

Annual Comprehensive Financial Report 2020-2021

Adams County School District 14

5291 E. 60th Avenue

Commerce City, Colorado 80022

303.853.3333

www.adams14.org



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

*Annual Comprehensive
Financial Report*

For the Fiscal Year Ended June 30, 2021

Board of Education

Ms. Ramona Lewis, President

Ms. Renee N. Lovato, Vice President

Ms. Connie Quintana, Treasurer

Ms. Maria Zubia, Secretary

Ms. Janet Estrada, Director

Interim Superintendent of Schools (retired June 2021)

Mr. Don Rangel

Superintendent of Schools (July 2021)

Dr. Karla Loria

Issued by Division of Finance

Executive Director of Finance

Mr. Eduard Storz, CPA

Manager of Accounting

Ms. Hyesun Son, CPA

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November 30, 2021

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 Annual Comprehensive Financial Report (ACFR) of Adams County School District 14 for the fiscal year ended June 30, 2021.

The ACFR, for the fiscal year ended June 30, 2021, 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 ACFR 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,

Karla Loria
Superintendent



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November 30, 2021

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

We are pleased to submit the fiscal year 2020-21 Annual Comprehensive Financial Report (ACFR) of Adams County School District 14 (District) for the fiscal period from July 1, 2020, to June 30, 2021. 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, 2021, 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.

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 62,418 according to the 2020 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 .12% Hawaiian or Other Pacific Islander, .20% Asian, .41% American Indian, 1.98% African American, 9.20% White, 87.21% Hispanic, and .89% multiple ethnicities. Adams County School District 14 has 434.8 teachers and 399.08 other staff, for a total of 833.88 employees. The District served 6,111 students in fiscal year 2020-21 based on enrollment, a decrease of 586 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 six school years after seeing growth in each of the preceding three school years. Future enrollment is difficult to project as the District is experiencing the impacts of a global pandemic, works with potential charter schools, and implements turnaround plans working with its external management partner 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 nine schools that are below the recommended capacity, one preschool, 6 elementary schools and two middle schools. The school buildings within the District except for Adams City High School, which was built in 2009, and the new Alsup Elementary opened just this fall 2021, were built between 1951 and 1968 and most of these have been renovated beginning in 2006, with Dupont Elementary and Adams City Middle School being the exceptions.

ORGANIZATION OF THE SCHOOL DISTRICT

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

The Superintendent is the Chief Executive Officer and is accountable to the Board for the education and support operations within the District. The Assistant Treasurer is the Chief of Business Services and along with the Executive Director of 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 Chief Academic Officer, Chief Business Officer, Executive Director of Communications and Special Projects, Executive Director of Human Resources, Executive Director of Finance, Secondary Executive Directors, Elementary Executive Director, Director of Special Education, Director of Human Resources, 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 the Basic 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 2021), Broad measures of the U.S. and Colorado economic activity indicate continued recovery from the pandemic-induced recession. Though, rather than the hoped-for strong and steady recovery, economic activity, like the trajectory of the virus itself, has instead been choppy and uneven. Many households and businesses are still bearing the brunt of lingering distress, while others have emerged unscathed or even better off. Spending and employment in sectors tied to in-person services still lag their pre-pandemic levels and remain sensitive to the waxing and waning of the virus. Supply and demand mismatches, initially expected to be temporary, have been exacerbated by global waves of COVID-19 cases. These mismatches are now expected to persist into 2022, boosting inflationary pressures and challenging the economic recovery as government assistance recedes. Relative to June expectations, minor upward revisions were made to indicators of economic activity and inflation, with some growth shifting from late 2021 into 2022.

The U.S. and Colorado economies remain in unprecedented economic times, with shifting and still-elevated economic risks. There have been surprisingly few signs of lasting scarring from the pandemic-related recession, but there is still a great deal of uncertainty about how much of the shifts in consumer, business, and worker behavior will persist and whether short-term disruptions will have long-lasting ripple effects. The drag from receding government stimulus may increase if momentum supporting wage and business incomes does not offset the pull-back in public assistance.

