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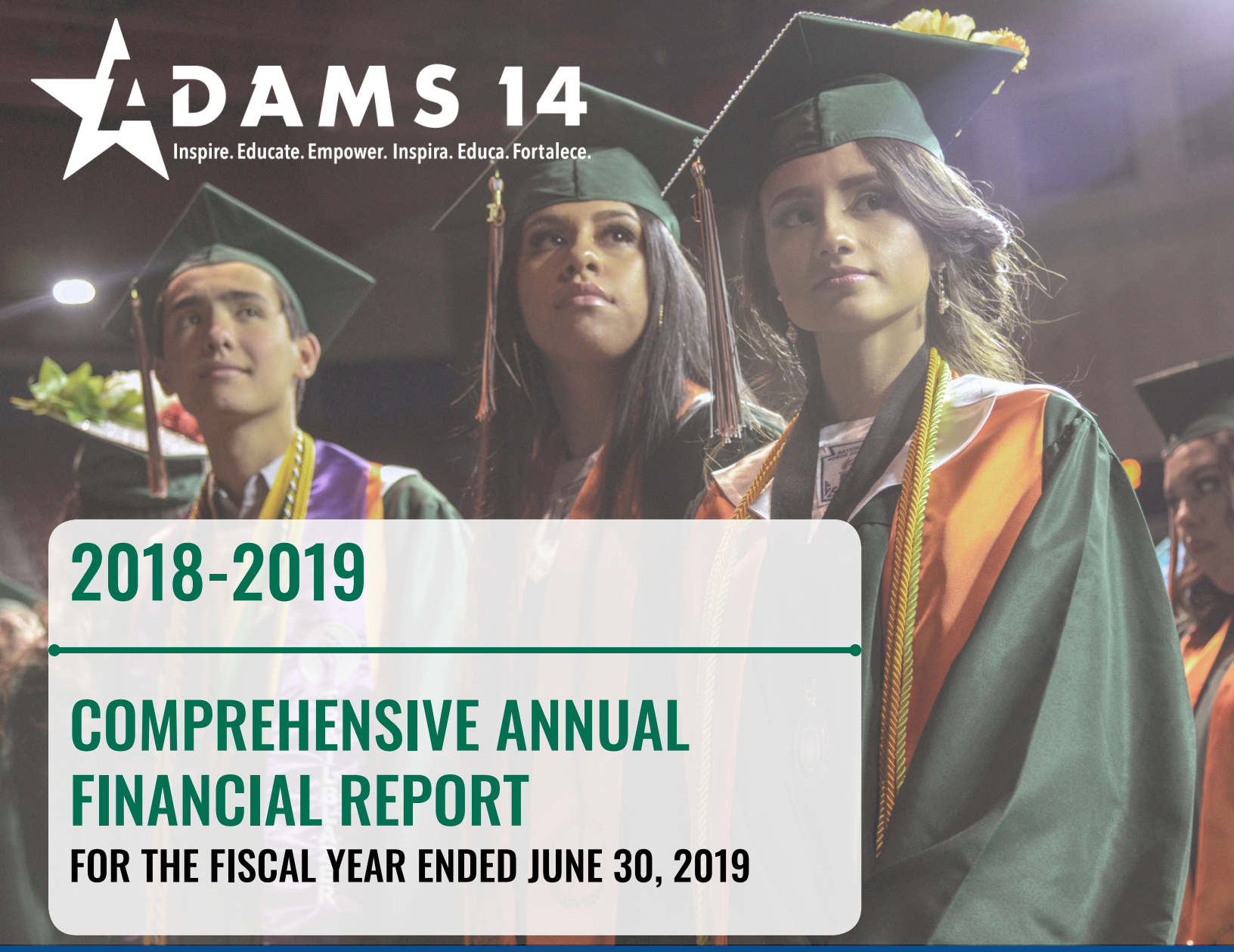

2018-2019

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Adams County School District 14, 5291 E. 60th Avenue, Commerce City, Colorado 80022

303.853.3333 | www.adams14.org

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ADAMS COUNTY SCHOOL DISTRICT 14
COMMERCE CITY, COLORADO

COMPREHENSIVE
ANNUAL
FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019

Board of Education

Ms. Connie Quintana, President

Mr. Harvest Thomas, Vice President/Secretary

Mr. David Rolla, Treasurer

Ms. Laura Martinez, Director

Mr. Dominick Moreno, Director

Interim Superintendent of Schools

Mr. Don Rangel

Issued by Division of Finance

Director of Finance

Mr. Eduard Storz, CPA

Executive Director of Budget and Finance

Ms. Shae Martinez, MBA

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Educational Support Services
5291 E. 60th Avenue
Commerce City, CO 80022-3203
P: 303.289.3940
F: 303.286.9753
www.adams14.org

November 25, 2019

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

Dear Members of the Board of Education,

I am so pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Adams County School District 14 for the fiscal year ended June 30, 2019.

The CAFR, for the fiscal year ended June 30, 2018, received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International and the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada. These awards represent acknowledgement from our peers that our District has prepared and presented our fiscal information in a clear, open and user-friendly format for stakeholders that qualifies the report for its recognition of excellence. I am confident that this year's CAFR will also qualify for these prestigious awards.

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

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

Sincerely,

Don Rangel

Division of Financial Services
ESS Bulding
5291 E. 60th Avenue
Commerce City, CO 80022
P: 303.853.3252
F: 303.853.3334
estorz@adams14.org
www.adams14.org

November 25, 2019

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

We are pleased to submit the fiscal year 2018-19 Comprehensive Annual Financial Report (CAFR) of Adams County School District 14 (District) for the fiscal period from July 1, 2018, to June 30, 2019. The District's Division of Financial Services prepared this report. Responsibility for both accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

All funds within the District are required under Colorado statute (C.R.S. 1973, 29-1-603) to have an annual audit performed on its financial statements by an independent certified public accountant. The District's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements. These reports can be found in the compliance section along with information related to the single audit, schedule of expenditures of Federal awards and schedule of findings and questioned costs. The Auditor's Electronic Financial Data Integrity Check required by the Colorado Department of Education is also included in this section.

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

it. The MD&A immediately follows the report of the independent auditors.

THE SCHOOL DISTRICT

The District lies immediately north of Denver, Colorado, and serves a population of 58,449 according to the 2018 U.S. Census Bureau estimate. The District boundaries cover 52 square miles and serve Commerce City, parts of the City of Thornton and unincorporated Adams County. The District enjoys cultural and ethnic diversity as its ethnic composition is .08% Hawaiian or Other Pacific Islander, .23% Asian, .61% American Indian, 2.2% African American, 10.06% White, 85.69% Hispanic, and 1.13% multiple ethnicities. Adams County School District 14 has 460.9 teachers and 444.5 other staff, for a total of 905.4 employees. The District served 7,060 students in fiscal year 2018-19 based on enrollment, a decrease of 340 students from the prior fiscal year. These students were served in two preschools, seven pre-kindergarten to eighth grade schools, two middle schools and two high schools.

ENROLLMENT

The District has experienced declining enrollment for the last four school years after seeing growth in each of the preceding three school years. Future enrollment is difficult to project as the District works with potential charter schools while also seeing potential development in the area. Overall, pending these variables, enrollment is projected to continue to decrease in the coming years. The district currently has two schools that are below the recommended capacity, one elementary and one middle school. The school buildings within the District except for Adams City High School, which was built in 2009, were built between 1951 and 1968 and most of these have been renovated beginning in 2006, with Dupont Elementary and Adams City Middle School being the exceptions.

ORGANIZATION OF THE SCHOOL DISTRICT

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

The Superintendent is the Chief Executive Officer and is accountable to the Board for the education and support operations within the District. The Assistant Treasurer is the Director of Finance and along with the Executive Director of Budget and Finance is accountable to the Board for maintaining all financial records, issuing checks to pay the District's liabilities, acting custodian of all District funds and investing the District's idle cash as stipulated by Colorado law. Other Board appointed officials are the Executive Director of Curriculum and Instruction, Executive Director of Federal Programs/Interventions and Technology, Executive Director of Human

Resources, Legal and Risk, Director of Student Services, School Principals and the Directors and Managers of the many various educational, operational and support services within the District, all of whom report to the Superintendent.

THE REPORTING ENTITY

The District has reviewed its reporting entity definition in accordance with the Governmental Accounting Standards Board (GASB), which defines the governmental reporting entity. This report includes all funds, organizations and activities for which the Board has oversight responsibility as further described in Note A in the Notes to Financial Statements. The District has no component units.

SERVICES PROVIDED

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

ECONOMIC CONDITION AND OUTLOOK

According to the Legislative Council Forecast (September 2019), U.S. and Colorado economies grew at a moderate pace through the second quarter this year. Weaker international economic conditions and trade policy uncertainty continue to weigh on investment decisions, supply chains, and demand, dampening the effects of strong economic fundamentals in the U.S. The economy is expected to expand through the end of 2019, albeit at a slower pace as these trends continue. In 2020 and 2021, economic activity is expected to moderate on headwinds from a tight labor market, with an elevated risk of recession clouding the outlook.

According to the Adams County 2019 Annual Budget, Adams County unemployment rates increased slightly to 4.1% at the end of 2018, and Adams County population continued to grow by 1.7%. However, the school district recently retained Cooperative Strategies to complete and enrollment projections report in order to assess the probability and scope of an enrollment decline. The enrollment projections included in this report were developed using the cohort survival methodology and Cooperative Strategies' custom enrollment projection software, S.T.E.P. (Student Trends & Enrollment Projections). This custom software was developed in collaborations with Ohio State University and is based on industry best practices as well as the national experience Cooperative Strategies has with schools, school districts, and state agencies. For FY 2018-19. There are 13 schools serving approximately 7,060 PK-12 students. Unofficial October count data indicated that the district is down another 431 students in FY 2019-20.

Enrollment peaked in FY 2013-14 at 7,598 and has since decreased by 969 students.

Nationwide, districts have undergone major shifts in public school enrollment. Factors include the baby boom, the availability and use of birth control, and the development of the suburbs. As of the 2010 Census, the size of a family was at an all-time low of 3.14 persons. The recession of 2008-09 had a tremendous effect on the birthrate. In Adams County, the population increased by 7% from 2000-2010, but the number of school-aged children decreased by 10%. Live births, which are counted by where the mother resides, fell from 794 in 2003, to a low of 583 in 2013. In 2017 this number was 644, still well below the number in 2003. Another important indicator is the cohort survival ratios. These indicate how well the District is retaining the student population. All of these models together indicate the possible loss of 1,000 students in the next 5 years. That is over $2 million in lost revenue each year. The District is hopeful that the engagement of MGT will bring together key stakeholders in the community and district to improve student achievement and regain trust.

MAJOR INITIATIVES

Adams 14 School District is beginning its 10th year of Turnaround Status. Last year, the Colorado State Board of Education approved a plan to hire an External Management Organization (EMO) to manage the school district. After an exhaustive community process, the District moved Mapleton Public Schools forward as the proposed EMO; however, this choice was rejected by the Colorado State Board of Education in April. The District met again with the Colorado State Board of Education in May of 2019, to gain approval of MGT Consulting of America as the proposed EMO. The contract for MGT was secured for an estimated $8.3 million. Along with MGT, Schools Cubed and Math Partners have joined the District. University of Virginia Leadership training is set to commence in the summer of 2020.

Curricular alignment has commenced at the elementary level. *Happily Ever After* and *Superkids* are being used in the PreK-2 classrooms, and *Wonder/Maravillas* are being used in grades 3-5. Curriculum refresher cycles are underway, and science is next to receive a materials review.

In May of 2018 the District was awarded a BEST (Building Excellent Schools Today) grant for approximately $19.0 million from the Colorado Department of Education. The District issued COP's of approximately $7.0 million and utilized reserves of approximately $7.2 million beginning in December of 2018 to replace its lowest rated facility Alsup Elementary. The District plans to submit another BEST grant for consideration this year.

As MGT welcomes a new Board of Education this fall, the consulting group plans to ask the new Board about District level changes that need to be made. This will involve an evaluation of levels of personnel support needed in order to successfully meet the needs of students and schools. This effort is taking place in a climate of declining enrollment and declining revenue from free/reduced lunch count.

FINANCIAL INFORMATION

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

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

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

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

OTHER INFORMATION

Awards The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to Adams County School District 14 for its Comprehensive Annual Financial Report for fiscal year ended June 30, 2018. These certificates are awarded to government units that publish an easy-to-read and well-organized Comprehensive Annual Financial Report, whose content conforms to the program standards. Such reports must satisfy

both generally accepted accounting principles and any other applicable legal requirements.

In addition, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a certificate of Achievement for Excellence in Financial Reporting to Adams County School District 14 for its comprehensive annual financial report the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

Certificates from both ASBO and GFOA are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Excellence and Certificate of Achievement Programs' requirements and we are submitting it to both ASBO and GFOA to determine its eligibility for another certificate.

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

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

Respectfully submitted,

Shae Martinez

Executive Director of Finance and Budget

Eduard Storz

Director of Financial Services

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting is presented to

Adams County School District 14

for its Comprehensive Annual Financial Report (CAFR)

for the Fiscal Year Ended June 30, 2018.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Tom Wohlleber, CSRM
President

Siobhan McMahon, CAE
Chief Operating Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Adams County School District 14

Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

ADAMS COUNTY SCHOOL DISTRICT 14

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

BOARD OF EDUCATION

Ms. Connie Quintana ..... President

Mr. Harvest Thomas. ..... Vice President/Secretary

Mr. David Rolla ..... Treasurer

Ms. Laura Martinez ..... Director

Mr. Dominick Moreno ..... Director

DISTRICT INSTRUCTIONAL TEAM

Mr. Don Rangel ..... Superintendent of Schools

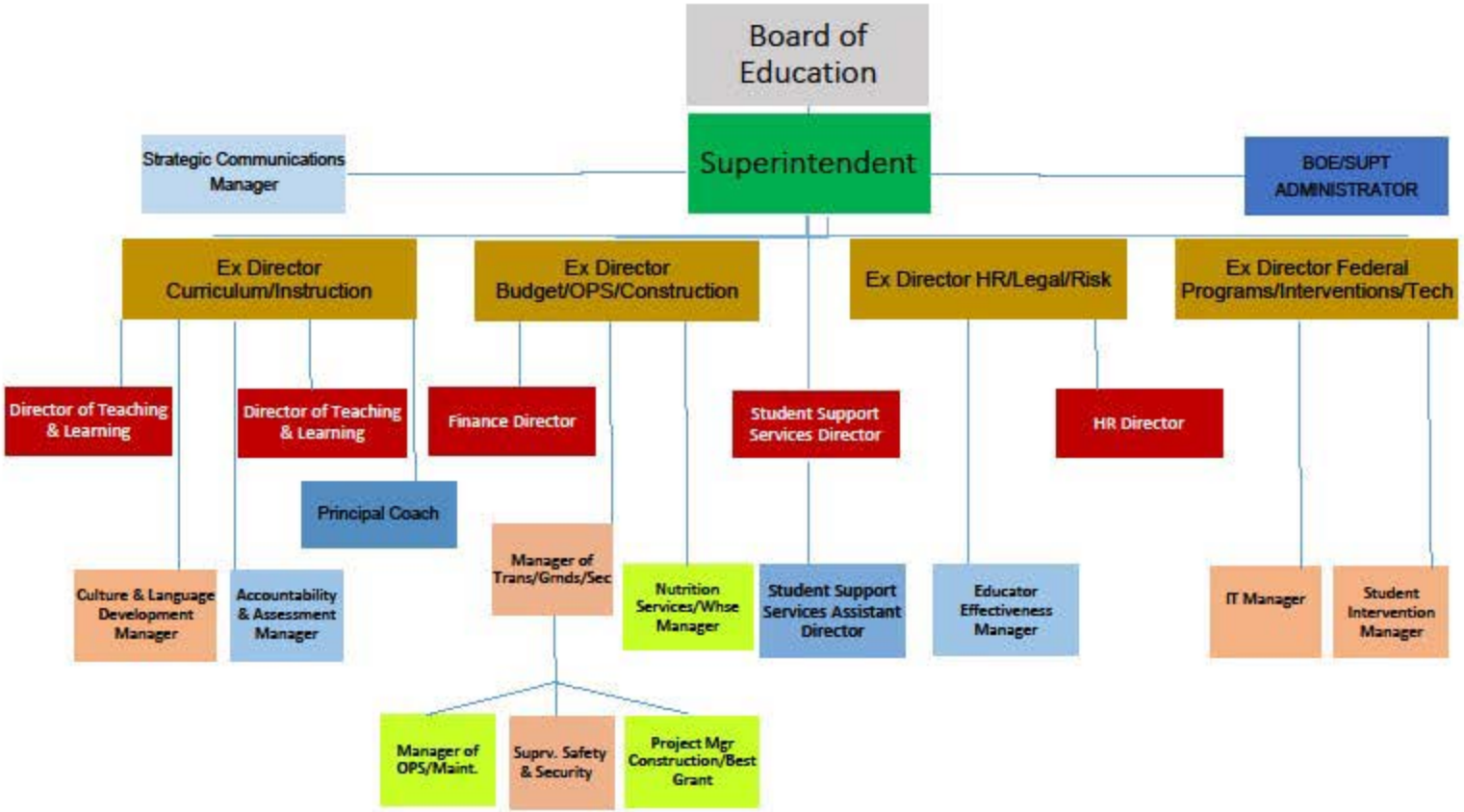
Ms. Jeanette Patterson ..... Executive Director of Curriculum and Instruction

Ms. Shelagh Burke ..... Executive Director of Schools

DISTRICT OPERATIONAL TEAM

Ms. Shae Martinez ..... Executive Director of Finance and Budget

Ms. Darci Mohr ..... Executive Director of Human Resources, Legal and Risk


Board of Education
Superintendent
Strategic Communications Manager
BOE/SUPT ADMINISTRATOR
Ex Director Curriculum/Instruction
Ex Director Budget/OPS/Construction
Ex Director HR/Legal/Risk
Ex Director Federal Programs/Interventions/Tech
Director of Teaching & Learning
Director of Teaching & Learning
Finance Director
Student Support Services Director
HR Director
Principal Coach
Manager of Trans/Grnds/Sec
Culture & Language Development Manager
Accountability & Assessment Manager
Nutrition Services/Whse Manager
Student Support Services Assistant Director
Educator Effectiveness Manager
IT Manager
Student Intervention Manager
Manager of OPS/Maint.
Suprv. Safety & Security
Project Mgr Construction/Best Grant

10/29/2018

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Adams County School District 14, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Adams County School District 14 as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and GASB required pension and other postemployment benefits schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Adams County School District 14's basic financial statements. The introductory and statistical sections, combining and individual nonmajor fund financial statements, budgetary comparison schedules, and Colorado Department of Education Auditor's Integrity Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, 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, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2019, on our consideration of Adams County School District 14's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Adams County School District 14's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Adams County School District 14's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
November 25, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Adams County School District 14 (District), we offer readers of the District's Comprehensive Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letters of transmittal on pages 1 - 6 of this report.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources, including long term bonds payable exceeded total assets and deferred outflows of resources of the primary government, including land, buildings and equipment at the close of fiscal year 2018-19 by $166,567,663 *(Net Position)*. To arrive at unrestricted net position, this amount is further reduced by, $25,995,593 representing the net investment in capital assets, $6,694,590 restricted for debt service, $2,309,000 restricted for emergencies, $858,881 restricted for Food Services and $343,697 restricted for use in the Colorado Preschool Program. This leaves the final Unrestricted Net Position at a negative $202,769,424, largely reflecting the District's continuing requirement to record PERA pensions and OPEB benefits.
- The District's total Net Position for the primary reporting entity increased by $24.1 million while unrestricted Net Position increased by $23.1 million. This change is mainly reflective of the District's PERA pension liability and deferred inflows and outflows dropping by a net $21.6 million. Debt payments further improved the District's financial position at year end, but this gain is offset by a similar amount being recorded as depreciation expense for the year.
- The District's Governmental Funds fund balance increased by $7,894,828 to an ending fund balance of $44,108,203.
- The Governmental Funds reported combined unassigned fund balance of $6,782,410.

