment	9,453	9,639	9,504	10,161
Funded Pupil Count	9087.5	9,232	9,232	9,857
Cost per Funded Pupil Count	\$ 12,824	\$ 12,579	\$ 11,902	\$ 11,322
Percentage Change	7.75%	11.10%	5.12%	8.50%
Certified Teaching Staff	553.94	545.95	526.20	523.20
Pupil/Teacher Ratio	17.07	17.66	18.06	19.42
Average Teacher Salaries (does not include Benefits)	\$ 61,148	\$ 60,974	\$ 60,709	\$ 57,780
Teachers Average Years of Experience	8	11.22	10.44	10.36
Percentage of Teachers with Bachelors Degrees	37.00%	24.00%	24.55%	26.76%
Percentage of Teachers with Masters Degrees plus	63.00%	76.00%	75.45%	73.24%

Source:
 District Adopted Budget
 District Internal Reports

2013-2014	2012-2013	2011-2012	2011-2010	2010-2009	2008-2009
\$ 99,874,828	\$ 99,000,846	\$ 97,266,413	\$ 100,897,016	\$ 98,198,030	\$ 95,338,304
10,101	10,069	10,124	10,049	9,862	9,724
9,571	9,453	9,478	9,511	9,667	9,163
\$ 10,436	\$ 10,473	\$ 10,263	\$ 10,608	\$ 10,158	\$ 10,405
-0.36%	2.05%	-3.26%	4.44%	-2.37%	11.87%
523.20	544.43	528.53	532.03	548.70	534.50
19.31	18.49	19.16	18.00	18.00	18.48
\$ 58,513	\$ 58,562	\$ 58,657	\$ 56,952	\$ 57,164	\$ 55,979
11.50	11.50	11.66	10.00	11	11
25.65%	20.94%	22.82%	21.00%	23.50%	35.70%
74.35%	75.14%	77.18%	79.00%	76.50%	64.30%

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COMPLIANCE SECTION





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, 2018, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated October 18, 2018.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and responses to be a material weakness, shown as 2018-A.

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.

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*.

Response to Findings

The District's response to the finding identified in our audit is described in the District's Corrective Action Plan (CAP). The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Denver, Colorado
October 18, 2018



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, 2018. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and responses.

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 types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2018.

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.

Eide Sully LLP

Denver, Colorado
October 18, 2018

Westminster Public Schools
 Schedule of Findings and Responses
 Year Ended June 30, 2018

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	No
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>
Child Nutrition Cluster	10.553, 10.555 & 10.559
Fresh Fruit and Vegetable Program	10.582
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 Responses
Year Ended June 30, 2018

Section II – Financial Statement Findings

**2018–A Material Audit Adjustments Including a Restatement for Correction of an Error
Material Weakness**

Criteria: An organization’s internal control structure should provide for the proper recording of all transactions. The District is required to provide accurate financial statements in accordance with generally accepted accounting principles (GAAP).

Condition: As part of the calculation of the net pension liability as required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District discovered that the prior year balances were not properly stated, resulting in an understatement of the beginning net position balance. We proposed audit adjustments to the related pension account balances and the District corrected the errors in the current year. These adjustments resulted in a restatement of beginning net position related to deferred outflows of resources to correct the errors.

Additionally, during the course of our engagement, we proposed a material audit adjustment to the District’s recorded account balances in the areas of capital assets and depreciation expense, which if not recorded, would have resulted in a material misstatement of the District’s basic financial statements. The need for this adjustment indicates that the District’s interim financial information is not materially correct, which may affect management decisions made during the course of the year.

Cause: In the prior year, when the pension journal entries were prepared, there was not sufficient understanding and review of the calculations. Additionally, there was not a thorough review of year-end balances and transactions to ensure that activity was recorded in accordance with GAAP prior to the start of the audit.

Effect: The need for proposed audit adjustments and correction of beginning net position indicates that the District’s interim financial information is not materially correct, which may affect management decisions made during the course of the year.

Recommendation: We recommend continued understanding and training on the changing standards surrounding pension assets and liabilities throughout the District’s fiscal year. We also recommend a review of the journal entries required for GASB Statement No. 68 and consultation with us prior to audit fieldwork, to ensure that reporting at fiscal year end is in accordance with accounting principles, generally accepted in the United States of America.

Views of Responsible Officials: Management agrees with the finding.