According to the U.S. Bureau of Labor and Statistics, Adams County unemployment continued to



decrease from the highest point it reached in early 2020 as the Covid pandemic hit of 12.6% to 6.2% in August of 2021. According to the Colorado State Demography Office Adams County population was forecast to grow by 1.8% in 2020, however with an aging population overall the impact of this growth may not lead to more students in Adams 14 boundaries. However, the school district recently retained Western Demographics Inc. to complete an 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 as well as assumptions for recovery from Covid, live births and migration or Urban flight. For FY 2020-21. There are 13 schools serving approximately 6,066 PK-12 students. Unofficial October count data indicated that the district is up 72 full time equivalent students in FY 2021-22 thanks to robust recovery from the impact of Covid 19. Prior year enrollment numbers were down approximately 9% due to students choosing not to enroll due to Covid concerns. Enrollment peaked in FY 2013-14 at 7,598 and has since decreased by 1,532 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 up to 1,000 students in the next 5 years. That is over \$2 million in lost revenue each year. The District is hopeful that the renewed engagement of MGT, and efforts to bring together key stakeholders in the community and district will improve student achievement, regain trust and begin to reverse the ongoing trends in enrollment loss.

MAJOR INITIATIVES

Adams 14 School District is beginning its 12th year of Turnaround Status. Two years ago, the Colorado State Board of Education approved a plan to hire an External Management Organization (EMO) to manage the school district. The District met 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 \$8.3 million. Along with MGT, Schools Cubed and Math Partners have joined the District. University of Virginia Leadership training commenced in the summer of 2020.

In fiscal year 2020-21 the District completed the creation of a 10-year curriculum plan which ensures curricular resources are maintained at appropriate levels while related costs are spread evenly through fiscal years. In addition, the District completed a 5-year capital reserve plan that similarly scheduled planned projects over the coming years. The resources needed to carry out



the multiyear curriculum plan and capital plan exceed historical amounts allocated. Going forward additional funding will need to be identified in the form of a mill levy override, grants or the use of District reserves. Additional initiatives were carried out District wide in fiscal year 2021-22 including initial work on a District strategic plan.

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 Alsup school building portion of the project was completed Fall 2021, leaving just the demolition of the old Alsup building which will be completed in spring 2022.

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, 2020. 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, 2020. 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,

Eduard Storz

Executive 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
for the Fiscal Year Ended June 30, 2020.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Adams County School District 14
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

ADAMS COUNTY SCHOOL DISTRICT 14

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

BOARD OF EDUCATION

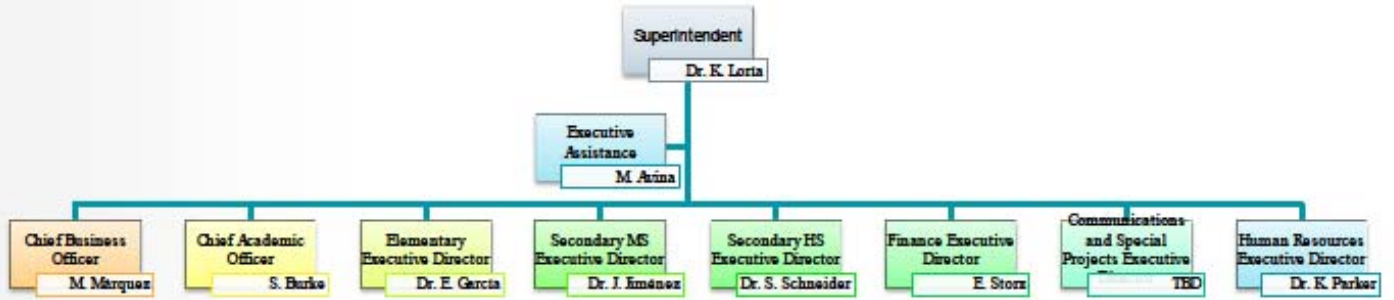
Ms. Ramona Lewis President
Ms. Renee N. Lovato Vice President
Ms. Connie Quintana Treasurer
Ms. Maria D. Zubia Secretary
Ms. Janet Estrada Director

DISTRICT INSTRUCTIONAL TEAM

Mr. Don Rangel (Retired June 2021) Superintendent of Schools
Dr. Karla Loria (July 2021) Superintendent of Schools
Ms. Shelagh Burke Chief Academic Officer
Dr. Sam Schneider Executive Director Secondary Education
Dr. Jeremy Jimenez Executive Director Secondary Education
Dr. Erica Garcia Executive Director Elementary Education
Mr. Matt Schwartz (transferred July 2021) Executive Director Elementary Education
Ms. Mindy Roden Executive Director Student Services

DISTRICT OPERATIONAL TEAM

Mr. Eduard Storz Executive Director Finance
Ms. Hyesun Son Manager of Accounting



As of 8/1/2021



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, 2021, 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, 2021, 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.