At June 30, 2019, $2,652,697 of the $20,963,387 fund balance of the General Fund was restricted for the Colorado Preschool Program and the emergency contingency required by Article X, Section 20 of the Colorado Constitution. In addition, $143,279 was considered non-spendable as it was held in inventories and prepaid items, and another $3,465,905 was considered committed to the board designated 5% reserve, while another $5,019,817 is assigned to risk management and insurance reserves, and $2,899,279 was restricted for future budgeted use of reserves to fund the future payments of the District's long term external management contract. The $6,782,410 unassigned portion of the fund balance is equivalent to 9.8% of the total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

The government-wide financial statements can be found on pages 26-27 of this report.

FUND FINANCIAL STATEMENTS

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

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four governmental funds that are classified as major funds. They are the General Fund, the Grants Fund, Capital Projects Building Fund and the Bond Redemption Fund. The General and Grant funds account for funds received from other government entities. The Bond Redemption Fund is used to account for property tax collections used to pay off the District's general obligation debt. Other governmental funds, classified as non-major funds include the Food Service Fund, Athletics Fund, COP Debt Service Fund, Capital Projects Capital Reserve and Fee Supported Fund.

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the General and Grants funds are included in the Required

Supplementary Information to demonstrate compliance with the adopted budget. The remaining governmental funds budgetary comparisons are reported as Supplementary Information and can be found after the Required Supplementary Information section of this report.

Fiduciary Fund

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

NOTES TO THE FINANCIAL STATEMENTS

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

OTHER INFORMATION

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

Adams County School District 14
Statement of Net Position
For June 30, 2019 and 2018

	Total	
	2019	2018
Assets:		
Current and other assets	$ 51,399,154	$ 42,485,929
Capital assets	91,537,354	93,563,465
Total assets	142,936,508	136,049,394
Deferred outflows of resources		
Deferred outflow pension	44,907,153	89,341,829
Deferred outflow OPEB	357,648	259,224
Deferred charge on refunding	5,741,323	6,261,972
	51,006,124	95,863,025
Liabilities:		
Current liabilities	12,234,318	10,896,890
Non-current liabilities	229,232,807	390,342,945
Total liabilities	241,467,125	401,239,835
Deferred inflow of resources		
Deferred inflow pension	118,752,407	20,955,797
Deferred inflow OPEB	290,763	376,403.00
	119,043,170	21,332,200
Net position:		
Net investment in capital assets	25,995,593	25,078,397
Restricted	10,206,168	10,176,246
Unrestricted	(202,769,424)	(225,914,259)
Total net position	$ (166,567,663)	$(190,659,616)

GOVERNMENT-WIDE ACTIVITIES

Governmental activities increased the Net Position of the District by $24.1 million during the current fiscal year. As discussed earlier this is largely reflective of the change in the PERA pension plan liability, deferred outflows and deferred inflows. While these are the basic areas causing the decrease in our net position we believe that our discussion of the overall change in the General Fund balance provided later in this document provides more relevant financial information regarding the fiscal activity at the District during the year and we direct the user to that section for further discussion.

The main sources of governmental revenue for the primary government are local property tax, state equalization payments and grants. Property taxes and specific ownership taxes account for 34.1% of the revenue received by the District with 42.8% being received from state equalization payments. Operating grants and contributions provide an additional 17.7%. Other sources, including general revenue grants, account for the remaining 5.4% of revenue.

Within the government wide financial statements revenues were up from fiscal year 2018 to 2019, increasing by $2.8 million or 3.1%. Operating grants received by the district showed an increase of $1.2 million, while Grants not restricted to specific programs an amount mostly comprised of impact aid also increased $184,462. The District did see an increase

of investment earnings of $191,473 as interest rates increased. The previously discussed decrease of PERA pension liability impacted every category of the government wide expenses as it is the District's policy to proportionately spread the effect of the change in pension liability according to current year actual expenditures in each category.

Adams County School District 14
Changes in Net Position
For June 30, 2019 and 2018

	Total	
	2019	2018
REVENUES		
Program revenues		
Charges for services	$ 380,186	$ 409,936
Operating grants and contributions	16,582,321	15,371,637
General revenues		
Taxes:		
Property taxes	29,363,035	29,578,840
Specific ownership taxes	2,678,093	2,678,093
Grants not restricted to specific programs	3,119,441	2,934,979
State equalization	40,144,898	38,260,102
Investment earnings	594,102	402,629
Gain on disposal	-	8,039
Miscellaneous	1,003,513	1,405,750
Total revenues	93,865,589	91,050,005
EXPENSES		
Instructional services	30,281,429	60,998,562
Operation and maintenance	9,392,445	19,519,541
Pupil services	4,014,467	8,045,099
Central support services	4,874,950	7,149,787
School administration	4,368,448	8,492,941
Instructional support	5,642,553	10,552,341
Pupil transportation	1,860,294	3,607,206
Business administration	1,045,516	2,206,973
General administration	1,372,837	2,217,620
Community services	519,053	1,019,469
Adult education	594,941	1,278,399
Other support services	61,236	112,830
Nutrition services	2,833,973	6,137,642
Interest and fiscal charges	2,911,493	2,987,932
Total expenses	69,773,636	134,326,342
Change in net position	24,091,953	(43,276,337)
Net position - beginning	(190,659,616)	(147,383,279)
Net position - ending	$ (166,567,663)	$ (190,659,616)

FUND FINANCIAL ANALYSIS

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

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

At the end of the current fiscal year the District's governmental funds reported a combined ending fund balance of $44,108,203.

Major Governmental Funds

General Fund

The General Fund is the major operating fund of the District, providing the majority of the resources for the educational and support programs. Revenues for the General Fund totaled $74.0 million in fiscal year 2018-19 compared to $70.5 million in fiscal year 2017-18, an increase of 4.9%, mainly as a result of increased per pupil funding which came in the form of equalization payments to the District.

	FY2018-19	FY2017-18	Amount of Change	Percentage of Change
Revenues				
Federal				
Impact Aid	$ 3,119,441	$ 2,934,979	$ 184,462	6.3%
Subtotal	3,119,441	2,934,979	184,462	
State				
Equalization payments	40,144,898	38,260,102	1,884,796	4.9%
Vocational education	93,746	96,066	(2,320)	-2.4%
Exceptional children's act (ECEA)	1,359,637	1,376,745	(17,108)	-1.2%
Transportation reimbursement	903,833	459,387	444,446	96.7%
PERA state funds	1,193,650	-	1,193,650	100.0%
ELPA reimbursement	501,228	443,939	57,289	12.9%
Subtotal	44,196,992	40,636,239	3,560,753	
Local				
Property taxes	25,322,836	25,730,564	(407,728)	-1.6%
Payment in lieu of taxes	53,512	63,610	(10,098)	-15.9%
Miscellaneous	772,664	857,763	(85,099)	-9.9%
Investment income	495,081	289,603	205,478	71.0%
Subtotal	26,644,093	26,941,540	(297,447)	
Total revenues	$ 73,960,526	$ 70,512,758	$ 3,447,768	4.9%

Fiscal year 2018-19 General Fund expenditures, which include the accrual for teacher salaries and benefits, totaled $69.3 million, compared to $63.2 million in fiscal year 2017-18. This represents an increase of $6.1 million (9.6%) from the previous fiscal year and is an expected increase based on annual salary and benefit increases approved by the board effective for fiscal year 2018-19, and the addition of a $1.2 million dollar expense related to the on behalf payment made to PERA by the State of Colorado. When transfers to other funds are factored in the change in the General fund balance for the year was a decrease of $1.3 million. Instructional services costs increased from the prior year with salaries, benefits and the additional PERA payment. The following table compares expenditures for fiscal years 2018-19 and 2017-18 using the modified accrual basis of accounting.

	FY2018-19	FY2017-18	Amount of Change	Percentage of Change
Expenditures				
Instructional services	$ 36,583,560	$ 33,839,372	$ 2,744,188	8.1%
Operations and maintenance	7,686,234	7,374,416	311,818	4.2%
Pupil services	4,154,061	4,006,399	147,662	3.7%
Central support services	6,255,329	4,196,086	2,059,243	49.1%
School administration	5,581,363	5,106,705	474,658	9.3%
Instructional support	3,367,339	2,621,826	745,513	28.4%
Pupil transportation	2,378,499	1,956,999	421,500	21.5%
Business administration	1,133,896	1,141,307	(7,411)	-0.6%
General administration	1,387,497	893,220	494,277	55.3%
Other supporting services	79,772	67,821	11,951	17.6%
Community services	221,479	102,998	118,481	115.0%
Education for adults	11,162	69,130	(57,968)	-83.9%
Capital outlay	477,914	1,080,525	(602,611)	-55.8%
Principal retirement	-	766,141	(766,141)	-100.0%
Interest	-	9,100	(9,100)	-100.0%
Total Expenditures	$ 69,318,105	$ 63,232,045	$ 6,086,060	9.6%

Grants Fund

The Grants Fund, a special revenue fund, maintains a separate accounting for Federal, State and local grant-funded programs which may have a different fiscal period than that of the District. Funds are received for a specific purpose to address a particular student group or need related to student achievement. The funds must be supplemental to the efforts of the District and are not used to supplant District funding responsibilities. Specific rules, statutes and regulations guide these programs, and the money received is accounted for independently of local budget funds. Board of Education policy regulates the application and receipt of these funds. Fiscal year 2018-19 grant revenues totaled $8.8 million and expenditures totaled $8.8 million compared to grant revenues of $9.6 million and expenditures of $9.6 million in the 2017-18 fiscal year. This decrease was a result of the District receiving BEST grant funds for roof repairs in fiscal year 2017-18 while there were comparable expenses in 2018-19.

Bond Redemption Fund

The Bond Redemption Fund is reported as a major fund for the fiscal year 2018-19. The Bond Redemption Fund is used to account for the requirements of the general obligation bonds. The primary revenue source is a voter approved mill levy to satisfy principal and interest requirements on the debt. Principal and interest payments were $6.5 million for fiscal year 2018-19 compared to $5.6 million for fiscal year 2017-18. The increase in payments was a result of scheduled increases in the 2013 refunding GO principal payments.

Capital Projects Building Fund

The Capital Projects Building Fund, is reported as a major fund for fiscal year 2018-19, and is used to account for the District's building activity which is Board approved capital outlay related to the COP funded BEST grant the District was awarded in June of 2018 to replace Alsup Elementary. In this fund revenue of $529,842 was recognized for the BEST grant funding the District has received to date. $14,229,407 was recorded as other financing sources and uses which included both $6.7 million of COP's the District issued as part of its matching funds for the grant and $7.5 million transferred into the fund and subsequently provided to the District's escrow agent for the remaining matching funds on the project.

GENERAL FUND BUDGETARY HIGHLIGHTS

The proposed budget for fiscal year 2018-19 was presented and approved by the Board of Education on June 26, 2018, with total General Fund appropriations of $89,758,143 including appropriated fund balance of $20,339,736. The budget was amended on January 22nd, 2019 with total General Fund appropriations of $87,370,446 including appropriated fund balance of $17,952,039. This compares to the prior year ending total appropriations of $78,562,530.

Overall actual revenues were approximately $2.1 million greater than final budgeted revenues. Variances were seen in Impact Aid where the District received $232,788 million more than budgeted, transportation reimbursements from the State which were $448,649 greater than budget and the $1.2 million of PERA on behalf payments made by the State which were not budgeted.

Total operating expenditures were $18.1 million under total appropriations. Of $18.0 million in appropriated reserves $1.5 million was board approved for insurance related activities during the year. Appropriated reserves of $16.5 million were not board approved for spending. Note total general fund expenditures for the year includes $1.2 million in spending which was not budgeted but which fell within appropriations as a result of the unforeseen and unbudgeted accounting treatment required by the Governmental Accounting Standards Board and the State of Colorado Department of Education, to account for on behalf payments to PERA by the State as both revenue and expense to the District in the year in which the on-half payments were made. The net effect of this amount is zero to the General Fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance for the General Fund as both the expenditure and revenue of $1.2 million was unbudgeted.

The District monitors and controls budgets comprised of two components, amounts budgeted within department or building budgets (budget control groups) and amounts not included in department or building budgets, typically salaries and benefits as FTE, but also including other unreleased budget items such as budget contingency. The amounts budgeted within building or department budgets in fiscal year 2018-19 totaled $18.1 million however $1.3 million of these funds were budgeted but unspent at year end. The largest unspent amounts within all department budgets was $900,000 budgeted for curriculum adoption, which was placed on hold pending the arrival of the District's external management partner. Together, these factors, along with variances between budgeted and actual General Fund revenue resulted in the smaller than budgeted decrease in the General Fund fund balance in the current year of $1.8 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The District's governmental activities net investment in capital assets totaled $25,995,593 for fiscal year 2018-19. This includes $91,537,354 in fixed assets after considering accumulated depreciation, less $77,831,041 in debt and related items, but with $5,741,323 of deferred charges and $6,547,957 of unspent Certificates of Participation proceeds added back. Current year activity including additions, change in useful lives estimates and depreciation accounted for a decrease of $2.0 million. Current year additions were $2,024,103 mainly leased vehicles and construction in progress on a new building to replace the currently Alsup Elementary school building. The decrease is a result of the annual depreciation of capital assets out pacing the minimal level of capital additions completed for the year.

At June 30, 2019, the District had total bonded debt outstanding of $63,700,000 backed by the full faith and credit of the District. In November 2006, the voters in our District approved $78 million in general obligation bonds along with a 6.876 mill levy increase to fund the construction of a new high school, install air conditioning in schools that did not already have it, expanded our full-day kindergarten facilities and upgraded our middle school science labs. The final $3.375 million of general obligation bonds were issued on January 3, 2008. In fiscal year 2012-13, the District issued 2013 Refunding bonds to advance refund a portion of the 2006 series bonds and take advantage of a lower available interest rate. The District again took advantage of low interest rates in 2014-15 to issue $11,590,000 in refunding bonds and refund $12,435,000 worth of series 2007 and series 2008 general obligation bonds. In December of 2018 the District issued $6,729,407 in Certificates of Participation payable from the General fund which will be used as a portion the District match required for the BEST, Building Excellent Schools Today, grant award the District received to replace the Alsup elementary building.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

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

At the time of the Colorado Legislative Council's September 18, 2019 Economic Forecast, inflation expectations for 2019 have decreased since March from 2.3% to 1.8% which is down from 3.4% for calendar year 2018. Projected pupil count statewide is expected to increase as evidenced by a projected growth of about 1,130 pupil's state wide for 2020-21. These two items together impact total program requirements for fiscal year 2019-20. If the inflation expectations are realized absent other factors the District would expect a proportionate increase in revenue in fiscal year 2019-20. One factor likely to fluctuate however is the District's pupil count which has been declining by approximately 4% per year and will move significantly as the District works through the State turnaround process and considers applications from charter schools. Lost revenue is partially mitigated by the State funding formula which uses a five-year average pupil count in districts with ongoing declining enrollment, however as the declining enrollment trend continues the District will eventually feel the full impact on lost students in its funded pupil count.

The September Economic Forecast highlights an elevated risk of recession for the coming year noting that business activity indicators showed weakness and treasury yields have an inverted yield curve, while employment and consumer activity indicate a continued economic expansion. Inverted yield curves (short term interest rates being greater than long term) have historically been a consistent predictor of economic downturn. Local economic expansion and rising incomes for the community served by the District appear likely to have a negative impact on the per pupil revenue the District will receive in fiscal year 2019-20 and beyond as the District's percentage of students and family's qualifying for free or reduced lunch, a factor in total program funding, continues to decline. In Fiscal year 18-19 the District received $7,485,676 compared to fiscal year 2017-18 where the District received $8,009,416 in funding for at risk students which was determined using the District's count of student families qualifying for free lunch. The guidelines for free lunch qualification are based on national poverty income levels and aren't adjusted for local conditions. This means as local incomes rise the District will lose funding for students no longer considered at risk even though the local cost of living has likely increased a similar amount.

In addition to the concerns noted surrounding pupil count and at-risk funding it is noted the Districts mill levy override is lower than most other Adams County Districts and remains on the far lower end when compared to other Denver/Boulder area District's. This offsets additional funding received for at risk or ELL students when comparing Adams 14 to other districts and represents a significant competitive disadvantage for the District as it attempts to compete with surrounding districts on academic results.