Section III – Federal Award Findings and Questioned Costs

None Reported

Schedule of Expenditures of Federal Awards

Westminster Public Schools
Schedule of Expenditures of Federal Awards
For the Period July 1, 2017 to June 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	State Grant Number	Federal CFDA Number	Grant Expenditures
U.S. Department of Defense			
Direct			
Reserve Officer Training Corps	9001	12.357	\$ 73,891
U.S. Department of Education			
Passed Through Colorado Department of Education			
Title IV-B Special Education Grants to States IDEA Part B	4027	84.027	2,050,949
Title IV-B Special Education IDEA Part B Preschool Grants	4173	84.173	48,031
Special Education Cluster Subtotal			<u>2,098,980</u>
Title I Grants to Local Educational Agencies Part A - Formula Grant	4010	84.010	3,192,980 [1]
Title I Grants to Local Educational Agencies Part A - Pathways to Early Education	5010	84.010	100,000 [1]
English Language Acquisition State Grants Title III Part A, Language Enhancement - Formula Grant	4365	84.365	225,512 [2]
English Language Acquisition State Grants Title III Part A, Language Enhancement Set Aside	7365	84.365	13,601 [2]
Supporting Effective Instruction State Grants - Title II Part A	4367	84.367	438,389
Student Support and Academic Enrichment Program Title IV, Part A	4424	84.424	52,017
Race to the Top-Early Childhood Readiness Assessment	5412	84.412	6,637
Education for Homeless Children and Youth	5196	84.196	31,098
School Improvement Grants	7377	84.377	74,720
Passed through State Community Colleges and Occupational Education Systems			
Career and Technical Education - Basic Grants to States Perkins IV	4048	84.048	99,331
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>6,333,265</u>
U.S. Department of Agriculture			
Passed Through the Colorado Department of Human Services:			
Commodity Supplemental Food Program-Food Donation			
Cash in Lieu of Commodities	4555	10.555	365,407 [3]
Passed Through the Colorado Department of Education:			
National School Lunch Program	4555	10.555	2,770,368 [3]
National School Breakfast Program	4553	10.553	1,742,115
Summer Food Service Program for Children	4559	10.559	297,998
Child Nutrition Cluster Subtotal			<u>5,175,888</u>
Federal Fresh Fruit & Vegetable Program	4582	10.582	214,872
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>5,390,760</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$ 11,797,916</u>

[1] Title I Grants to Local Educational Agencies, CFDA 84.010, totaling \$3,292,980

[2] English Language Acquisition State Grants, CFDA 84.365, totaling \$239,113

[3] National School Lunch Program, CFDA 10.555, totaling \$3,135,775

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. No federal financial assistance has been provided to subrecipients. 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 2017-18
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	-	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental							
10 General Fund	20,618,306		85,545,233		83,198,515		22,965,024
18 Risk Mgmt Sub-Fund of General Fund	150,038		1,693,143		1,423,207		419,974
19 Colorado Preschool Program Fund	2,131,238		4,816,991		5,679,848		1,268,382
Sub- Total	22,899,583		92,055,367		90,301,569		24,653,380
11 Charter School Fund	0		0		0		0
20,26-29 Special Revenue Fund	0		0		0		0
21 Food Service Spec Revenue Fund	1,504,906		5,657,463		6,079,530		1,082,839
22 Govt Designated-Purpose Grants Fund	0		9,324,663		9,324,663		0
23 Pupil Activity Special Revenue Fund	138,616		766,471		636,880		268,207
24 Full Day Kindergarten Mill Levy Override	0		0		0		0
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	8,931,728		8,686,238		8,381,081		9,236,886
39 Certificate of Participation (COP) Debt Service Fund	0		0		0		0
41 Building Fund	0		0		0		0
42 Special Building Fund	0		0		0		0
43 Capital Reserve Capital Projects Fund	2,905,710		2,550,977		1,816,926		3,639,761
46 Supplemental Cap Const, Tech, Main Fund	0		0		0		0
Totals	36,380,544		119,041,179		116,540,650		36,881,073
Proprietary							
50 Other Enterprise Funds	0		0		0		0
64 (63) Risk-Related Activity Fund	0		0		0		0
60,65-69 Other Internal Service Funds	0		0		0		0
Totals	0		0		0		0
Fiduciary							
70 Other Trust and Agency Funds	0		0		0		0
72 Private Purpose Trust Fund	0		0		0		0
73 Agency Fund	0		0		0		0
74 Pupil Activity Agency Fund	706,049		663,619		633,406		736,262
79 GASB 34 Permanent Fund	0		0		0		0
85 Foundations	0		0		0		0
Totals	706,049		663,619		633,406		736,262

FINAL

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