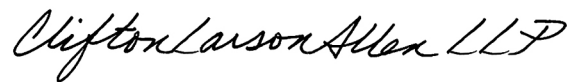
The combining and individual nonmajor fund financial statements, budgetary comparison schedules, the schedule of expenditures of federal awards, and the Colorado Department of Education Auditor's Integrity Report are the responsibility of management and were derived from and relate directly to the underlying 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.

Board of Education
Adams County School District 14

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 February 25, 2022, 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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Broomfield, Colorado
February 25, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Adams County School District 14 (District), we offer readers of the District's Annual Comprehensive Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. 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 - 7 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 2020-21 by \$73,618,600(*Net Position*). To arrive at unrestricted net position, this amount is further reduced by, \$48,140,349 representing the net investment in capital assets, \$7,773,420 restricted for debt service, \$2,520,876 restricted for emergencies, and \$355,321 restricted for Food Services. This leaves the final Unrestricted Net Position at a negative \$132,408,566, 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 \$61.5 million, while unrestricted Net Position increased by \$52.2 million. This change is mainly reflective of the District's PERA pension liability and deferred inflows and outflows dropping by a net \$38.5 million. Debt payments further improved the District's financial position at year-end, although 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 \$956,721 to an ending fund balance of \$42,923,913. This change in fund balance is largely due to use of Covid grant funds to offset charges that otherwise would have impacted the General fund, net of fund balance used in the capital projects fund to complete the construction of the new Alsup Elementary in summer of 2021.
- The Governmental Funds reported combined unassigned fund balance of \$19,631,636.

At June 30, 2021, \$2,520,876 of the \$29,512,931 fund balance of the General Fund was restricted for the emergency contingency required by Article X, Section 20 of the Colorado Constitution. In addition, \$134,826 was considered non-spendable as it was held in inventories and prepaid items, and another \$3,294,403 was considered committed mainly to the board designated 5% reserve and special revenue funds, while another \$195,642 is assigned to risk management and insurance reserves, and \$4,022,537 was assigned for future budgeted use of reserves to fund the future payments of the District's long term external management contract, transfers to Capital Reserve and additional curriculum purchases. The \$19,631,636 unassigned portion of the fund balance is equivalent to 32.6% 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.

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 five governmental funds that are classified as major funds. They are the General Fund, the Grants Fund, Capital Projects Building Fund, Capital Projects Capital Reserve 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 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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

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 capital assets depreciated and not depreciated. 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, 2021 and 2020

	Total	
	2021	2020
Assets:		
Current and other assets	\$ 56,135,749	\$ 57,423,181
Capital assets	<u>114,898,535</u>	<u>94,421,678</u>
Total assets	<u>171,034,284</u>	<u>151,844,859</u>
Deferred outflows of resources		
Deferred outflow pension	37,220,975	14,416,353
Deferred outflow OPEB	289,944	303,880
Deferred charge on refunding	<u>5,667,839</u>	<u>5,220,674</u>
	<u>43,178,758</u>	<u>19,940,907</u>
Liabilities:		
Current liabilities	17,155,065	20,742,932
Non-current liabilities	<u>208,598,250</u>	<u>195,708,540</u>
Total liabilities	<u>225,753,315</u>	<u>216,451,472</u>
Deferred inflow of resources		
Deferred inflow pension	60,054,193	88,987,506
Deferred inflow OPEB	<u>2,024,134</u>	<u>1,494,595</u>
	<u>62,078,327</u>	<u>90,482,101</u>
Net position:		
Net investment in capital assets	48,140,349	39,731,078
Restricted	10,649,617	9,768,802
Unrestricted	<u>(132,408,566)</u>	<u>(184,647,687)</u>
Total net position	<u>\$ (73,618,600)</u>	<u>\$ (135,147,807)</u>

GOVERNMENT-WIDE ACTIVITIES

Governmental activities increased the Net Position of the District by \$61.5 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 increase 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 30.2% of the revenue received by the District with 28.8% being received from state equalization payments. Operating grants and contributions provide an additional 38.1%, a higher than typical percentage caused by the additional grant support received to support District efforts related to Covid 19. Other sources, including general revenue grants, account for the remaining 2.9% of revenue.