Mill Levy Overrides
Adams County & Selected School Districts

	Overides Passed Nov. 2018	Overrides 2017	2017 Funded Pupil Count w/Charters	2017 Per Pupil Amount	Projected 2019 Per Pupil Amount
Englewood	$ -	$ 6,107,448	2,685	$ 2,275	$ 2,275
Boulder Valley	-	66,143,111	29,676	2,229	2,229
DPS	-	156,696,543	86,231	1,817	1,817
Cherry Creek	-	91,400,000	51,889	1,761	1,761
Adams 12	27,000,000	35,400,000	41,857	846	1,491
Westminster 50	9,900,000	7,844,000	10,516	746	1,687
Mapleton	-	5,670,000	8,351	679	679
Adams 14	-	4,890,000	8,048	608	608
Douglas	40,000,000	33,514,312	64,224	522	1,145
Strasburg 31J	-	300,000	954	314	314
27J	-	750,000	17,209	44	44
Bennett 29J	failed	-	1,021	-	-

REQUESTS FOR INFORMATION

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

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

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Adams County School District 14
Statement of Net Position
June 30, 2019

	Total Primary Government
ASSETS	
Current assets:	
Cash and investments	$ 47,432,917
Accounts receivable	1,179,888
Property taxes receivable	1,271,414
Due from other governments	1,244,099
Inventories	210,246
Prepaid expenses	60,590
Total current assets	51,399,154
Non-current assets:	
Capital assets, not depreciated	
Land and land improvements	8,647,082
Construction in progress	913,521
Capital assets, net of accumulated depreciation	
Buildings and improvements	141,980,833
Machinery and equipment	10,433,236
Accumulated depreciation	(70,437,318)
Total non-current assets	91,537,354
Total assets	142,936,508
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow pension	44,907,153
Deferred outflow OPEB	357,648
Deferred charge on refunding debt	5,741,323
Total Deferred outflows of resources	51,006,124
LIABILITIES	
Current liabilities:	
Accounts payable	1,054,504
Accrued salaries and benefits	5,037,315
Unearned revenue	683,455
Accrued interest payable	252,107
Due within one year:	
General obligation bonds and COP's	4,609,678
Capital leases	128,123
Compensated absences and early retirement	469,136
Total current liabilities	12,234,318
Non-current liabilities:	
Due in more than one year:	
General obligation bonds and COP's	72,673,993
Capital leases	419,247
Compensated absences and early retirement	1,819,254
Net pension liability	146,979,577
Net OPEB liability	7,340,736
Total non-current liabilities	229,232,807
Total liabilities	241,467,125
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow pension	118,752,407
Deferred inflow OPEB	290,763
Total deferred inflows of resources	119,043,170
NET POSITION	
Net investment in capital assets	25,995,593
Restricted for:	
Debt service	6,694,590
Emergencies	2,309,000
Food Service	858,881
Colorado preschool program	343,697
Unrestricted	(202,769,424)
Total net position	$ (166,567,663)

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

Adams County School District 14
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total
Primary Government				
Governmental activities:				
Instructional services	$ 30,281,429	$ -	$ 8,960,984	$ (21,320,445)
Operation and maintenance	9,392,445	-	157,740	(9,234,705)
Pupil services	4,014,467	-	1,075,591	(2,938,876)
Central support services	4,874,950	-	95,276	(4,779,674)
School administration	4,368,448	-	140,290	(4,228,158)
Instructional staff	5,642,553	-	3,825,934	(1,816,619)
Pupil transportation	1,860,294	-	948,742	(911,552)
Business administration	1,045,516	-	-	(1,045,516)
General administration	1,372,837	-	400,900	(971,937)
Other supporting services	61,236	-	-	(61,236)
Community services	519,053	380,186	202,588	63,721
Food service operations	2,833,973	-	152,970	(2,681,003)
Education for adults	594,941	-	621,306	26,365
Interest and fiscal charges	2,911,493	-	-	(2,911,493)
Total primary government	$ 69,773,636	$ 380,186	$ 16,582,321	(52,811,129)
General revenues:				
Taxes:				
Property taxes				29,363,035
Specific ownership taxes				2,678,093
Grants not restricted to specific programs				3,119,441
State equalization				40,144,898
Investment earnings				594,102
Miscellaneous				1,003,513
Total general revenues				76,903,082
Change in net position				24,091,953
Net position - beginning				(190,659,616)
Net position - ending				$ (166,567,663)

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

Adams County School District 14
Balance Sheet
Governmental Funds
June 30, 2019

	General Fund	Grants Fund	Bond Redemption Fund	Capital Projects Building Fund	Non-major Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 26,522,952	$ 105,937	$ 6,666,979	$ -	$ 44,829	$ 33,340,697
Cash with fiscal agent	-	-	-	14,092,220	-	14,092,220
Accounts receivable	752,179	-	-	-	427,709	1,179,888
Property taxes receivable	992,086	-	279,328	-	-	1,271,414
Due from other funds	-	16,171	390	-	2,079,756	2,096,317
Due from other governments	-	1,244,099	-	-	-	1,244,099
Inventories	86,964	-	-	-	123,282	210,246
Prepaid items	56,315	-	-	-	4,275	60,590
Total assets	$ 28,410,496	$ 1,366,207	$ 6,946,697	$ 14,092,220	$ 2,679,851	$ 53,495,471
LIABILITIES						
Liabilities:						
Accounts payable	$ 549,698	$ 217,451	$ -	$ 246,492	$ 40,863	$ 1,054,504
Accrued salaries and benefits	4,398,672	465,301	-	-	173,342	5,037,315
Due to other funds	2,096,317	-	-	-	-	2,096,317
Unearned revenue	-	683,455	-	-	-	683,455
Total liabilities	7,044,687	1,366,207	-	246,492	214,205	8,871,591
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue	402,422	-	113,255	-	-	515,677
Total deferred inflow of resources	402,422	-	113,255	-	-	515,677
FUND BALANCE:						
Nonspendable:						
Inventories	86,964	-	-	-	123,282	210,246
Prepaid items	56,315	-	-	-	4,275	60,590
Equity in insurance pool	-	-	-	-	-	-
Restricted for:						
TABOR	2,309,000	-	-	-	-	2,309,000
Colorado preschool program	343,697	-	-	-	-	343,697
Food service activities	-	-	-	-	731,324	731,324
Building fund activities	-	-	-	13,845,728	-	13,845,728
Debt service	-	-	6,833,442	-	-	6,833,442
Committed:	3,465,905	-	-	-	-	3,465,905
Assigned for:						
Fee supported activities	-	-	-	-	228,148	228,148
Capital projects fund activities	-	-	-	-	1,378,617	1,378,617
Risk management activities	5,019,817	-	-	-	-	5,019,817
Future budgeted use of reserves	2,899,279	-	-	-	-	2,899,279.00
Unassigned:	6,782,410	-	-	-	-	6,782,410
Total fund balance	20,963,387	-	6,833,442	13,845,728	2,465,646	44,108,203
Total liabilities, deferred Inflows and fund balance	$ 28,410,496	$ 1,366,207	$ 6,946,697	$ 14,092,220	$ 2,679,851	$ 53,495,471

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

Adams County School District 14
Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total fund balances for governmental funds	$	44,108,203
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		91,537,354
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds		515,677
OPEB plan accounts, such as deferred inflows of ($290,763), deferred outflows of $357,648 and net OPEB liability of (7,340,736) are not receivable or payable in the current period and, therefore, are not reported in the fund statements		(7,273,851)
Pension plan accounts, such as deferred inflows of ($118,752,407), deferred outflows of $44,907,153, and net pension liability of ($146,979,577), are not receivable or payable in the current period and, therefore, are not reported in the fund statements		(220,824,831)
Long-term liabilities, including long-term debt outstanding of ($77,831,041) net of deferred charge on refunding debt of $5,741,323, compensated absences and early retirement payments of ($2,288,390), and accrued interest payable of ($252,107) are not due and payable in the current period and therefore are not reported in the funds		(74,630,215)
Total net position of governmental activities	$	(166,567,663)

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

Adams County School District 14
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended June 30, 2019

	General Fund	Grants Fund	Bond Redemption Fund	Capital Projects Building Fund	Non-major Funds	Total Governmental Funds
REVENUES						
Federal	$ 3,119,441	$ 6,095,909	$ -	$ -	$ 3,226,922	$ 12,442,272
State	44,196,992	2,600,991	-	529,842	76,563	47,404,388
Local:						
Taxes	25,322,836	-	6,462,143	-	-	31,784,979
Payments in lieu of taxes	53,512	-	34,835	-	-	88,347
Charges for services	-	-	-	-	380,186	380,186
Miscellaneous	772,664	142,502	-	-	-	915,166
Investment income	495,081	-	99,021	-	-	594,102
Total revenues	73,960,526	8,839,402	6,595,999	529,842	3,683,671	93,609,440
EXPENDITURES						
Current operating:						
Instructional services	36,583,560	2,119,834	-	-	565,195	39,268,589
Operations and maintenance	7,686,234	2,064	-	-	14,345	7,702,643
Pupil services	4,154,061	1,075,591	-	-	-	5,229,652
Central support services	6,255,329	95,276	-	-	-	6,350,605
School administration	5,581,363	140,290	-	-	-	5,721,653
Instructional support	3,367,339	3,825,934	-	-	157,289	7,350,562
Pupil transportation	2,378,499	44,909	-	-	-	2,423,408
Business administration	1,133,896	-	-	-	228,099	1,361,995
General administration	1,387,497	400,900	-	-	-	1,788,397
Other supporting services	79,772	-	-	-	-	79,772
Community services	221,479	202,588	-	-	252,104	676,171
Food service operations	-	152,970	-	-	3,538,851	3,691,821
Education for adults	11,162	621,306	-	-	142,563	775,031
Capital outlay	477,914	157,740	-	913,521	2,445,083	3,994,258
Debt Service:						
Principal retirement	-	-	3,580,000	-	144,507	3,724,507
Interest and fiscal charges	-	-	2,903,231	-	135,771	3,039,002
Total expenditures	69,318,105	8,839,402	6,483,231	913,521	7,623,807	93,178,066
Excess (deficiency) of revenues over (under) expenditures	4,642,421	-	112,768	(383,679)	(3,940,136)	431,374
OTHER FINANCING SOURCES (USES)						
COP's issued	-	-	-	6,729,407	-	6,729,407
Capital lease proceeds	-	-	-	-	691,877	691,877
Proceeds from sale	-	-	-	-	42,170	42,170
Transfers out	(5,920,756)	-	-	-	(3,660,591)	(9,581,347)
Transfers in	-	-	-	7,500,000	2,081,347	9,581,347
Total other financing sources (uses)	(5,920,756)	-	-	14,229,407	(845,197)	7,463,454
Net change in fund balances	(1,278,335)	-	112,768	13,845,728	(4,785,333)	7,894,828
Fund balance - beginning	22,241,722	-	6,720,674	-	7,250,979	36,213,375
Fund balance - ending	$ 20,963,387	$ -	$ 6,833,442	$ 13,845,728	$ 2,465,646	$ 44,108,203

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

Adams County School District 14
Reconciliation of the Statement of Revenues
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2019

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

Net change in fund balances - total governmental funds	$ 7,894,828
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the sum of depreciation expense of ($4,050,214) exceeds the sum of capital outlays of $2,024,103.	(2,026,111)
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. This amount represents property taxes not available at year end.	256,149
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. This amount is the net effect of these differences in the treatment of long-term debt and related items: amortization of bond premium of $612,789, amortization of loss on refunding of ($520,649) and an increase in accrued interest payable of ($6,801), lease proceeds of ($691,876) and COP issuance of ($6,729,407)	(7,335,945)
Additional funding of the net pension liability in the pension plan does not use current financial resources and, therefore, is not reported as expenses in the governmental funds.	21,613,659
Additional funding of the net OPEB liability in the pension plan does not use current financial resources and, therefore, is not reported as expenses in the governmental funds.	(58,830)
Compensated absences and early retirement are not recorded as an expenditure in the governmental statements until it becomes due and payable. However, in the statement of activities they are reported as an expense when earned or incurred.	23,696
Repayments of bond principal of $3,580,000, and capital lease payments of $144,507 are expenditures in the governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	3,724,507
Change in net position of governmental activities	$ 24,091,953

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

Adams County School District 14
Statement of Changes in Fiduciary Assets and Liabilities
Fiduciary Fund
For the Year Ended June 30, 2019

	June 30, 2019
ASSETS	
Cash and investments	$ 253,235
Total assets	$ 253,235
LIABILITIES	
Due to student organizations	$ 253,235
Total liabilities	$ 253,235

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

1. Reporting Entity

As directed by the Governmental Accounting Standards Board, the financial reporting entity as presented consists of the District and organizations which District Administration feels would be misleading to exclude from this report. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. In addition, if there were any legally separate organizations for which the District was financially accountable, they would be considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization provides benefits to or imposes financial burdens on the District. The District has no organizations included in this financial statement based on financial accountability.

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equal to the services provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support; however, at this time, the District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or a segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to students or others who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated revenues are reported as general revenues rather than as program revenues.

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Property tax revenues are considered to be available if collected within 60 days after year-end. All other revenues are considered to be available in the period earned if the receipt of the money is expected to be collected within 120 days.

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

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

The District reports the following major governmental funds:

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

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

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

The **Capital Projects Building Fund** accounts for Board approved building activities financed with Certificates of Participation.

The District reports the following non-major funds:

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

The **COP Debt Service Fund** is provided to maintain a separate accounting for the District's COP principal and interest payments using funds transferred from the General Fund and dedicated for debt service.

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

The **Athletics Fund** accounts for the revenue and expenditures associated with middle and high school

funded athletic programs.

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

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

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

Deposits and Investments

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

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

Receivables and Payables

All receivables are reported at their gross value and, where appropriate, reduced by the estimated portion that is expected to be uncollectible. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds" (i.e., the current portion of interfund loans).

Property and Specific Ownership Tax Receivables

All trade and property tax receivables are shown net of an allowance for uncollectible representing 1% of expected revenue, for fiscal year 2018-19 this amount was $295,024.

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

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

Due from Other Governments

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

Prepaid Items

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

Inventories

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

Food Service Fund purchased inventories are stated at cost, determined by the weighted average cost method and recorded under the consumption method. Expenses for food items are recorded when used.

Capital Assets

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

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

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

Assets	Years
Buildings & Improvements	15 - 40
Machinery & Equipment	3 – 8

Accrued Salaries and Benefits

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

Unearned Revenues

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. They are the deferred charge on refunding, the deferred OPEB outflow and the deferred pension outflow reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its

reacquisition price. The deferred pension & OPEB outflows consists of several pension & OPEB related items including the accumulated payments made to reduce the District's liabilities at PERA after the measurement date used to record the net pension liability and OPEB, the difference between projected and actual earnings on pension plan and Health Care Trust Fund investments or projected and actual pension & OPEB experience, and changes assumptions and other inputs. The deferred pension & OPEB outflows will be recorded as pension or OPEB expense or a reduction of the pension or OPEB liability in the next year's pension & OPEB liability calculations. The deferred charge on refunding amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

Compensated Absences/Early Retirement

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

Sick pay is accumulated for all certified, classified, support & technical and administrative and full-time personnel. District policy allows certified and classified employees to accumulate up to 90 days of unused sick leave, while admin and support & technical employees can accumulate up to 120 days. Payment is made to employees upon separation with the District and is paid out at an employee's per diem rate for 50% of the unused leave. Sick pay is reported as a liability in the government-wide financial statements. Beginning in fiscal year 2018 certified employees were required to have 5 years of continuous employment to qualify for a payout.

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

Pensions

Adams County School District 14 participates in the School Division Trust Fund (SCHDTF), a cost-

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

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. The bill was signed into law by Governor Hickenlooper on June 4, 2018. A brief description of some of the major changes to plan provisions required by SB 18-200 for the SCHDTF are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates for the SCHDTF by 0.25 percent on July 1, 2019.

- Increases employee contribution rates for the SCHDTF by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).

- As specified in C.R.S. § 24-51-413, the State is required to contribute $225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.

- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, increases 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.

Pension Liabilities are paid by the fund incurring related salary costs, any additional amounts would be paid by the General fund.

On-Behalf Payments

GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2018, the State of Colorado is required to make a payment to PERA each year equal to $225 million. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. The amount of on-behalf payments made for the (Entity) by the State of Colorado has been recorded in the fund financial statements.

Postemployment Benefits Other Than Pensions (OPEB)

The District 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.

Long-term Obligations

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

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

Net Position/Fund Balance

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

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

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

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

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

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

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS

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

Cash and investments	$	47,432,917
Fiduciary fund cash and investments		253,235
Total	$	47,686,152

A summary of deposits and investments at June 30, 2019 follows:

Petty Cash	$	2,926
Deposits		3,128,513
Cash with Fiscal Agent		14,092,220
Investments		30,462,493
Total	$	47,686,152

1. Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of Federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2019, the District had bank deposits of $3,786,154 collateralized by securities held by the financial institution's agent but not in the District's name.

2. Investments

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

- Obligations of the United States, certain U.S. Agency securities and World Bank
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities

- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

Local Government Investment Pool	Fair Value	S&P Rating	Fitch Rating	Maturity 12 Months or Less
Colotrust	$ 21,294,508	AAAm	N/A	$ 21,294,508
CSAFE	6,666,979	AAAm	N/A	6,666,979
CSIP	2,501,006	N/A	AAAf	2,501,006
	$ 30,462,493			$ 30,462,493

CSAFE – As of June 30, 2019, the District had invested $6,666,979 in the Colorado Surplus Asset Fund Trust, an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust is valued at amortized cost. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

ColoTrust – The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The Trust records its investments at fair value and the District records its investment in the Trust using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period. At year end June 30, 2019 the district had $21,294,508 of investments, at COLOTRUST.

CSIP – As of June 30, 2019, the District had invested $2,501,006 in the Colorado Local Government Liquid Asset Trust ("CSIP") an investment vehicle established for local governmental entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. CSIP is rated AAAf by Fitch. Investments are limited to those allowed by State statutes. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The Trust records its investments at fair value and the District records its investment in the Trust using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

To minimize credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, the District's investment policy and State statutes limit direct investments in U.S.

government agency securities to the highest rating issued by at least two nationally recognized statistical rating organizations (NRSROs). In addition, repurchase agreements must be collateralized at no less than 102% of the market value with U.S. agency or treasury securities. The District's investment policy and state statutes also limit investments of money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 29-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO.

The concentration of credit risk, or the risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when investments are not diversified. District policy states that its intent is to maintain a proportionate mix of investments of no more than 25% of the total investment portfolio in Jumbo CDs and 75% of the total in government securities. Of the portion invested in government securities no more than one-third may be in government agency securities. At June 30, 2019, all of the District's investments were in CSIP, CSAFE or COLOTRUST which invests in a mix of these security types.

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

NOTE C – PROPERTY TAXES

Under Colorado law, all property taxes become due and payable in the year following that in which they are levied. Property taxes are recognized as revenue based upon when received by the County Treasurer. The 2019 fiscal year property tax calendar for Adams County was as follows:

Assessor certifies total assessed valuation	December 10, 2018
Levy date	December 15, 2018
Lien date	January 1, 2019
Tax bills mailed	January 15, 2019
First installment due	February 28, 2019
Second installment due	June 15, 2019
If paid in full, due	April 30, 2019
Tax sale: Delinquent property taxes	November 6, 2019

NOTE D – INTERFUND BALANCES AND TRANSACTIONS

Interfund balances at June 30, 2019, were as follows:

FUND	DUE FROM OTHER FUNDS	DUE TO OTHER FUNDS
General Fund	$ -	$ 2,096,317
Grants Fund	16,171	-
Bond Redemption Fund	390	-
Non-Major Funds	2,079,756	-
Total	$ 2,096,317	$ 2,096,317

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

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

Interfund transfer activity for the year ended June 30, 2019 is as follows:

FUND	TRANSFERS IN	TRANSFERS OUT
Governmental Funds		
General Fund	$ -	$ 5,920,756
Capital Projects Building Fund	7,500,000	-
Non-Major Funds	2,081,347	3,660,591
Total Governmental Funds	$ 9,581,347	$ 9,581,347

NOTE E – CAPITAL ASSETS

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

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Governmental Activities Capital Assets				
Not Being Depreciated				
Land	$ 8,647,082	$ -	$ -	$ 8,647,082
Construction in Progress	-	913,521	-	913,521
Total Not Being Depreciated	8,647,082	913,521	-	9,560,603
Being Depreciated				
Buildings	141,965,046	15,787	-	141,980,833
Machinery and Equipment	9,771,570	1,094,795	433,129	10,433,236
Total Being Depreciated	151,736,616	1,110,582	433,129	152,414,069
Less: Accumulated Depreciation				
Buildings	59,758,054	3,554,416	-	63,312,470
Machinery and Equipment	7,062,179	495,798	433,129	7,124,848
Total Accumulated Depreciation	66,820,233	4,050,214	433,129	70,437,318
Total Being Depreciated, Net	84,916,383	(2,939,632)	-	81,976,751
Total Governmental Activities Capital Assets, Net	**$ 93,563,465**	**$ (2,026,111)**	**-**	**$ 91,537,354**

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

Governmental Activities		
Instruction	$	137,463
Operations and Maintenance		3,912,751
Total Governmental Activities	$	4,050,214

NOTE F – SHORT-TERM DEBT

During the year ended June 30, 2019, the District had no short-term debt.

NOTE G – LONG-TERM OBLIGATIONS

1. Changes in Long-Term Obligations

The changes in long-term debt for the year ended June 30, 2019, are as follows:

Governmental Activities	Balance at June 30, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year
General Obligation Bonds					
Dated March 11, 2013	$ 57,690,000	$ -	$ 3,580,000	$ 54,110,000	$ 3,765,000
Dated April 14, 2015	9,590,000	-	-	9,590,000	-
Bond Premium (2013)	5,971,952	-	445,114	5,526,838	445,114
Bond Premium (2015)	1,495,101	-	167,675	1,327,426	167,675
Certificates of Participation	-	6,729,407	-	6,729,407	231,889
Net Pension Liability	310,824,522	-	163,844,945	146,979,577	-
Net OPEB Liability	7,097,842	242,894	-	7,340,736	-
Compensated Absences	1,903,428	3,459,238	3,489,922	1,872,744	280,912
Early Retirement	408,658	167,242	160,254	415,646	188,224
Capital Lease	-	691,877	144,507	$ 547,370	128,123
Totals	$ 394,981,503	$ 11,290,658	$ 171,832,417	$ 234,439,744	$ 5,206,937

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

On December 6, 2018, the District issued $6,729,407 of BEST (Building Excellent Schools Today) matching money Certificates of Participation (COP's). The COP's have a 3.893% interest rate. Principal payments are due annually on December 1 beginning in 2019 and running through 2038. The COP's serve as a portion of the District's match on the BEST grant program where the District was awarded approximately $19 million of BEST grant funds to construct a new Alsup Elementary School.

On March 11, 2013, the District issued $62,245,000 of General Obligation Refunding Bonds, Series 2013, with interest rates ranging from 2.000% to 5.250% to refund a portion of the District's outstanding General Obligation, Series 2006 bonds. Principal payments are due annually beginning on December 1, 2013, through 2031. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at rates ranging from 2.0% to 5.25%.

On April 14, 2015, the District issued $11,590,000 of General Obligation Refunding Bonds, Series 2015, with

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

The District entered into a Master Lease agreement on July 2, 2018 for a total of $179,936 of white fleet vehicles, all of which was capitalized. The remaining book value of these vehicles is $157,444. Lease payments are due monthly beginning August 1, 2018 through October 1, 2023 with interest accruing at 1.65% per annum. The lease has been capitalized at the present value of future lease payments. The capital lease is an obligation of the Capital Reserve Capital Projects fund.

The District entered into a Lease agreement on January 18, 2019 for a total of $511,940 of yellow fleet vehicles, all of which was capitalized. The remaining book value of these vehicles (buses) is $479,944. Lease payments are due annually beginning January 22, 2019 through January 22, 2023 with interest accruing at 4.53% per annum. The lease has been capitalized at the present value of future lease payments. The capital lease is an obligation of the Capital Reserve Capital Projects fund.

2. Summary of Debt Service Requirements to Maturity

The following schedule reflects the debt service requirements to maturity for the District's general obligation bonded debt and Certificates of Participation at June 30, 2019;

Year Ended	GO Bonds		Certificates of Participation		
June 30,	Principal	Interest	Principal	Interest	Total
2020	$ 3,765,000	$ 2,719,606	$ 231,889	$ 257,462	$ 6,973,957
2021	3,955,000	2,546,381	237,278	248,330	6,986,989
2022	4,100,000	2,394,531	246,515	238,913	6,979,959
2023	4,250,000	2,236,781	256,112	229,129	6,972,022
2024	4,425,000	2,041,156	266,082	218,965	6,951,203
2025-2029	24,990,000	8,701,688	1,494,094	927,954	36,113,736
2030-2034	18,215,000	921,197	1,808,462	607,467	21,552,126
2035-2039	-	-	2,188,975	219,547	2,408,522
Totals	$ 63,700,000	$ 21,561,340	$ 6,729,407	$ 2,947,767	$ 94,938,514

The following schedule reflects the future minimum lease payments required under capital lease obligations at June 30, 2019

Year Ended June 30,	
2020	$ 156,943
2021	156,943
2022	156,943
2023	156,943
2024	11,323
Total minimum lease payments	639,095
Less: Interest portion	(91,725)
Present Value of Minimum Lease Payments	$ 547,370

NOTE H – RISK MANAGEMENT

As mentioned above, beginning July 1, 2015, the District obtained Property and Liability insurance through Colorado School District Self Insurance Pool (CSDSIP). Coverage levels for fiscal year 2018-19 were as follows;

	CSDSIP per Occurrence Limit	CSDSIP Member Limit
Property	$1,000,000,000	$201,690,580

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

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

NOTE I – RETIREMENT PLANS

Defined Benefit Pension Plan

General Information about the Pension Plan

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

Benefits provided as of December 31, 2018. 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 federal Internal Revenue Code.

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

As of December 31, 2018, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2018 and 2019 for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5 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 will receive the lessor of an annual increase of 1.5 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

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

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

Contributions. Eligible employees of Adams County School District 14 and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq*. and § 24-51-413. Eligible employees are required to contribute 8 percent of their PERA-includable salary during the period of

The employer contribution requirements are summarized in the table below:

	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019
Employer Contribution Rate	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)	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%	5.50%
Total Employer Contribution Rate to the SCHDTF	**19.13%**	**19.13%**

Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51- 101(42).

As specified in C.R.S. § 24-51-413, the State is required to contribute $225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and Adams County School District 14 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Adams County School District 14 were $8,916,525 for the year ended June 30, 2019.

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

The net pension liability for the SCHDTF was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total pension liability to December 31, 2018. The Adams County School District 14 proportion of the net pension liability was based on Adams County School District 14 contributions to the SCHDTF for the calendar year 2018 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2019 Adams County School District 14 reported a liability of $146,979,577 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with Adams County School District 14 were as follows:

Adams County School District 14 proportionate share of the net pension liability	$146,979,577
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Adams County School District 14.	$20,097,416
Total	$167,076,993

At December 31, 2018, the Adams County School District 14 proportion was 0.8300 percent, which was a decrease of 0.1312 percent from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, Adams County School District 14 recognized pension income of $21,399,931, and revenue of $103,248 for support from the state as a nonemployer contributing entity. At June 30, 2019 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
Difference between expected and actual experience	$4,985,711	-
Changes of assumptions or other inputs	$27,434,380	$,91,405,488

Net difference between projected and actual earnings on pension plan investments	$8,011,305	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	$27,346,919
Contributions subsequent to the measurement date	$4,475,757	-
Total	$44,907,153	$118,752,407

$4,475,757 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	**Amount**
2020	($17,708,038)
2021	($39,509,507)
2022	($25,485,804)
2023	$4,382,338
Total	($78,321,011)

Actuarial assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following 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 – 9.70 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	4.78 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

The revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2017 to December 31, 2018:

Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	0% through 2019 and 1.5% compounded annually, thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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 based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2017, 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 for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent 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%.

Discount rate. The discount rate used to measure the total pension 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:

- 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 member contribution rates in effect for each year, including the scheduled increases in SB 18-200. 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 for each year, including the scheduled increase in SB 18-200. Employer contributions also include the 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.

- As specified in law, the State will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. 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 middle of the year.

Based on the above assumptions and methods, the projection test indicates the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount determination does not use the municipal bond rate, and therefore, the discount rate is 7.25 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 3.43 percent were used in the discount rate determination resulting in a discount rate of 4.78 percent.

Sensitivity of the Adams County School District 14 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 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 (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 pension liability	$186,859,388	$146,979,577	$113,513,690

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

Defined Contribution Pension Plan

Voluntary Investment Program

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2019, program members contributed $246,070. The District makes no contributions to this plan.

Other Post-Employment Benefits

Plan Description
Eligible employees of the Adams County School District 14 are provided with OPEB through the Health Care Trust Fund (HCTF) - a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (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. PERA issues a publicly available comprehensive annual financial report (CAFR) 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 Division, School Division, Local Government Division and Judicial Division Trust Funds), 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 PERACare is voluntary and is available to benefit recipients and their eligible dependents, as well as certain surviving spouses, divorced spouses and guardians. 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.

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, 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 Adams County School District 14 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Adams County School District 14 were $475,424 for the year ended June 30, 2019.

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

At June 30, 2019, the Adams County School District 14 reported a liability of $7,340,736 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2018. The Adams County School District 14's proportion of the net OPEB liability was based on the Adams County School District 14's contributions to the HCTF for the calendar year 2018 relative to the total contributions of participating employers to the HCTF. At December 31, 2018, the Adams County School District 14's proportion was 0.5395449775%, which was a decrease of 0.0066109418% from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the Adams County School District 14 recognized OPEB expense of $70,470. At June 30, 2019, the Adams County School District 14 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
Difference between Expected and Actual Experience	$26,643		$11,174
Difference in Assumptions	$51,494		
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	$42,214		
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions			$279,589
Contributions Subsequent to the Measurement Date	$237,297		
Total	$357,648		$290,763

$237,297 reported as deferred outflows of resources related to OPEB resulting from Adams County School District 14 contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2020	$ (47,276)
2021	(47,276)
2022	(47,265)
2023	(17,957)
2024	(10,378)
Thereafter	(260)
Total	(170,412)

Actuarial assumptions

The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following 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	3.25 percent for 2018, gradually rising to 5.00 percent in 2025

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.

The actuarial assumptions used in the December 31, 2017, 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 discussed below.

In determining the additional liability for PERACare enrollees who are age sixty–five or older and who are not eligible for premium–free Medicare Part A, the following monthly costs/premiums are assumed for 2018 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	$736	$367
Kaiser Permanente Medicare Advantage HMO	602	236
Rocky Mountain Health Plans Medicare HMO	611	251
UnitedHealthcare Medicare HMO	686	213

The 2018 Medicare Part A premium is $422 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty–five or older and who are not eligible for premium–free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	$289
Kaiser Permanente Medicare Advantage HMO	300
Rocky Mountain Health Plans Medicare HMO	270
UnitedHealthcare Medicare HMO	400

All costs are subject to the health care cost trend rates.

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, 2017, 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.

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
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

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.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- 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 2018 plan year.

- 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 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.

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 Adams County School District 14*'s proportionate share of the net OPEB liability to changes in the healthcare cost trend rates*

The following presents the Adams County School District 14's proportionate share of the net OPEB liability, as well as what the Adams County School District 14's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rate	Current Trend Rates	1% Increase in Trend Rates
PERACare Medicare Trend Rate	4.00%	5.00%	6.00%
Intitial Medicare Part A Trend Rate	2.25	3.25	4.25
Ultimate Medicare Part A Trend Rate	4.00	5.00	6.00
Proportionate Share of the Net OPEB Liability	$ 7,138,029	$ 7,340,736	$ 7,573,884

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, 2018, measurement date.
- 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 percent.
- 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.
- 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 HCTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return 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 Adams County School District 14*'s proportionate share of the net OPEB liability to changes in the discount rate*

The following presents the Adams County School District 14's proportionate share of the net OPEB liability, as well as what the Adams County School District 14's 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 discount rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 8,213,644	$ 7,340,736	$ 6,594,481

OPEB plan fiduciary net position

Detailed information about the HCTF plan's fiduciary net position is available in the separately issued comprehensive annual financial report issued by PERA. That report can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE K – COMMITMENTS AND CONTINGENCIES

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

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

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

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

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

TABOR requires the District to maintain an emergency reserve of 3 percent of fiscal year eligible expenditures. At June 30, 2019, the District has restricted fund balance of $2,547,417 in the General Fund and restricted Net Position in the government-wide financial statements. The District believes it is in compliance with the requirement of TABOR. However, TABOR is complex and subject to interpretation. Ultimate interpretation may depend upon litigation and legislative guidance.

2. Operating Agreement

The District entered into an operating agreement with the City of Commerce City for a building, which was renovated to be a preschool. The agreement requires an annual payment of $12. The property will revert back to the City at the end of the agreement. The District is responsible for the utilities and maintenance on the property and those expenditures are included in the General Fund.

3. Grants

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. At June 30, 2019, significant amounts of grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

4. Litigation

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

5. Construction Commitments

The District had ongoing construction at June 30, 2019 for the replacement of Alsup Elementary. The total outstanding commitment at year end was $32,966,020, of this amount the District will pay 42% and the State of Colorado BEST (Building Excellent Schools Today) program will pay the remaining 58% as part of the BEST grant award the District received in June of 2018. The District's 42% or $13,845,728 was funded by a transfer from the General fund and by the issuance of the 2018 Certificates of Participation. The District's funds that will be used to pay this commitment are shown as Cash (with fiscal agent) within the Capital Projects Building fund.

6. Contingency with the Colorado Department of Education

Schools and districts not meeting expectations in achievement, growth and postsecondary workforce readiness, as determined by the School and District Performance Frameworks, are assigned a plan type of Priority Improvement or Turnaround. Per state law, schools and districts cannot retain one of those plan types for five consecutive years before significant action must be taken. This statutory timeline is referred to as the Accountability Clock. Adams 14 is currently in year 9 of this clock. The State Board of Education voted on November 15, 2018 to bring in an external management organization (EMO) to oversee management within the District. The District hired an EMO partner commonly referred to as MGT and legally organized as Adams 14 Schools Succeed, LLC in June of 2019. This organization is expected to be in place for 4 years. If scores and results don't improve while this EMO is in place the State Board of Education will take additional action.

REQUIRED SUPPLEMENTARY INFORMATION

Adams County School District 14
Budgetary Comparison Schedule
General Fund
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Federal:				
Impact aid	$ 2,600,000	$ 2,886,653	$ 3,119,441	$ 232,788
Subtotal	2,600,000	2,886,653	3,119,441	232,788
State:				
Equalization payments	40,790,802	39,931,830	40,144,898	213,068
Vocational education	100,000	100,000	93,746	(6,254)
Exceptional Children's Educational Act (ECEA)	1,375,057	1,331,293	1,359,637	28,344
Transportation reimbursement	475,006	455,185	903,833	448,648
PERA state fund	-	-	1,193,650	1,193,650
ELPA reimbursement	459,033	459,033	501,228	42,195
Subtotal	43,199,898	42,277,341	44,196,992	1,919,651
Local:				
Property taxes	25,841,963	25,572,070	25,322,836	(249,234)
Payments in lieu of taxes	55,000	55,000	53,512	(1,488)
Miscellaneous	705,617	662,116	772,664	110,548
Investment income	280,000	400,000	495,081	95,081
Subtotal	26,882,580	26,689,186	26,644,093	(45,093)
Total revenues	72,682,478	71,853,180	73,960,526	2,107,346
EXPENDITURES				
Current operating:				
Instructional services	37,286,701	37,286,701	36,583,560	703,141
Operation and maintenance	8,067,287	8,067,287	7,686,234	381,053
Pupil services	4,402,805	4,402,805	4,154,061	248,744
Central support services	5,165,321	5,165,321	6,255,329	(1,090,008)
School administration	5,487,423	5,487,423	5,581,363	(93,940)
Instructional support	3,549,412	3,549,412	3,367,339	182,073
Pupil transportation	2,366,796	2,366,796	2,378,499	(11,703)
Business administration	1,180,039	1,180,039	1,133,896	46,143
General administration	1,104,125	1,104,125	1,387,497	(283,372)
Other supporting services	64,000	64,000	79,772	(15,772)
Community services	137,853	137,853	221,479	(83,626)
Education for adults	72,994	72,994	11,162	61,832
Capital outlay	533,651	533,651	477,914	55,737
Total expenditures	69,418,407	69,418,407	69,318,105	100,302
Excess (deficiency) of revenues over (under) expenditures	3,264,071	2,434,773	4,642,421	2,207,648
Other financing (uses)				
Transfers out	(7,093,407)	(5,920,756)	(5,920,756)	-
Total other financing (uses)	(7,093,407)	(5,920,756)	(5,920,756)	-
Net change in fund balance	(3,829,336)	(3,485,983)	(1,278,335)	2,207,648
Fund balance - beginning	21,163,890	22,012,137	22,241,722	229,585
Fund balance - ending	$ 17,334,554	$ 18,526,154	$ 20,963,387	$ 2,437,233

See the accompanying independent auditors' report.

Adams County School District 14
Budgetary Comparison Schedule
Grants Fund
For The Year Ended June 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Federal	$ 11,548,970	$ 6,095,909	$ (5,453,061)
State	2,681,074	2,600,991	(80,083)
Local	116,949	142,502	25,553
Total revenues	14,346,993	8,839,402	(5,507,591)
EXPENDITURES			
Instructional services	3,512,152	2,119,834	1,392,318
Operation and maintenance	-	2,064	(2,064)
Pupil services	1,050,549	1,075,591	(25,042)
Central support services	85,843	95,276	(9,433)
School administration	121,996	140,290	(18,294)
Instructional support	7,880,724	3,825,934	4,054,790
Pupil transportation	106,055	44,909	61,146
Business administration	200	-	200.00
General administration	475,850	400,900	74,950
Other supporting services	0	-	-
Community services	149,570	202,588	(53,018)
Food service operations	178,050	152,970	25,080
Education for adults	621,372	621,306	66
Capital Outlay	164,632	157,740	6,892
Total expenditures	14,346,993	8,839,402	5,507,591
Net change in fund balance	-	-	-
Fund balance - beginning	-	-	-
Fund balance - ending	$ -	$ -	$ -

See the accompanying independent auditors' report.

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

	2018	2017	2016	2015	2014
Distict's proportion of the net pension liability	0.830062%	0.961220%	1.002676%	1.034914%	1.068534%
District's proportionate share of the net pension liability	$ 146,979,577	$ 310,824,522	$ 298,535,421	$ 158,282,838	$ 144,822,259
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with Adams County School District 14.	20,097,416	-	-	-	-
Total net pension liability	167,076,993	310,824,522	298,535,421	158,282,838	144,822,259
District's covered payroll	45,468,953	44,188,524	44,869,373	45,100,841	44,773,404
District's proportionate share of net pension liability as a percentage of its covered payroll	323.25%	703.41%	665.34%	350.95%	323.46%
Plan fiduciary net position as a percentage of the total pension liability	57.0%	44.0%	43.1%	59.2%	62.8%

* GASB 68 was implemented in fiscal year 2015 so the District can only provide data for the years shown above.
** The amounts presented for each fiscal year were determined as of December 31st based on the measurement date of the plan.
*** A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200.

See the accompanying independent auditors' report.