Within the government wide financial statements revenues were up from fiscal year 2020 to 2021, increasing by \$24.1 million or 25.0%. Operating grants received by the district showed an increase of \$26.8 million, while Grants not restricted

to specific programs an amount mostly comprised of impact aid showed a decreased \$206,069. The District did see a decrease of investment earnings of \$323,278 as interest rates decreased during the Covid pandemic. The previously discussed decrease of PERA pension liability affected 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, 2021 and 2020**

	Total	
	2021	2020
REVENUES		
Program revenues		
Charges for services	\$ 75,491	\$ 564,579
Operating grants and contributions	45,866,022	19,019,709
General revenues		
Taxes:		
Property taxes	34,211,901	32,961,642
Specific ownership taxes	2,142,549	2,159,379
Grants not restricted to specific programs	2,801,979	3,062,048
State equalization	34,621,744	37,376,977
Investment earnings	29,124	352,402
Gain on disposal	71,202	-
Miscellaneous	550,634	817,971
Total revenues	120,370,646	96,314,707
EXPENSES		
Instructional services	23,042,862	27,813,395
Operation and maintenance	12,499,479	9,421,255
Pupil services	2,826,791	3,465,084
Central support services	3,177,206	3,632,982
School administration	3,441,847	4,327,507
Instructional support	4,009,974	5,019,738
Pupil transportation	1,046,650	1,615,587
Business administration	1,040,226	1,022,816
General administration	3,146,525	2,579,705
Community services	354,100	466,790
Adult education	-	529,319
Other support services	1,740	48,881
Nutrition services	1,538,169	2,313,981
Interest and fiscal charges	2,715,870	2,891,048
Total expenses	58,841,439	65,148,086
Change in net position	61,529,207	31,166,621
Net position - beginning(restated)	(135,147,807)	(166,314,428)
Net position - ending	\$ (73,618,600)	\$ (135,147,807)

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 \$42,923,913.

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 \$70.0 million in fiscal year 2020-21 compared to \$73.6 million in fiscal year 2019-20, a decrease of 4.8%, which is reflective of the large unexpected decline in per pupil funds due to declining enrollment and a lower free and reduced percentage.

	<u>FY2020-21</u>	<u>FY2019-20</u>	<u>Amount of Change</u>	<u>Percentage of Change</u>
Revenues				
Federal				
Impact Aid	\$ 2,801,979	\$ 3,062,048	\$ (260,069)	-8.5%
Subtotal	<u>2,801,979</u>	<u>3,062,048</u>	<u>(260,069)</u>	
State				
Equalization payments	34,621,744	37,388,581	(2,766,837)	-7.4%
Vocational education	154,252	80,121	74,131	92.5%
Exceptional children's act (ECEA)	1,605,686	1,561,036	44,650	2.9%
Transportation reimbursement	456,944	410,580	46,364	11.3%
PERA state funds	0	1,146,377	(1,146,377)	100.0%
ELPA reimbursement	519,879	520,412	(533)	-0.1%
Subtotal	<u>37,358,505</u>	<u>41,107,107</u>	<u>(3,748,602)</u>	
Local				
Property taxes	27,861,235	28,504,990	(643,755)	-2.3%
Payment in lieu of taxes	55,000	55,000	0	0.0%
Miscellaneous	1,938,671	543,260	1,395,411	256.9%
Investment income	25,107	280,466	(255,359)	-91.0%
Subtotal	<u>29,880,013</u>	<u>29,383,716</u>	<u>496,297</u>	
Total revenues	<u>\$ 70,040,497</u>	<u>\$ 73,552,871</u>	<u>\$ (3,512,374)</u>	-4.8%