Adams County School District 14
Schedule of District's Contributions to the Pension Plan
School Division Trust Fund
Last 10 Fiscal Years
For the Year Ended June 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	$ 8,916,526	$ 8,372,757	$ 8,122,695	$ 8,070,745	$ 7,414,954	$ 7,223,309	$ 6,649,419	$ 5,049,901	$ 5,075,298	$ 5,129,913
Contribution in relation to the contractually required contribution	8,916,526	8,372,757	8,122,695	8,070,745	7,414,954	7,223,309	6,649,419	5,049,901	5,075,298	5,129,913
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Distict's covered payroll	$46,610,170	$44,348,577	$44,196,792	$45,520,276	$43,927,451	$45,196,743	$44,082,592	$38,410,002	$38,219,953	$41,384,548
Contributions as a percentage of covered payroll	19.13%	18.88%	18.38%	17.73%	16.88%	15.98%	15.08%	13.15%	13.28%	12.40%

See the accompanying independent auditors' report.

Adams County School District 14
Schedule of the Proportionate Share of Net OPEB Liability
Public Employees' Retriement Association of Colorado Health Care Trust Fund
Last 10 Fiscal Years
For the Year Ended December 31, (Measurement Date)

	2018	2017	2016
Distict's proportion of the OPEB liability	0.539545%	0.546156%	0.569933%
District's proportionate share of the OPEB liability	$ 7,340,736	$ 7,097,842	$ 7,389,376
District's covered payroll	$ 45,468,953	$ 44,188,524	$ 44,869,373
District's proportionate share of net OPEB liability as a percentage of its covered payroll	16.14%	16.06%	16.47%
Plan fiduciary net position as a percentage of the total OPEB liability	17.03%	16.72%	17.53%

GASB 75 was implemented in fiscal year 2018 so the District can only provide data for the years shown above.

See the accompanying independent auditors' report.

Adams County School District 14
Schedule of District's Contributions to the OPEB Plan
Health Care Trust Fund
Last 10 Fiscal Years
For the Year Ended June 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	$ 475,424	$ 452,355	$ 450,807	$ 464,307	$ 448,060	$ 461,025	$ 449,643	$ 391,782	$ 389,845	$ 422,122
Contribution in relation to the contractually required contribution	475,424	452,355	450,807	464,307	448,060	461,025	449,643	391,782	389,845	422,122
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Distict's covered payroll	$46,610,170	$44,348,577	$44,196,792	$45,520,276	$43,927,451	$45,196,743	$44,082,592	$38,410,002	$38,219,953	$41,384,548
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

See the accompanying independent auditors' report.

ADAMS COUNTY SCHOOL DISTICT 14
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

NOTE I – BUDGETS AND BUDGETARY ACCOUNTING

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

Budgets are required by State law for all funds. The Superintendent submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. It also includes a statement describing the major objectives of the educational program to be undertaken by the District and the manner in which the budget proposes to fulfill such objectives.

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

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

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

All appropriations lapse at the end of each fiscal year.

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SUPPLEMENTARY INFORMATION

Adams County School District 14
Budgetary Comparison Schedule
Bond Redemption Fund
For The Year Ended June 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property taxes	$ 6,572,731	$ 6,462,143	$ (110,588)
Payments in lieu of taxes	43,000	34,835	(8,165)
Investment income	20,000	99,021	79,021
Total revenues	6,635,731	6,595,999	(39,732)
EXPENDITURES			
Principal retirement	3,580,000	3,580,000	-
Interest and fiscal charges	2,903,231	2,903,231	-
Paying Agent Fees	2,500	-	2,500
Total expenditures	6,485,731	6,483,231	2,500
Net change in fund balance	150,000	112,768	(37,232)
Fund balance - beginning	6,303,263	6,720,674	417,411
Fund balance - ending	$ 6,453,263	$ 6,833,442	$ 380,179

See the accompanying independent auditors' report.

Adams County School District 14
Budgetary Comparison Schedule
Capital Projects Building Fund
For The Year Ended June 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Best grant - state	$ 19,650,134	$ 529,842	$ (19,120,292)
Total revenues	19,650,134	529,842	(19,120,292)
EXPENDITURES			
Capital outlay matching contribution	14,229,407	383,679	13,845,728
Capital outlay best grant	19,650,134	529,842	19,120,292
Total capital outlay expenditures	33,879,541	913,521	32,966,020
Excess (deficiency) of revenues (under) expenditures	(14,229,407)	(383,679)	13,845,728
OTHER FINANCING SOURCES			
COP's issued	6,729,407	6,729,407	-
Transfers in	7,500,000	7,500,000	-
Total other financing sources	14,229,407	14,229,407	-
Net change in fund balance	-	13,845,728	13,845,728
Fund balance - beginning	-	-	-
Fund balance - ending	$ -	$ 13,845,728	$ 13,845,728

See the accompanying independent auditors' report.

Adams County School District 14
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue					
	Fee Supported Fund	Food Service Fund	Athletics Fund	COP Debt Service Fund	Capital Reserve Capital Projects Fund	Total
ASSETS						
Cash and investments	$ 8,056	$ 32,738	$ 4,035	$ -	$ -	$ 44,829
Accounts receivable	33,814	381,568	-	-	12,327	427,709
Due from other funds	211,315	466,215	4,517	-	1,397,709	2,079,756
Prepaid items	-	4,275	-	-	-	4,275
Inventory	-	123,282	-	-	-	123,282
Total assets	253,185	1,008,078	8,552	-	1,410,036	2,679,851
LIABILITIES						
Accounts payable	353	3,591	5,500	-	31,419	40,863
Accrued salaries and benefits	24,684	145,606	3,052	-	-	173,342
Total liabilities	25,037	149,197	8,552	-	31,419	214,205
FUND BALANCE						
Nonspendable	-	123,282	-	-	-	123,282
Prepaid items	-	4,275	-	-	-	4,275
Restricted	-	731,324	-	-	-	731,324
Assigned	228,148	-	-	-	1,378,617	1,606,765
Total fund balance	228,148	858,881	-	-	1,378,617	2,465,646
Total liabilities and fund balance	$ 253,185	$ 1,008,078	$ 8,552	$ -	$ 1,410,036	$ 2,679,851

See the accompanying independent auditors' report.

Adams County School District 14
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For The Year Ended June 30, 2019

	Special Revenue					
	Fee Supported	Food Service Fund	Athletics Fund	COP Debt Fund	Capital Reserve Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES						
Tuition and fees	$ 44,325	$ -	$ -	$ -	$ -	$ 44,325
Daycare fees	108,183	-	-	-	-	108,183
Instructional fees	9,230	-	-	-	-	9,230
Outside printing printshop	7,316	-	-	-	-	7,316
Local - Charges for Services	-	85,249	-	-	-	85,249
State - Grants	-	76,563	-	-	-	76,563
Federal - Donated Commodities	-	247,160	-	-	-	247,160
Federal - Grants	-	2,979,762	-	-	-	2,979,762
Event gate fees	-	-	15,565	-	-	15,565
Student athletic fees	-	-	17,770	-	-	17,770
Investment Income	-	-	-	-	34,292	34,292
Facility use	58,256	-	-	-	-	58,256
Total revenues	227,310	3,388,734	33,335	-	34,292	3,683,671
EXPENDITURES						
Education for adults	142,563	-	-	-	-	142,563
Business services	19,756	-	-	-	208,343	228,099
Instructional services	20,638	-	544,557	-	-	565,195
Food service operations	-	3,538,851		-		3,538,851
Community services	252,104	-	-	-	-	252,104
Instructional support staff	-	-	157,289	-	-	157,289
Operations and maintenance	14,345	-	-	-	-	14,345
Capital outlay	8,528	4,231	49,358	-	2,382,966	2,445,083
Debt service						
Principal retirement	-	-	-	-	144,507	144,507
Interest and fiscal charges	-	-	-	127,349	8,422	135,771
Total expenditures	457,934	3,543,082	751,204	127,349	2,744,238	7,623,807
Excess (deficiency) of revenues (under) expenditures	(230,624)	(154,348)	(717,869)	(127,349)	(2,709,946)	(3,940,136)
OTHER FINANCING SOURCES (USES)						
Capital lease proceeds	-	-	-	-	691,877	691,877
Proceeds from sale of assets	-	-	-	-	42,170	42,170
Transfers in	300,000	-	634,000	127,349	1,019,998	2,081,347
Transfers out	-	-	-	-	(3,660,591)	(3,660,591)
Total other financing sources	300,000	-	634,000	127,349	(1,906,546)	(845,197)
Net change in fund balance	69,376	(154,348)	(83,869)	-	(4,616,492)	(4,785,333)
Fund balance - beginning	158,772	1,013,229	83,869	-	5,995,109	7,250,979
Fund balance - ending	$ 228,148	$ 858,881	$ -	$ -	$ 1,378,617	$ 2,465,646

See the accompanying independent auditors' report.

Adams County School District 14
Budgetary Comparison Schedule
Fee Supported Fund
For The Year Ended June 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Local			
Tuition and fees- adult education	$ 32,000	$ 44,325	$ 12,325
Outside printing - printshop	9,000	7,316	(1,684)
Facility use fees	50,000	58,256	8,256
Instructional fees	7,100	9,230	2,130
Daycare fees	138,500	108,183	(30,317)
Total revenues	236,600	227,310	(9,290)
EXPENDITURES			
Education for adults	120,947	142,563	(21,616)
Community services	327,769	252,104	75,665
Business services	22,800	19,756	3,044
Instructional services	55,101	20,638	34,463
Operations and maintenance	15,000	14,345	655
Capital Outlay	-	8,528	(8,528)
Total expenditures	541,617	457,934	83,683
OTHER FINANCE SOURCES			
Transfers in adult education	155,000	155,000	-
Transfers in LAHS child care	135,000	135,000	-
Transfers in before and after care	10,000	10,000	-
Total other financing sources	300,000	300,000	-
Net change in fund balance	(5,017)	69,376	74,393
Net fund balance - beginning	167,586	158,772	(8,814)
Net fund balance - ending	$ 162,569	$ 228,148	$ 65,579

See the accompanying independent auditors' report.

Adams County School District 14
Budgetary Comparison Schedule
Food Service Fund
For The Year Ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local			
Charges for Services	$ 214,000	$ 85,249	$ (128,751)
State			
State Grants	67,800	76,563	8,763
Federal			
Donated Commodities	250,000	247,160	(2,840)
Federal Grants	2,900,000	2,979,762	79,762
Total revenues	3,431,800	3,388,734	(43,066)
Expenditures			
Food Service Operations			
Salaries and benefits	1,962,165	1,770,680	191,485
Contracted services	70,850	52,237	18,613
Food costs:			
Purchased food	1,550,000	1,382,659	167,341
Donated commodities	250,000	247,160	2,840
Supplies	80,625	81,560	(935)
Other	42,995	4,555	38,440
Capital Outlay	-	4,231	(4,231)
Total expenditures	3,956,635	3,543,082	413,553
Net change in Fund Balance	(524,835)	(154,348)	370,487
Fund Balance - beginning	930,202	1,013,229	83,027
Fund Balance - ending	$ 405,367	$ 858,881	$ 453,514

See the accompanying independent auditors' report.

Adams County School District 14
Budgetary Comparison Schedule
Athletics Fund
For The Year Ended June 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Local			
Event gate fees	$ 27,500	$ 15,565	$ (11,935)
Student athletics fees	17,500	17,770	270
Total revenues	45,000	33,335	(11,665)
EXPENDITURES			
Instructional services	582,773	544,557	38,216
Instructional support staff	157,380	157,289	91
Capital Outlay	23,073	49,358	(26,285)
Total expenditures	763,226	751,204	12,022
Operating (loss)	(718,226)	(717,869)	357
OTHER FINANCING SOURCES			
Transfers in	634,000	634,000	-
Change in fund balance	(84,226)	(83,869)	357
Net fund balance - beginning	85,308	83,869	(1,439)
Net fund balance - ending	$ 1,082	$ -	$ (1,082)

See the accompanying independent auditors' report.

Adams County School District 14
Budgetary Comparison Schedule
Certificates of Participation Debt Service Fund
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
Interest charges	$ -	$ 127,349	$ 127,349	$ -
Total expenditures	-	127,349	127,349	-
Excess (deficiency) of revenues over (under) expenditures	-	(127,349)	(127,349)	-
OTHER FINANCING SOURCES				
Transfer from General Fund	-	127,349	127,349	-
Total Other Financing Sources	-	127,349	127,349	-
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ -	$ -

See the accompanying independent auditors' report.

Adams County School District 14
Budgetary Comparison Schedule
Capital Reserve Capital Projects Fund
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Investment income	$ 40,000	$ 35,000	$ 34,292	$ (708)
Other Local	5,000	5,000	-	(5,000)
Total revenues	45,000	40,000	34,292	(5,708)
EXPENDITURES				
Operations and maintenance	120,000	120,000	-	120,000
Capital outlay	36,616,308	2,483,419	1,691,089	792,330
Business Administration	212,529	212,529	208,343	4,186
Instructional Services	443,568	443,568	-	443,568
Debt service				
Principal retirement	140,000	135,000	144,507	(9,507)
Interest and fiscal charges	-	-	8,422	(8,422)
Capital lease	-	-	691,877	(691,877)
Total expenditures	37,532,405	3,394,516	2,744,238	650,278
Excess (deficiency) of revenues (under) expenditures	(37,487,405)	(3,354,516)	(2,709,946)	644,570
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	-	-	691,877	691,877
Proceeds from sale of assets	-	-	42,170	42,170
Transfers in	32,159,407	1,019,998	1,019,998	-
Transfers out	-	(3,660,591)	(3,660,591)	-
Total other financing sources	32,159,407	(2,640,593)	(1,906,546)	734,047
Net change in fund balance	(5,327,998)	(5,995,109)	(4,616,492)	1,378,617
Fund balance - beginning	5,400,260	5,995,109	5,995,109	-
Fund balance - ending	$ 72,262	$ -	$ 1,378,617	$ 1,378,617

See the accompanying independent auditors' report.

Adams County School District 14
Statement of Changes in Fiduciary Assets and Liabilities
Fiduciary Fund
For the Year Ended June 30, 2019

	June 30, 2018	Additions	Deletions	June 30, 2019
ASSETS				
Cash and investments	$ 290,552	$ 394,480	$ 431,797	$ 253,235
Total assets	$ 290,552	$ 394,480	$ 431,797	$ 253,235
LIABILITIES				
Due to student organizations	$ 290,552	$ 394,480	$ 431,797	$ 253,235
Total liabilities	$ 290,552	$ 394,480	$ 431,797	$ 253,235

See the accompanying independent auditors' report.

ADAMS 14
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STATISTICAL SECTION

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

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

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

Financial Trends

Financial Trends

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

Table 1 Net Position by Component

Table 2 Change in Net Position

Table 3 Fund Balances of Governmental Funds

Table 4 Change in Fund Balances, Governmental Funds

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

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Net investment in capital assets	$ 25,995,593	$ 25,078,397	$ 22,389,890	$ 23,562,485	$ 26,109,796	$ 25,656,053	$ 24,097,581	$ 22,930,071	$ 22,362,425	$ 23,205,012
Restricted	10,206,168	10,176,246	8,606,139	8,157,574	9,749,252	8,590,710	8,784,118	8,114,785	8,956,973	9,035,343
Unrestricted	(202,769,424)	(225,914,259)	(172,714,435)	(131,309,801)	(134,789,975)	6,035,003	12,052,165	14,332,393	13,458,965	8,320,999
Total governmental activities net position	$ (166,567,663)	$ (190,659,616)	$ (141,718,406)	$ (99,589,742)	$ (98,930,927)	$ 40,281,766	$ 44,933,864	$ 45,377,249	$ 44,778,363	$ 40,561,354
Business-type activities										
Net investment in capital assets	$ -	$ -	$ -	$ -	$ -	$ 499,417	$ 522,455	$ 513,718	$ 478,541	$ 560,670
Unrestricted	-	-	-	-	-	1,574,919	1,595,342	1,734,355	1,207,924	167,830
Total business-type activities net position	$ -	$ -	$ -	$ -	$ -	$ 2,074,336	$ 2,117,797	$ 2,248,073	$ 1,686,465	$ 728,500
Total primary government										
Net investment in capital assets	$ 25,995,593	$ 25,078,397	$ 22,389,890	$ 23,562,485	$ 26,109,796	$ 26,155,470	$ 24,620,036	$ 23,443,789	$ 22,840,966	$ 23,765,682
Restricted	10,206,168	10,176,246	8,606,139	8,157,574	9,749,252	8,590,710	8,784,118	8,114,785	8,956,973	9,035,343
Unrestricted	(202,769,424)	(225,914,259)	(172,714,435)	(131,309,801)	(134,789,975)	7,609,922	13,647,507	16,066,748	14,666,889	8,488,829
Total primary government activities net position	$ (166,567,663)	$ (190,659,616)	$ (141,718,406)	$ (99,589,742)	$ (98,930,927)	$ 42,356,102	$ 47,051,661	$ 47,625,322	$ 46,464,828	$ 41,289,854

Note: In FY 2015 the District implemented GASB 68, adding the PERA pension liability to its statements causing the large decrease in Net Position.The large decrease in FY 2017 is due to adjustments to the District's pension liability occuring in that year. The large decrease in 2018 is due to implementation of GASB 75 and the recoginition of OPEB liabilities.

Table 1

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

	2019	2018	2017	2016	2015
Expenses					
Governmental activities:					
Instructional services	$ 30,281,429	$ 60,998,562	$ 61,922,957	$ 40,456,798	$ 40,359,843
Operations and maintenance	9,392,445	19,519,541	16,517,855	9,030,290	8,721,472
Pupil services	4,014,467	8,045,099	7,991,280	6,287,319	7,924,550
Central support services	4,874,950	7,149,787	8,106,344	4,845,945	5,056,863
School administration	4,368,448	8,492,941	7,738,609	6,560,067	5,245,988
Instructional staff	5,642,553	10,552,341	8,951,936	7,385,379	5,110,063
Pupil transportation	1,860,294	3,607,206	3,161,484	1,984,778	2,061,549
Business administration	1,045,516	2,206,973	2,103,394	1,360,493	1,646,335
General administration	1,372,837	2,217,620	1,971,712	1,692,565	1,305,793
Community services & education for adults	519,053	1,019,469	1,537,309	1,017,152	659,839
Other support services	61,236	112,830	623,265	111,016	451,005
Non-instructional services	-	-	-	-	-
Food service operations	2,833,973	6,137,642	5,781,057	4,227,985	4,443,612
Interest and fiscal charges	2,911,493	2,987,932	3,113,437	3,224,180	3,344,643
Education for Adults	594,941	1,278,399	844,666	502,933	469,677.00
Charter schools	-	-	-	-	-
Total governmental activities expenses	69,773,636	134,326,342	130,365,304	88,686,900	86,801,232
Business-type activities:					
Nutrition services	-	-	-	-	-
Child care services	-	-	-	-	-
Adult education	-	-	-	-	-
Total business-type activities expenses	-	-	-	-	-
Total primary government expenses	$ 69,773,636	$ 134,326,342	$ 130,365,304	$ 88,686,900	$ 86,801,232
Program revenues					
Governmental activities:					
Charges for services	$ 380,186	$ 409,936	$ 362,681	$ 223,850	$ 322,751
Operating grants and contributions	16,582,321	15,371,637	15,099,954	15,517,305	14,016,699
Total governmental activities program revenues	16,962,507	15,781,573	15,462,635	15,741,155	14,339,450
Business-type activities:					
Food services:					
Charges for services	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Preschool and daycare:					
Charges for services	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Adult education:					
Charges for services	-	-	-	-	-
Total business-type activities program revenues	-	-	-	-	-
Total primary government revenues	$ 16,962,507	$ 15,781,573	$ 15,462,635	$ 15,741,155	$ 14,339,450
Net (expense) / revenue					
Governmental activities	$ (52,811,129)	$ (118,544,769)	$ (114,902,669)	$ (72,945,745)	$ (72,461,782)
Business-type activities	-	-	-	-	-
Total primary government net (expense) / revenue	$ (52,811,129)	$ (118,544,769)	$ (114,902,669)	$ (72,945,745)	$ (72,461,782)
General revenues and other changes in net position					
Governmental activities:					
Property and specific ownership taxes	$ 32,041,128	$ 32,256,933	$ 29,912,191	$ 29,885,430	$ 29,887,697
State equalization	40,144,898	38,260,102	38,759,964	38,554,537	36,011,262
Investment earnings	594,102	402,629	186,622	54,136	12,243
Grants not restricted to specific programs	3,119,441	2,934,979	3,105,282	2,660,849	2,682,835
Miscellaneous	1,003,513	1,413,789	809,946	1,131,978	1,121,265
Transfers and special items	-	-	-	-	-
Total governmental activities	76,903,082	75,268,432	72,774,005	72,286,930	69,715,302
Business-type activities:					
Investment earnings	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-
Transfers	-	-	-	-	-
Total business-type activities	-	-	-	-	-
Total primary government	$ 76,903,082	$ 75,268,432	$ 72,774,005	$ 72,286,930	$ 69,715,302
Change in net position					
Governmental activities:	$ 24,091,953	$ (43,276,337)	$ (42,128,664)	$ (658,815)	$ (2,746,480)
Business-type activities	-	-	-	-	-
Total primary government	$ 24,091,953	$ (43,276,337)	$ (42,128,664)	$ (658,815)	$ (2,746,480)

Table 2

2014	2013	2012	2011	2010
$ 39,958,656	$ 40,827,701	$ 37,736,796	$ 34,686,243	$ 35,852,977
10,856,904	10,185,647	9,008,428	8,674,271	9,806,015
7,471,544	7,411,260	6,574,264	5,908,477	6,075,319
4,521,097	4,887,399	4,301,242	3,281,133	3,249,458
4,954,754	3,332,084	4,105,888	4,792,929	3,832,092
4,976,165	4,757,335	4,479,727	4,219,442	5,153,995
2,001,980	1,965,158	1,852,093	1,865,482	2,348,355
1,323,702	1,250,496	1,071,252	1,006,205	1,075,206
1,141,060	897,594	809,942	740,524	744,823
686,882	488,088	982,298	1,437,829	390,788
689,553	974,016	657,785	728,150	577,063
-	7,504.00	-	-	-
203,210	284,423	529,798	234,235	131,700
3,281,050	3,818,841	4,174,576	4,268,348	3,208,339
-	-	-	-	-
-	-	-	3,442,596	3,367,398
82,066,557	81,087,546	76,284,089	75,285,864	75,813,528
4,060,047	4,458,373	3,791,818	3,529,311	2,990,867
-	-	-	-	-
202,383	396,842	443,171	398,361	552,879
4,262,430	4,855,215	4,234,989	3,927,672	3,543,746
$ 86,328,987	$ 85,156,226	$ 80,519,078	$ 79,213,536	$ 79,357,274
$ 159,723	$ 149,507	$ 180,247	$ 171,408.00	$ -
10,123,352	12,668,165	12,760,903	11,016,989	11,819,682
10,283,075	12,817,672	12,941,150	11,188,397	11,819,682
62,581	75,498	85,548	103,370	166,164
4,113,478	4,143,045	4,046,090	4,243,148	2,966,365
-	-	-	-	-
-	-	-	-	-
41,625	504,765	565,702	538,835	621,123
4,217,684	4,723,308	4,697,340	4,885,353	3,753,652
$ 14,500,759	$ 17,540,980	$ 17,638,490	$ 16,073,750	$ 15,573,334
$ (71,783,482)	$ (68,269,874)	$ (63,342,939)	$ (64,097,467)	$ (63,993,846)
(44,746)	(131,907)	462,351	957,681	209,906
$ (71,828,228)	$ (67,615,246)	$ (62,880,588)	$ (63,139,786)	$ (63,783,940)
$ 29,921,303	$ 26,023,906	$ 27,327,313	$ 27,327,313	$ 27,235,570
33,216,587	32,991,855	34,452,245	34,452,245	36,775,469
12,154	21,071	16,651	16,651	103,498
2,891,498	7,313,489	4,601,222	4,601,222	1,601,233
1,089,842	1,476,168	1,874,840	1,874,840	1,863,812
-	-	-	-	-
67,131,384	67,826,489	68,272,271	68,272,271	67,579,582
1,285	1,631	284	284	20
-	-	-	-	-
-	-	-	-	-
1,285	1,631	284	284	20
$ 67,132,669	$ 67,828,120	$ 68,272,555	$ 68,272,555	$ 67,579,602
$ (4,652,098)	$ (443,385)	$ 4,174,804	$ 4,174,804	$ 3,585,736
(43,461)	(130,276)	957,965	957,965	209,926
$ (4,695,559)	$ (573,661)	$ 5,132,769	$ 5,132,769	$ 3,795,662

Table 2

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

(modified accrual basis of accounting)

	Fiscal Year				
	2019	2018	2017	2016	2015
General Fund					
Non Spendable					
Inventories	$ 86,964	$ 84,098	$ 82,784	$ 77,646	$ 91,848
Prepaid items	56,315	1,512,156	102,445	92,699	123,618
Deposit in insurance pool	-	64,950	129,900	41,880	41,880
Restricted					
Tabor	2,309,000	2,439,416	2,297,229	2,553,486	3,435,539
Colorado preschool program	343,697	205,768	197,560	58,827	35,453
Committed	3,465,905	3,161,602	-	-	-
Assigned	7,919,096	5,053,739	3,736,785	4,190,333	3,948,844
Unassigned	6,782,410	9,719,993	11,499,306	7,384,414	2,875,391
Total General Fund Balance	$ 20,963,387	$ 22,241,722	$ 18,046,009	$ 14,399,285	$ 10,552,573
All other governmental Funds					
Non spendable	$ 127,557	$ 246,213	$ 295,380	$ 186,805	$ 133,432
Restricted					
Food service	731,324	773,133	631,640	546,444	426,277
Building fund activities	13,845,728	-	-	-	-
Debt service	6,833,442	6,720,674	5,652,767	4,998,817	5,851,983
Assigned	1,606,765	5,122,449	3,841,479	6,071,452	1,351,288
Committed	-	1,109,184	1,387,647	-	-
Unassigned	-	-	-	-	(2,250)
Total other governmental funds	$ 23,144,816	$ 13,971,653	$ 11,808,913	$ 11,803,518	$ 7,760,730
Total Governmental Funds	$ 44,108,203	$ 36,213,375	$ 29,854,922	$ 26,202,803	$ 18,313,303

Table 3

Fiscal Year						
2014	2013	2012	2011	2010		
					General Fund	
$ 95,161	$ 94,463	$ 97,908	$ 83,605	$ 77,138	Inventories	
182,436	267,616	93,830	98,345	124,497	Prepaid items	
740,442	744,320	567,710	632,680	687,555	Deposit in insurance pool	
3,088,733	2,154,269	2,098,716	2,053,853	2,421,178		
5,065	337,152	482,140	599,966	529,530	Colorado preschool program	
-	-	409,535	475,000	-	Committed	
3,569,132	741,538	-	2,060,650	-	Assigned	
2,459,831	10,423,323	15,184,147	11,846,338	7,365,032	Unassigned	
$ 10,140,799	$ 14,762,681	$ 18,933,986	$ 17,850,437	$ 11,204,930		
					All other governmental Funds	
$ -	$ -	$ -	$ -	$ 31,366	Non spendable	
					Restricted	
-	-	-	-	-	Food service	
-	-	-	-	-	Building fund activities	
5,496,912	6,292,697	5,533,929	5,524,240	5,281,696	Debt service	
980,636	2,193,505	734,885	796,976	2,084	Assigned	
-	-	-	-	-	Committed	
-	-	-	-	1,687,450	Unassigned	
$ 6,477,548	$ 8,486,202	$ 6,268,814	$ 6,321,216	$ 7,002,596	Total other governmental funds	
$ 16,618,347	$ 23,248,883	$ 25,202,800	$ 24,171,653	$ 18,207,526	Total Governmental Funds	

Table 3

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

(modified accrual basis of accounting)

	Fiscal Year				
	2019	2018	2017	2016	2015
Revenues					
Taxes	$ 31,784,979	$ 32,450,483	$ 29,811,875	$ 31,202,617	$ 29,239,114
Intergovernmental	59,846,660	56,566,718	56,965,200	56,732,691	52,599,787
Investment income	594,102	402,629	186,622	54,136	12,243
Tuition	380,186	409,936	295,059	113,351	216,383
Miscellaneous	1,003,513	957,842	810,224	1,155,515	1,236,754
Total revenues	93,609,440	90,787,608	88,068,980	89,258,310	83,304,281
Expenditures					
Instructional services	39,268,589	36,530,752	37,220,596	35,353,002	35,771,554
Operations and maintenance	7,702,643	8,809,996	9,206,876	6,822,646	6,776,533
Pupil services	5,229,652	4,835,817	5,175,402	5,906,443	7,565,720
Central support services	6,350,605	4,297,655	4,413,536	4,544,196	4,136,858
School administration	5,721,653	5,211,359	4,883,844	5,425,302	5,009,684
Instructional staff	7,350,562	6,342,891	5,788,844	6,954,048	4,913,455
Pupil transportation	2,423,408	2,168,250	2,047,322	1,863,691	1,825,450
Business administration	1,361,995	1,326,586	1,355,118	1,243,847	1,359,153
General administration	1,788,397	1,332,986	1,276,034	1,594,010	1,258,258
Other supporting services	79,772	67,821	403,652	104,558	616,999
Community services & education for adults	1,451,202	1,381,222	1,540,898	1,431,310	873,326
Food service operations	3,691,821	3,689,266	3,737,752	3,974,289	4,305,733
Construction in progress and capital outlay	3,994,258	2,087,126	1,636,701	1,982,666	1,749,631
Charter school	-	-	-	-	-
Debt service					
Principal	3,724,507	3,619,407	2,618,032	4,397,877	3,869,619
Interest and fiscal charges	3,039,002	3,072,057	3,157,016	3,296,704	3,258,719
Bond issuance cost	-	725	1,750	2,101	117,652
Total expenditures	93,178,066	84,773,916	84,463,373	84,896,690	83,408,344
Excess of revenues over (under) expenditures	431,374	6,013,692	3,605,607	4,361,620	(104,063)
Other financing sources (uses)					
Transfers in	9,581,347	3,085,000	2,370,000	3,434,200	1,300,000
Transfers out	(9,581,347)	(3,085,000)	(2,370,000)	(3,434,200)	(1,300,000)
Bonds/COP's issued	6,729,407	-	-	-	11,590,000
Bond premium	-	-	-	-	2,033,058
Proceeds from Sale	42,170	8,039	46,512	3,527,880	-
Insurance Proceeds	-	336,722	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(13,505,406)
Capital Lease	691,877	-	-	-	-
Total other financing sources (uses)	$ 7,463,454	$ 344,761	$ 46,512	$ 3,527,880	$ 117,652
Net change in fund balances	$ 7,894,828	$ 6,358,453	$ 3,652,119	$ 7,889,500	$ 13,589
Debt service as a percentage of noncapital expenditures	7.3%	8.0%	6.9%	9.2%	8.6%

Fiscal Year					
2014	2013	2012	2011	2010	
					Revenues
$ 29,668,336	$ 26,269,189	$ 26,799,359	$ 27,031,879	$ 27,319,353	Taxes
45,825,049	52,131,566	48,350,259	49,801,645	49,587,607	Intergovernmental
12,154	21,071	15,674	16,651	103,498	Investment income
159,723	149,507	180,247	171,408	-	Tuition
1,405,592	1,962,475	1,938,150	2,254,651	2,156,540	Miscellaneous
77,070,854	80,533,808	77,283,689	79,276,234	79,166,998	Total revenues
					Expenditures
37,439,874	38,263,206	34,981,226	32,077,298	33,585,669	Instructional services
8,960,817	8,156,368	8,592,693	7,018,797	8,676,448	Operations and maintenance
7,392,180	7,376,909	6,367,014	5,661,880	5,923,728	Pupil services
4,113,673	4,015,129	3,799,334	2,839,161	2,768,538	Central support services
4,914,962	3,725,211	3,463,853	3,608,618	3,955,457	School administration
4,593,847	4,757,335	4,436,125	4,177,089	5,049,373	Instructional staff
1,995,165	1,962,499	1,839,484	1,838,033	1,869,139	Pupil transportation
1,321,442	1,235,139	1,068,123	986,452	1,084,317	Business administration
1,130,916	882,895	804,752	735,669	737,353	General administration
682,157	974,016	657,785	677,655	531,990	Other supporting services
685,923	488,088	948,895	1,437,829	373,114	Community services & education for adults
203,210	283,403	238,533	234,235	131,700	Food service operations
2,211,730	4,496,387	2,411,144	1,965,798	5,567,652	Construction in progress and capital outlay
-	-	-	3,442,596	3,367,398	Charter school
					Debt service
3,904,813	2,677,648	2,385,804	2,255,115	2,121,815	Principal
4,150,681	3,193,492	4,257,777	4,355,882	4,472,660	Interest and fiscal charges
-	541,451	-	-	-	Bond issuance cost
83,701,390	83,029,176	76,252,542	73,312,107	80,216,351	Total expenditures
(6,630,536)	(2,495,368)	(2,077,526)	5,964,127	(1,049,353)	Excess of revenues over (under) expenditures
					Other financing sources (uses)
1,460,000	4,825,000	1,607,000	4,172,986	3,010,571	Transfers in
(1,460,000)	(4,825,000)	(1,607,000)	(4,172,986)	(3,010,571)	Transfers out
-	62,797,630	-	-	-	Bonds/COP's issued
-	8,721,976	-	-	-	Bond premium
-	-	-	-	-	Proceeds from Sale
-	-	-	-	-	Insurance Proceeds
-	(70,978,155)	-	-	-	Payment to refunded bond escrow agent
-	-	-	-	471,999	Capital Lease
$ -	$ 541,451	$ -	$ -	$ 471,999	Total other financing sources (uses)
$ (6,630,536)	$ (1,953,917)	$ 1,031,147	$ 5,964,127	$ (577,354)	Net change in fund balances
9.7%	7.5%	9.0%	9.3%	8.8%	Debt service as a percentage of noncapital expenditures

Revenue Capacity

Revenue Capacity

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

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

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

	Fiscal Year									
	2019		2018		2017		2016		2015	
Revenue from Local Sources										
Property taxes	$ 22,839,578	33.0 %	$ 23,116,081	33.4 %	$ 21,207,341	32.9 %	$ 22,198,060	35.6 %	$ 19,678,922	34.1 %
Specific ownership taxes	2,483,258	3.6 %	2,678,093	3.9 %	2,469,691	3.8 %	2,419,465	3.9 %	2,330,239	3.5 %
Investment income	495,081	0.7 %	289,603	0.4 %	130,726	0.2 %	33,948	0.1 %	6,318	0.0 %
Tuition	-	0.0 %	-	0.0 %	-	0.0 %	81,615	0.1 %	176,994	0.3 %
Other	826,176	1.2 %	857,763	1.2 %	656,654	1.0 %	634,567	1.0 %	1,019,028	1.6 %
Total local sources	26,644,093	38.5 %	26,941,540	38.9 %	24,464,412	38.0 %	25,367,655	40.7 %	23,211,501	39.4 %
Revenue from State Sources										
Equalization	40,144,898	58.0 %	38,260,102	55.2 %	38,759,964	60.1 %	38,554,537	61.8 %	36,011,262	55.0 %
Vocational education	93,746	0.1 %	96,066	0.1 %	89,792	0.1 %	221,264	0.4 %	145,976	0.2 %
Exceptional children's act (ECEA)	1,359,637	2.0 %	1,376,745	2.0 %	1,438,929	2.2 %	1,532,900	2.5 %	1,549,382	2.8 %
Transportation reimbursement	903,833	1.3 %	459,387	0.7 %	460,421	0.7 %	495,824	0.8 %	479,526	0.8 %
ELPA reimbursement	501,228	0.7 %	443,939	0.6 %	460,537	0.7 %	419,549	0.7 %	381,488	0.6 %
Other	1,193,650.00	1.7 %	-	0.0 %	-	0.0 %	-	0.0 %	-	(0.3) %
Total state sources	44,196,992	63.8 %	40,636,239	58.7 %	41,209,643	63.9 %	41,224,074	66.1 %	38,567,634	59.0 %
Revenue from Federal Sources										
Impact aid	3,119,441	4.5 %	2,934,979	4.2 %	3,105,282	4.8 %	2,660,849	4.3 %	2,679,175	4.6 %
Other	-	0.0 %	-	0.0 %	-	0.0 %	-	0.0 %	3,660	0.1 %
Total federal sources	3,119,441	4.5 %	2,934,979	4.2 %	3,105,282	4.8 %	2,660,849	4.3 %	2,682,835	4.8 %
Total revenue	$ 73,960,526	100.0 %	$ 70,512,758	100.0 %	$ 68,779,337	100.0 %	$ 69,252,578	100.0 %	$ 64,461,970	100.0 %

Fiscal Year											
2014		2013		2012		2011		2010		
										Revenue from Local Sources
$ 20,562,755	28.4 %	$ 18,141,956	28.5 %	$ 18,719,780	28.5 %	$ 18,765,531	29.7 %	$ 18,941,786	30.0 %	Property taxes
2,086,957	2.8 %	1,773,962	2.9 %	1,667,424	2.9 %	1,759,336	2.8 %	1,742,041	2.8 %	Specific ownership taxes
7,346	0.0 %	13,802	0.2 %	11,642	0.2 %	9,553	0.0 %	7,133	0.0 %	Investment income
159,723	0.2 %	149,507.00	0.0 %	180,247.00	0.0 %	171,408.00	0.3 %	-	0.0 %	Tuition
999,204	1.9 %	1,218,770	1.7 %	1,061,163	1.7 %	1,755,892	2.8 %	1,755,713	2.8 %	Other
23,815,985	33.3 %	21,297,997	33.3 %	21,640,256	33.3 %	22,461,720	35.5 %	22,446,673	35.5 %	Total local sources
										Revenue from State Sources
33,216,587	51.8 %	32,991,855	52.2 %	32,205,865	52.2 %	34,452,245	54.5 %	36,775,469	58.1 %	Equalization
105,520	0.2 %	117,436	0.2 %	137,977	0.2 %	(11,274)	(0.0) %	310,827	0.5 %	Vocational education
1,661,595	2.2 %	1,428,409	2.3 %	1,399,736	2.3 %	1,599,090	2.5 %	1,326,514	2.1 %	Exceptional children's act (ECEA)
469,214	0.7 %	472,049	0.7 %	428,513	0.7 %	352,331	0.6 %	431,658	0.7 %	Transportation reimbursement
367,442	0.5 %	286,791	0.5 %	315,245	0.5 %	266,455	0.4 %	350,616	0.6 %	ELPA reimbursement
(191,593.00)	0.0 %	-	0.0 %	-	0.0 %	0	0.0 %	210	0.0 %	Other
35,628,765	55.4 %	35,296,540	55.8 %	34,487,336	55.8 %	36,658,847	58.0 %	39,195,294	62.0 %	Total state sources
										Revenue from Federal Sources
2,801,979	11.4 %	7,238,982	11.4 %	3,904,909	11.4 %	2,636,733	4.2 %	1,487,646	2.4 %	Impact aid
89,519	0.1 %	74,507	0.1 %	355,569	0.1 %	1,954,307	3.1 %	113,587	0.2 %	Other
2,891,498	11.5 %	7,313,489	11.6 %	4,260,478	11.6 %	4,591,040	7.3 %	1,601,233	2.5 %	Total federal sources
$ 62,336,248	100.0 %	$ 63,908,026	100.0 %	$ 60,388,070	100.0 %	$ 63,711,607	100.0 %	$ 63,243,200	100.0 %	Total revenue

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

Assessment Year	Residential Property	Commercial Property	Personal Property	Industrial, Agricultural, and Natural Resources	State Assessed, Vacant Land, And Other	Total Assessed Value	Total Direct Tax Rate Per $1,000 of Valuation	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value	Assessment Rate	
										Residential	All Others
2009	$ 85,196,620	$ 201,631,020	$ 241,542,710	$ 24,684,940	$ 19,059,300	$ 572,114,590	44.813	$ 2,772,628,789	20.63%	7.96%	29.00%
2010	86,314,120	200,703,510	233,626,070	24,293,490	17,745,300	562,682,490	44.908	2,726,997,791	20.63%	7.96%	29.00%
2011	82,505,250	201,805,490	230,348,730	24,245,400	17,953,670	556,858,540	44.977	2,672,199,115	20.84%	7.96%	29.00%
2012	82,597,020	209,345,790	229,850,500	24,068,320	19,493,360	565,354,990	44.917	2,713,476,371	20.84%	7.96%	29.00%
2013	83,631,300	226,156,950	259,219,100	25,700,090	19,842,720	614,550,160	45.080	2,894,428,250	21.23%	7.96%	29.00%
2014	83,726,930	225,178,420	258,247,350	25,318,080	19,749,270	612,220,050	45.080	2,896,617,498	21.14%	7.96%	29.00%
2015	106,045,440	241,802,090	244,511,400	26,535,930	21,819,700	640,714,560	45.080	3,233,091,493	19.82%	7.96%	29.00%
2016	107,122,670	241,334,810	240,437,200	26,784,270	21,925,730	637,604,680	43.154	3,196,328,364	19.95%	7.96%	29.00%
2017	142,942,960	280,053,770	240,812,400	31,449,930	30,440,730	725,699,790	40.759	4,012,759,896	18.08%	7.20%	29.00%
2018	144,464,410	282,721,040	244,868,220	31,999,980	29,573,900	733,627,550	40.184	4,055,062,687	18.09%	7.20%	29.00%

Source: Adams County Assessor's Office.

Table 6

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

Taxing Authority	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Adams County School District 14										
General Fund	33.338	33.433	33.502	33.442	33.605	32.975	34.799	33.492	31.702	31.377
Bond Redemption Fund	11.475	11.475	11.475	11.475	11.475	12.105	10.281	9.681	9.057	8.807
Adams County School District 14 Total	44.813	44.908	44.977	44.917	45.080	45.080	45.080	43.173	40.759	40.184
Adams County	26.824	26.883	26.806	26.903	26.815	27.042	26.817	27.055	27.055	27.055
Cities & Towns										
Commerce City	3.280	3.206	3.280	3.269	3.280	3.280	3.280	3.128	3.160	3.280
City of Thornton	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210
Fire Districts										
North Metro Fire Rescue District #1	11.307	11.225	11.176	11.375	11.246	14.903	14.713	14.810	14.710	14.730
Adams County Fire Protection District	13.335	17.403	17.318	17.344	17.274	17.286	16.892	16.841	16.733	16.650
South Adams Fire District #4	4.300	4.300	4.300	4.300	9.900	9.900	9.900	9.900	9.900	14.750
North Metro Fire Dist #1 Bond	-	-	-	-	1.400	1.400	1.400	1.400	1.400	1.400
North Metro Fire Dist #1 Fire Pension	0.500	0.500	0.500	0.500	0.500	-	-	-	-	-
Sanitation & Water Districts										
South Adams Water & Sanitation District	3.102	3.102	3.102	3.102	3.102	3.102	3.102	3.102	2.701	2.714
Hazeltine Heights Water & Sanitation District	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500
Metropolitan Districts										
Eagle Creek Metropolitan District	80.000	80.000	95.000	85.000	88.000	88.000	83.000	80.000	75.000	70.000
Special Districts										
Central Colo. Water Conservancy District	0.425	0.425	0.392	1.856	1.887	1.737	1.533	2.004	1.800	1.540
Central Colo. Wall Augmentation Subdistrict									9.010	9.001
Central Colo. Ground Water Subdistrict	1.338	1.339	1.319	1.291	1.301	1.309	1.272	1.583	1.353	2.739
City of Commerce City North GID	-	-	-	-	27.000	27.000	27.000	27.000	27.000	27.000
Urban Drainage & Flood Control District	0.508	0.523	0.566	0.599	0.632	0.608	0.553	0.559	0.500	0.726
Urban Drainage South Platte	0.061	0.053	0.057	0.058	0.068	0.064	0.058	0.061	0.057	0.094
Rangeview Library f/k/a Anythink Libraries	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.669	3.666

Notes:

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

Source: Adams County Assessor's Office.

Table 7

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

		December 31, 2018			December 31, 2009		
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Suncor Energy USA Inc. (formerly Conoco, Inc.)	Oil refinery	$ 104,666,200	1	14.30%	$ 123,264,450	1	22.10%
Public Service CO of Colorado	Public utility	19,870,270	2	2.70%	6,776,750	4	1.20%
Lineage Master RE 4 LLC	Logistics	9,314,710	3	1.30%			
Magellan Pipeline	Oil & Gas	7,972,680	4	1.10%			
BT-OH LLC	Real estate	7,781,600	5	1.10%			
United Parcel Service - Rocky Mountain	Air delivery & freight services	7,497,620	6	1.00%			
Kew Realty Corportation	Real estate leasing	7,028,230	7	1.00%			
ARC3 FECMCCO01 LLC (Fed Ex)	Air delivery & freight services	6,498,070	8	0.90%			
Qwest Corp (formerly U.S. West, Inc.)	Telecommunications	5,909,990	9	0.80%	9,402,200	3	1.70%
CalEast Nat, LLC	Distribution warehouse	4,909,560	10	0.70%	4,204,040	9	0.80%
Rentech Energy Technology Center	Renewable energy technologies				16,470,580	2	2.90%
FEDEX Ground Package System	Air delivery & freight services				5,666,710	7	1.00%
Setzer Properties Commerce City LLC	Property Management				5,720,760	6	1.00%
Continental World Leasing Real Estate	Real estate leasing				4,808,220	8	0.90%
1480 Welton, Inc	Subsidary of Public Service CO				4,082,690	10	0.70%
Con Agra Floor Milling Company	Process and packed food				6,148,720	5	1.10%
Totals		$ 181,448,930		24.90%	$ 186,545,120		33.40%
Total Assessed Valuation		$ 730,501,260			$ 558,471,120		

Table 8

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

Assessment Year	Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy[(1)]	Estimated Outstanding Delinquent Taxes	Ratio of Estimated Delinquent Taxes to Total Tax Levy
2009	2010	$ 25,579,243	$ 25,468,476	99.57%	$ 25,053	$ 25,493,529	99.66%	$ 110,800	0.43%
2010	2011	25,268,945	25,303,253	100.14%	(108,636)	25,194,617	99.71%	(34,300)	-0.14%
2011	2012	25,045,827	25,119,784	100.30%	12,152	25,131,936	100.34%	(74,000)	-0.30%
2012	2013	25,394,050	24,379,780	96.01%	(510,266)	23,869,514	94.00%	1,014,300	3.99%
2013	2014	27,703,921	27,490,741	99.23%	(29,546)	27,461,195	99.12%	213,200	0.77%
2014	2015	27,598,880	26,806,988	97.13%	(496,179)	26,310,809	95.33%	791,900	2.87%
2015	2016	28,883,412	29,261,158	101.31%	(553,096)	28,708,062	99.39%	(377,700)	-1.31%
2016	2017	27,515,001	27,206,714	98.88%	35,140	27,241,854	99.01%	308,300	1.12%
2017	2018	29,578,794	29,550,442	99.90%	(110,763)	29,439,679	99.53%	28,400	0.10%
2018	2019	29,502,392	28,691,690	97.25%	78,895	28,770,585	97.52%	810,700	2.75%

Note:

(1) Tracking of paid delinquent taxes by levy year is currently not available, instead delinquent taxes are recorded in the year collected.
The district is working to ensure future reports include this information. Ratios above 100% represent collections of prior year delinquent taxes.

Source: Adams County Abstract of Assessments.

Table 9

ADAMS 14
Inspire. Educate. Empower.
Inspira. Educa. Fortalece.

Debt Capacity

Debt Capacity

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

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

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

	Governmental Activities							
Fiscal Year	General Obligation Bonds	Certificate of Participation	Capital Leases	Total Primary Government	Less; Debt Redemption Fund Available	Net Debt	Net Debt as a Percentage of Personal Income (1)	Per Capita (1)
2010	$ 93,567,723	$ -	$ 2,318,126	$ 95,885,849	$ 5,281,696	$ 90,604,153	647.57%	$ 2,133
2011	91,452,829	-	2,023,011	93,475,840	5,524,240	87,951,600	622.40%	2,063
2012	89,062,935	-	1,877,207	90,940,142	5,533,929	85,406,213	589.28%	1,849
2013	86,109,025	-	1,724,559	87,833,584	6,292,697	81,540,887	540.75%	1,729
2014	89,158,912	-	1,564,746	90,723,658	5,496,912	85,226,746	534.48%	1,757
2015	85,984,970	-	1,385,292	87,370,262	5,851,983	81,518,279	479.24%	1,681
2016	81,068,335	-	1,197,415	82,265,750	4,998,817	77,266,933	454.24%	1,593
2017	77,988,084	-	979,383	78,967,467	5,652,767	73,314,700	403.69%	1,336
2018	74,747,053	-	-	74,747,053	6,720,674	68,026,379	355.80%	1,216
2019	70,554,264	6,729,407	547,370	71,101,634	6,833,442	64,268,192	309.90%	1,100

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

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

Table 10

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

Assessment Year	Collection Year	Assessed Value	General Bonded Debt	Less Debt Service Fund Available	Net Debt	Ratio of General Bonded Debt to Assessed Value	Population	Net Bonded Debt Per Capita
2009	2010	$ 572,114,590	$ 93,567,723	$ 4,757,543	$ 88,810,180	16.35%	42,473 (3)	$ 2,079
2010	2011	562,682,490	91,452,829	5,281,696	86,171,133	16.25%	42,630 (3)	2,016
2011	2012	556,858,540	89,062,935	5,524,240	83,538,695	15.99%	43,193 (3)	1,865
2012	2013	565,354,990	86,109,025	5,533,929	80,575,096	15.23%	43,193 (3)	1,848
2013	2014	614,550,160	89,158,912	6,292,697	82,866,215	14.51%	45,913 (3)	1,822
2014	2015	612,220,050	85,984,970	5,851,983	80,132,987	14.04%	45,913 (3)	1,745
2015	2016	640,714,560	81,068,335	4,998,817	76,069,518	12.65%	45,913 (3)	1,657
2016	2017	637,604,680	77,988,084	5,652,767	72,335,317	12.23%	54,869 (3)	1,318
2017	2018	725,699,790	74,747,053	6,720,674	68,026,379	10.30%	55,923 (3)	1,216
2018	2019	733,627,550	70,554,264	6,833,442	63,720,822	9.62%	58,449 (3)	1,090

Note: Net Debt shown as Restricted Net Position on the Statement of Net Position is less accrued interest payable.

Source: (1) Colorado Department of Local Affairs, Demography Section, last modified November 2008
(2) City of Commerce City - estimate
(3) US Census Bureau

Table 11

ADAMS COUNTY SCHOOL DISTRICT 14
RATIO OF DIRECT AND OVERLAPPING DEBT (1)
JUNE 30, 2019
(Unaudited)

	2018 Assessed Valuation (3)	Outstanding General Obligation Debt (4)	Percent Applicable To The District	Overlapping Debt (2)
Direct Debt:				
Adams County School District 14	$ 733,627,550	$ 70,554,264	100.000%	$ 70,554,264
Overlapping Debt: (1)				
Commerce City North GID	283,598,050	77,075,000	0.97%	748,552
Anythink Library	4,731,836,070	27,765,000	15.48%	4,298,716
North Metro Fire Rescue District	422,493,750	15,685,000	0.19%	30,554
Central CO. Water Conservancy	638,025,840	24,950,000	16.67%	4,158,691
Central CO. Well Augmentation Subdistrict	15,848,900	13,114,819	58.77%	7,708,025
Central CO. Ground Water Subdistrict	135,108,930	13,390,987	33.06%	4,426,806
Aberdeen Metropolitan District No 1	1,915,320	7,870,000	30.46%	2,396,848
Eagle Creek Metropolitan District	7,644,880	3,210,000	100.00%	3,210,000
Total Overlapping Debt	6,943,757,960	183,060,806		26,978,193
TOTAL	$ 7,677,385,510	$ 253,615,070		$ 97,532,457

Notes:

(1) Adams County, City of Commerce City, City of Thornton, Cherrylane Metro GID, Hazeltine Heights Water and Sanitation District, Industrial Park Water and Sanitation District, South Adams County Fire District #4, Regional Transportation District, Urban Drainage Flood Control, and Urban Drainage South Platte also overlap the School District, but have no general obligation debt outstanding.

(2) Overlapping debts are general obligations of local and county governments that apply to property owners within Adams County School District 14. Not all overlapping rates apply to all District property owners because the rates for special districts apply only to those property owners who are wihin the geographic boundaries of both districts.

(3) Sources: Adams County Assessor's Office

(4) Sources: Overlapping debt confirmed with overlapping entities

Table12

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

			DEBT LIMIT COMPUTATIONS				
Fiscal Year	Assessment Year	Assessed Value	Debt limit (20% of Assessed Value)		Total net debt applicable to the limit	Legal debt margin	Percentage of Total net debt applicable to the limit to Debt limit
2010	*2009*	$ 572,114,590	$ 114,422,918	-	$ 88,286,027 =	$ 26,136,891	77.16%
2011	*2010*	$ 562,682,490	$ 112,536,498	-	$ 85,928,589 =	$ 26,607,909	76.36%
2012	*2011*	$ 556,858,540	$ 111,371,708	-	$ 83,529,006 =	$ 27,842,702	75.00%
2013	*2012*	$ 565,354,990	$ 113,070,998	-	$ 79,816,328 =	$ 33,254,670	70.59%
2014	*2013*	$ 614,550,160	$ 122,910,032	-	$ 83,662,000 =	$ 39,248,032	68.07%
2015	*2014*	$ 612,220,050	$ 122,444,010	-	$ 80,132,987 =	$ 42,311,023	65.44%
2016	*2015*	$ 640,714,560	$ 128,142,912	-	$ 76,069,518 =	$ 52,073,394	59.36%
2017	*2016*	$ 637,604,680	$ 127,520,936	-	$ 72,335,317 =	$ 55,185,619	56.72%
2018	*2017*	$ 725,699,790	$ 145,139,958	-	$ 68,026,379 =	$ 77,113,579	46.87%
2019	*2018*	$ 733,627,550	$ 146,725,510	-	$ 63,720,822 =	$ 83,004,688	43.43%

Source: Adams County Assessor's Office.

Table 13

Demographic and Economic Information

Demographic and Economic Information

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

Table 15 Demographic Statistics

Table 16 Property Values and Construction

Table 17 City of Commerce City Principal Employers

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

Year Ending December 31,	Population (1)	Personal Income (2)	Median Age (in years) (4)	School Enrollment	Unemployment Rate (5)
2009	42,473	$13,991,470 (3)	32.80	7,058	8.6%
2010	42,630	$14,131,000 (3)	32.40	7,048	10.0%
2011	46,193	$14,493,196 (3)	32.50	7,321	9.5%
2012	47,150	$15,079,147 (3)	32.50	7,500	9.2%
2013	48,500	$15,945,588 (3)	32.50	7,598	5.7%
2014	48,500	$16,578,475 (3)	32.50	7,663	5.6%
2015	48,500	$17,010,005 (3)	32.40	7,577	3.8%
2016	54,869	$18,160,959 (3)	33.00	7,467	3.6%
2017	55,923	$19,119,527 (3)	33.00	7,400	3.6%
2018	58,449	$20,738,261 (3)	33.00	7,060	3.5%

Sources:

(1) 2013, 2014 & 2015 data is from the City of Commerce City's website at c3gov.com. 2012 and earlier data from Colorado Bureau of Labor Statistics for Commerce City, Colorado. The District boundaries include parts of two different cities and unincorporated Adams County, however, the majority of the District is located within the City of Commerce City. The 2009 population is an estimate provided by the City of Commerce City.

(2) U.S. Department of Commerce, Bureau of Economic Analysis for Adams County, Colorado.

(3) Estimate based upon information from U.S. Department of Commerce, Bureau of Economic Analysis for Adams County, Colorado.

(4) US Census for Adams County, Colorado.

(5) Colorado Department Labor & Employment and for Adams County, Colorado.

PROPERTY VALUES AND CONSTRUCTION
LAST TEN CALENDAR YEARS
(Unaudited)

Year Ending December 31,	City of Commerce City Commercial and Residential Construction (1)		Adams County School District 14 Property Values (2)	
	No. of Permits	Value	Assessed	Estimated Actual (3)
2009	1,477	$ 49,765,432	$ 572,114,590	$ 2,772,628,789
2010	4,770	116,568,290	562,682,490	2,726,997,791
2011	1,940	124,178,841	556,858,540	2,672,199,115
2012	1,773	82,416,720	565,354,990	2,713,476,371
2013	1,934	94,990,823	614,550,160	2,894,428,250
2014	2,332	110,582,651	612,220,050	2,896,617,498
2015	2,591	141,544,696	640,714,560	3,233,091,493
2016	8,755	128,334,457	637,604,680	3,196,328,364
2017	3,719	297,492,538	725,699,790	4,012,759,896
2018	4,256	348,945,887	733,627,550	4,055,062,687

Notes:

(1) Source: Commerce City Building Department.

(2) Source: Adams County Assessor's Office.

(3) Actual value in the above table is defined as base year for assessment purposes. The base year is from 6 to 9 years prior to the collection year. Current market values are considerably higher than the actual values shown in the above table.

ADAMS COUNTY SCHOOL DISTRICT 14
CITY of COMMERCE CITY, COLORADO PRINCIPAL EMPLOYERS
For the Calendar Years Ended December 31, 2018 and 2009
(Unaudited)

		December 31, 2018			December 31, 2009		
Name of Employer (1)	Industry (1)	Number of Employees (1)	Rank	Percentage to Total City Employment	Number of Employees (1)	Rank	Percentage to Total City Employment
United Parcel Service	Parcel Delivery Service	3,100	1	10.8%	2,538	1	8.6%
Adams County School District 14	Public School District	1,288	2	3.3%	1,074	2	3.7%
Shamrock Foods(United Food Service)	Food Service Distribution	740	3	2.6%	553	4	1.9%
FedEx Freight	Trucking	650	5	2.3%	343	7	1.2%
FedEX Ground Package System INC	Parcel Delivery Service	680	4	2.4%	791	3	2.7%
City of Commerce City	City Government	449	6	1.2%	442	5	1.5%
Suncor Energy USA Inc.	Energy Production	430	7	1.5%	411	6	1.4%
Douglas Colony Group	Refinery	370	9	1.3%			
Old Dominion Freight Lines	Trucking	420	8	1.5%			
Waste Management of Colorado Inc	Waste Removal	290	10	1.0%	261	8	0.9%
Earl F. Douglas Roofing Company	Manufacturing				260	9	0.9%
Wal-Mart Super Center	Retail				254	10	0.9%
	Total	8,417		21.8%	6,927		23.6%
Total Employers' Employees		38,684	(1)		29,404	(1)	

Sources:
(1) City of Commerce City Website

Table 17

Operating Information

Operating Information

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

Table 18 Full-time Equivalent Employees by Fund

Table 19 Miscellaneous Statistical Data

Table 20 Capital Asset Statistics by Function/Program

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

	Full Time Equivalents									
	2018-19	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**	**2011-12**	**2010-11**	**2009-10**
Fund Type										
Total general fund	756.83	743.71	756.06	793.76	786.10	0 840.06	809.69	780.05	749.36	736.41
Total grants fund	64.05	70.74	71.13	59.02	58.95	0 72.39	67.89	41.42	38.90	88.04
Total other special revenue funds	50.76	52.69	52.91	55.93	46.62	0 43.53	42.53	47.65	39.88	43.76
Total all funds	871.64	867.14	880.10	908.71	891.67	0 955.98	920.11	869.12	828.13	868.21

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

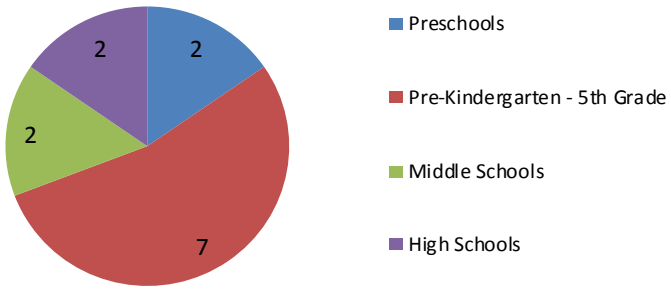
Table 18

ADAMS COUNTY SCHOOL DISTRICT 14
MISCELLANEOUS STATISTICAL DATA
(Unaudited)

District Statistics:

* Year of organization: 1902
* Year of consolidation: 1947
* Geographical area: 52 Square miles all within Adams County
* Accreditation: North Central Association of Colleges and Schools
* Twenty-sixth (26th) largest school district (by student population) in the state fiscal year 2017-18
* Fifth (5th) largest school district (by student population) in Adams County fiscal year 2017-18

Number of Schools in FY2018-19



Enrollment and Funded Pupil Count (1)

School Year	Student Enrollment	Funded Pupil Count
2007-2008	6,296	5,952
2008-2009	6,606	6,098
2009-2010	6,950	6,424
2010-2011	7,048	7,020
2011-2012	7,321	6,757
2012-2013	7,500	6,925
2013-2014	7,598	6,978
2014-2015	7,663	7,205
2015-2016	7,467	7,185
2016-2017	7,467	7,151
2017-2018	7,400	7,117
2018-2019	7,060	7,034

Summary of Teachers by Education Level

Teacher FTE	Education Level	% of Total
85	Bachelor of Arts (BA)	20.42%
16	BA + 10 Hrs	3.84%
9.5	BA+ 20 Hrs	2.28%
6	BA + 30 Hrs	1.44%
12	BA + 40 Hrs	2.88%
169.3	BA + 50 Hrs or Master's Degree	40.67%
9	Master's Degree + 10 Hrs	2.16%
32	Master's Degree + 20 Hrs	7.69%
17.5	Master's Degree + 30 Hrs	4.20%
22	Master's Degree + 40 Hrs	5.28%
38	Doctorate (EDD or PhD)	9.13%
416.3		100.00%

Summary of Teachers by Years of Service

Teacher FTE	Years of Service	% of Total
33	Less than 1 year	7.93%
93	At least 1 year, but less than 2	22.34%
51	At least 2 years, but less than 3	12.25%
11	At least 3 years, but less than 4	2.64%
15	At least 4 years, but less than 5	3.60%
30	At least 5 years, but less than 6	7.21%
76	At least 6 years, but less than 10	18.26%
55.5	At least 10 years, but less than 15	13.33%
31	At least 15 years, but less than 20	7.45%
13.8	At least 20 years, but less than 25	3.31%
7	25 or more years	1.68%
416.3		100.00%

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

(2) Number of persons employed as teachers during the fiscal year ending June 30, 2019

Table 19

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

Schools	Year of Original Construction	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Sanville Preschool	1954										
Square feet		5,440	5,440	5,440	5,440	5,440	5,440	5,440	5,440	5,440	5,440
Capacity (students)		50	50	50	50	50	50	50	50	50	50
Enrollment (head count)		86	87	92	91	89	92	90	89	83	92
Stars Early Learning Center Preschool	1981										
Square feet		7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005
Capacity (students)		94	94	94	94	94	94	94	94	94	94
Enrollment (head count)		85	111	120	105	104	115	76	80	78	110
Alsup Elementary	1959										
Square feet		50,114	50,114	50,114	50,114	50,114	50,114	50,114	50,114	50,114	50,114
Capacity (students)		477	477	477	477	477	477	477	477	477	477
Enrollment (head count)		470	519	532	545	521	504	484	598	640	591
Central Elementary	1954										
Square feet (3)		54,790	54,790	54,790	54,790	54,790	54,790	54,790	54,790	54,790	54,790
Capacity (students)		548	548	548	548	548	548	548	548	548	548
Enrollment (head count)		502	570	577	580	544	577	609	624	634	638
Dupont Elementary	1956										
Square feet		51,599	51,599	51,599	51,599	51,599	51,599	51,599	51,599	51,599	51,599
Capacity (students)		516	516	516	516	516	516	516	516	516	516
Enrollment (head count)		511	576	589	642	698	699	622	562	586	572
Kemp Elementary	1951										
Square feet (3)		46,403	46,403	46,403	44,963	44,963	44,963	44,963	44,963	44,963	44,963
Capacity (students)		475	475	475	450	450	450	450	450	450	450
Enrollment (head count)		554	554	569	566	625	587	555	482	483	432
Monaco Elementary	1956										
Square feet		37,496	37,496	37,496	37,496	37,496	37,496	37,496	37,496	37,496	37,496
Capacity (students)		375	375	375	375	375	375	375	375	375	375
Enrollment (head count)		340	439	449	472	490	501	525	583	480	494
Rose Hill Elementary	1952										
Square feet (3)		56,542	56,542	56,542	56,542	56,542	56,542	56,542	56,542	56,542	56,542
Capacity (students)		565	565	565	565	565	565	565	565	565	565
Enrollment (head count)		405	455	472	536	521	539	543	535	453	424
Hanson PK-8	1968										
Square feet (3)		50,355	50,355	50,355	50,355	50,355	50,355	50,355	50,355	50,355	50,355
Capacity (students)		419	419	419	419	419	419	419	419	419	419
Enrollment (head count)		423	448	416	426	446	461	488	388	501	513
Adams City Middle School	2009										
Square feet		96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900
Capacity (students)		808	808	808	808	808	808	808	808	808	808
Enrollment (head count)		809	831	818	798	761	774	762	740	717	691
Kearney Middle School	1953										
Square feet		120,601	120,601	120,601	120,601	120,601	120,601	120,601	120,601	120,601	120,601
Capacity (students)		1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005
Enrollment (head count)		839	785	792	821	820	783	742	697	538	525
Lester Arnold Alternative High School	1949										
Square feet		19,972	19,972	19,972	19,972	19,972	19,972	19,972	19,972	19,972	19,972
Capacity (students)		133	133	133	133	133	133	133	133	133	133
Enrollment (head count)		272	227	239	213	182	220	147	149	160	203
Adams City High School	2009										
Square feet		293,000	293,000	293,000	293,000	293,000	293,000	293,000	293,000	293,000	293,000
Capacity (students)		1,720	1,720	1,720	1,720	1,720	1,720	1,720	1,720	1,720	1,720
Enrollment (head count)		1,764	1,798	1,799	1,782	1,783	1,749	1,748	1,689	1,695	1,665
Other capital assets (Square feet)											
ESS Building	1971	43,020	43,020	43,020	43,020	43,020	43,020				
Administration building	1956	14,020	14,020	14,020	14,020	14,020	14,020				
Bus Terminal	1956	15,113	15,113	15,113	15,113	15,113	15,113				
Warehouse	1971	12,096	12,096	12,096	12,096	12,096	12,096				
Operations and Maintenance	1971	5,568	5,568	5,568	5,568	5,568	5,568				

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

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Adams County School District 14, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Adams County School District 14's basic financial statements, and have issued our report thereon dated November 25, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Adams County School District 14's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Adams County School District 14's internal control. Accordingly, we do not express an opinion on the effectiveness of Adams County School District 14's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Adams County School District 14's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
November 25, 2019

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for the Major Federal Program

We have audited Adams County School District 14's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Adams County School District 14's major federal program for the year ended June 30, 2019. Adams County School District 14's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance of Adams County School District 14's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Adams County School District 14's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Adams County School District 14's compliance.

Opinion on the Major Federal Program

In our opinion, Adams County School District 14 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2019 - 001. Our opinion on the major federal program is not modified with respect to this matter.

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

Report on Internal Control Over Compliance

Management of Adams County School District 14 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Adams Count School District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Adams County School District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019 - 001 that we consider to be a significant deficiency.

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

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

CliftonLarsonAllen LLP

Broomfield, Colorado
November 25, 2019

Adams County School District 14

Schedule of Expenditures of Federal Awards

For The Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor / Program Title	Federal CFDA Number	State Grant Number	Passed to Subreceipient	Grant Expenditures 2018-19
U.S. Department of Education				
Passed Through the Colorado Department of Education:				
Special Education Cluster				
Special Education	84.027	4027	$ -	$ 1,388,160
Special Education - Preschool	84.173	4173	-	37,255
Total Special Education Cluster			$ -	$ 1,425,415
Title I				
Grants to Local Education Agencies (Tile I, Part A of ESEA)	84.010	4010	$ -	$ 2,019,896
Improving Basic Programs Operated by Schools	84.010	5010	-	6,982
Total Title I			$ -	$ 2,026,878
Improving Teacher Quality	84.367	4367	-	436,679
English Language Acquisition	84.365	4365	-	280,003
Student Support and Academic Enrichment	84.424	4424	-	32,897
McKinney Vento Homeless Children and Youth	84.196	5196	-	27,562
Adult Education	84.002	5002	-	644,387
IDEA Part D Improvement Grant	84.323	5323	-	275
Passed through Colorado Community College System:				
Career and Technical Education	84.048	4048	-	68,045
Direct Program:				
Impact Aid	84.041	4041	-	3,119,441
Total U.S. Department of Education			$ -	$ 8,061,582
U. S. Department of Agriculture				
Child Nutrition Cluster				
Passed Through the Colorado Department of Education:				
School Breakfast Program	10.553	4553	$ -	$ 815,200
National School Lunch Program	10.555	4555	-	1,949,412
Summer Food Service Program for Children	10.559	4559	-	43,836
Passed Through the Colorado Department of Human Services:				
Food Donation	10.555	4555	-	247,160
Total Child Nutrition Cluster			$ -	$ 3,055,608
Passed Through the Colorado Department of Public Health and the Environment:				
Child and Adult Care Food Program	10.558	4558	$ -	$ 178,216
Passed Through the Colorado Department of Education:				
Fresh Fruit & Vegetable Program	10.582	4582	-	152,314
Total U.S. Department of Agriculture			$ -	$ 3,386,138
U.S. Department of Defense				
Direct Program				
ROTC	12.000	9001	$ -	$ 91,570
Total U.S. Department of Defense			$ -	$ 91,570
Total			$ -	$ 11,539,290

1) Modified Accrual Basis of Accounting was used to prepare this report.

See Notes to Schedule of Expenditures of Federal Awards.

ADAMS COUNTY SCHOOL DISTRICT 14
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards, which includes the federal grant activity of the Adams County School District 14 (District), is presented on the modified accrual basis of accounting, except for the U.S. Department of Education grants, which are presented on the full accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the District's financial statements for the year ended June 30, 2019.

NOTE B – NON-CASH

The District receives food commodities from the U.S. Department of Agriculture for use in its food service program. The commodities are recognized as revenue when received. The commodities are recognized as expenses when used by the schools. The majority of the commodities are stored at the individual schools, instead of a central warehouse. As such, the District has determined that the title to the commodities passes to the District upon receipt of the commodities. Since the District has received title to the commodities, the unused commodities are not reflected as unearned revenue.

NOTE C – INDIRECT COSTS

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

ADAMS COUNTY SCHOOL DISTRICT 14
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019

Section I – Summary of Auditors' Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

CFDA Number(s)	**Name of Federal Program or Cluster**
84.041	Impact Aid

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

Auditee qualified as low-risk auditee? ___x___ yes _____ no

ADAMS COUNTY SCHOOL DISTRICT 14
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

2019 – 001

Federal Agency: U.S. Department of Education

Federal program title: Impact Aid

CFDA Number: 84.041

Award Period: July 1, 2018 – June 30, 2019

Compliance Requirement: Special Tests and Provisions – Wage Rate Requirements

Type of Finding:

- Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria or specific requirement: The District should have a process designed to provide reasonable assurance regarding the achievement of objectives related to compliance with applicable laws and regulations and the reliability of reporting. Per the Office of Management and Budget (OMB) August 2019 Compliance Supplement, Section 7007 construction funds, as well as any Section 7002 or 7003(b) funds spent for construction or minor remodeling, are subject to Wage Rate Requirements (20 USC 1232b).

Condition: The District does not have internal controls in place to track and verify whether cash receipts under the Impact Aid program, specifically, Section 7002 funds, are spent for construction or minor remodeling.

Questioned Costs: Unknown.

Context: The District does not track expenditures for Impact Aid. All Impact Aid cash receipts are reported as cash receipts within the General Fund. During the fiscal year, the District made transfers from the General Fund to the Capital Projects Building Fund for construction and repair projects. The District is not able to determine whether Impact Aid funds were a component of this transfer during the fiscal year. Compliance requirements for Impact Aid require wage rate compliance for any federal funds that are spent on construction and repair related projects. As the District does not track these expenditures in relation to Impact Aid, testing over wage compliance could not be performed over fiscal year 2019 expenditures.

Cause: The District does not track expenditures for federal funds received by Impact Aid.

Effect: Federal funds could not be tested for compliance as required by the OMB August 2019 Compliance Supplement and the District may be out of compliance related to the usage of federal funds for construction and repair projects.

Repeat Finding: No.

Recommendation: We recommend the District implement a control procedure over the cash receipts and subsequent disbursement of Impact Aid funds. In addition, we recommend the District implement controls over the wage rate requirements for construction costs if Impact Aid funds are used for construction or repair projects.

Views of responsible officials: The District will create unique Impact Aid grant codes and track expenditures of these funds within those codes to ensure they are not used for construction or repair projects. The District will also educate staff on potential issues if construction or repair projects were funded with Impact Aid dollars.

ADAMS COUNTY SCHOOL DISTRICT 14
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019

Adams County School District 14 respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2019.

Audit period: Year ended June 30, 2019

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

FINDINGS—FINANCIAL STATEMENT AUDIT

2018 – 001

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

Status: Partially corrected. The District continues to make improvements around the journal entry review process.

2018 – 002

Condition: The District reported a restatement of beginning net position in the year ended June 30, 2018. This restatement corrected beginning net position for corrections of capital assets as a result of a detailed review and inventory of capital assets undertaken by the District management.

Status: Corrective action was taken.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

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

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

ADAMS COUNTY SCHOOL DISTRICT 14
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019

Adams County School District 14 respectfully submits the following corrective action plan for the year ended June 30, 2019.

Audit period: Year ended June 30, 2019

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

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Education

2019 - 001 Impact Aid – CFDA No. 84.041

Recommendation: We recommend the District implement a control procedure over the cash receipts and subsequent disbursement of Impact Aid funds. In addition, we recommend the District implement controls over the wage rate requirements for construction costs if Impact Aid funds are used for construction or repair projects.

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

Action taken in response to finding: The District will create unique Impact Aid grant codes and track expenditures of these funds within those codes to ensure they are not used for construction or repair projects. The District will also educate staff on potential issues if construction or repair projects were funded with Impact Aid dollars.

Name of the contact person responsible for corrective action: Eduard Storz, Director of Financial Services

Planned completion date for correction action plan: December, 2019

If the U.S. Department of Education has questions regarding this plan, please call Eduard Storz, Director, Division of Financial Services, at 303-853-3209.

Colorado Department of Education

Auditors Integrity Report

District: 0030 - Adams County 14
Fiscal Year 2018-19
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	20,982,215	62,445,366	63,827,708	19,599,873
18 Risk Mgmt Sub-Fund of General Fund	1,053,739	1,642,045	1,675,967	1,019,817
19 Colorado Preschool Program Fund	205,768	3,952,359	3,814,430	343,697
Sub- Total	**22,241,722**	**68,039,770**	**69,318,105**	**20,963,387**
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	158,771	527,310	457,932	228,149
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
21 Food Service Spec Revenue Fund	1,013,229	3,388,734	3,543,082	858,881
22 Govt Designated-Purpose Grants Fund	1	8,839,402	8,839,402	0
23 Pupil Activity Special Revenue Fund	83,869	667,335	751,204	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	6,720,674	6,595,999	6,483,231	6,833,441
39 Certificate of Participation (COP) Debt Service Fund	0	127,349	127,349	0
41 Building Fund	0	14,759,249	913,521	13,845,728
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	5,995,109	-1,872,254	2,744,239	1,378,616
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	**36,213,376**	**101,072,893**	**93,178,066**	**44,108,203**
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	290,552	394,480	431,797	253,235
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	**290,552**	**394,480**	**431,797**	**253,235**

FINAL