Fiscal year 2020-21 General Fund expenditures, which include the accrual for teacher salaries and benefits, totaled \$60.1 million, compared to \$70.6 million in fiscal year 2019-20. This represents a decrease of \$10.5 million (14.8%) from the previous fiscal year. The decrease mainly represents the use of Elementary and Secondary School Emergency Relief Fund(ESSER) and Covid 19 Relief Fund (CRF) funds totaling \$11.1 million which were used to offset costs that would have otherwise been paid for by the General Fund. In addition, due to Covid related state budget cuts funds were not received in the current year for the PERA state on behalf pension contributions. When transfers to other funds are factored in the change in the General fund balance for the year was an increase of \$8.4 million. Instructional services

costs decreased from the prior year, which is expected as those cost were funded frequently instead using the CRF and ESSER funds. The following table compares expenditures for fiscal years 2020-21 and 2019-20 using the modified accrual basis of accounting.

	<u>FY2020-21</u>	<u>FY2019-20</u>	<u>Amount of Change</u>	<u>Percentage of Change</u>
Expenditures				
Instructional services	\$ 27,072,423	\$ 37,335,512	\$ (10,263,089)	-27.5%
Operations and maintenance	6,353,993	7,641,819	(1,287,826)	-16.9%
Pupil services	4,135,078	4,501,372	(366,294)	-8.1%
Central support services	5,438,542	5,269,985	168,557	3.2%
School administration	5,816,409	5,570,356	246,053	4.4%
Instructional support	3,432,151	3,606,083	(173,932)	-4.8%
Pupil transportation	1,457,058	2,376,899	(919,841)	-38.7%
Business administration	1,424,385	1,238,865	185,520	15.0%
General administration	2,733,514	2,487,243	246,271	9.9%
Other supporting services	3,094	71,521	(68,427)	-95.7%
Community services	291,803	298,164	(6,361)	-2.1%
Food service operations	31,696	-	31,696	100.0%
Non-Reimbursed Emergency Cost	1,531,850	-	1,531,850	100.0%
Capital outlay	14,580	218,235	(203,655)	-93.3%
Principal retirement	411,697	-	411,697	100.0%
Total Expenditures	<u>\$ 60,148,273</u>	<u>\$ 70,616,054</u>	<u>\$ (10,467,781)</u>	-14.8%

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 2020-21 grant revenues totaled \$25.6 million and expenditures totaled \$25.6 million compared to grant revenues of \$10.1 million and expenditures of \$10.1 million in the 2019-20 fiscal year. This increase was a result of the District efforts to identify and apply for all available grant funding in the wake of the Covid 19 pandemic and ultimately receiving Corona Virus Relief Fund (CRF) grant funds and Elementary and Secondary School Emergency Relief (ESSER) funds as well as various other smaller local grants in Fiscal year 20-21 while there were no comparable expenses or revenues in 2019-20.

Bond Redemption Fund

The Bond Redemption Fund is reported as a major fund for the fiscal year 2020-21. The Bond Redemption Fund is used to account for the requirements of the general obligation bonds. The primary revenue source is a voter approved mill levy to satisfy principal and interest requirements on the debt. Principal and interest payments were \$5.8 million for fiscal year 2020-21 compared to \$6.7 million for fiscal year 2019-20. The decrease in payments was a result of no interest payment being required following the issuance of the 2021 refunding bonds.

Capital Projects Building Fund

The Capital Projects Building Fund, is reported as a major fund for fiscal year 2020-21, 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 \$13,911,617 was recognized for the BEST grant funding the District has received during the year. Expenditures in this fund occur as progress on the construction of the new Alsup occurs and the District's previously set aside funding is spent down along with the BEST grant revenue.

The new Alsup was completed in Summer of 2021, with remaining project funds including contingency and funds to complete the demolition of the old Alsup building by Spring 2022.

Capital Reserve Capital Projects Fund

The Capital Projects Building Fund, is reported as a major fund for fiscal year 2020-21. The fund was used to issue an energy performance lease for \$5,036,591 and the related spending of that lease makes up the majority of the \$2,553,201 within the fund. The energy performance lease work will be completed in the next fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The proposed budget for fiscal year 2020-21 was presented and approved by the Board of Education on June 23, 2020, with total General Fund appropriations of \$89,575,966 including appropriated fund balance of \$18,729,345. The budget was amended on January 26th, 2021 with total General Fund appropriations of \$88,027,760 including appropriated fund balance of \$21,093,704. This compares to the prior year ending total appropriations of \$87,370,446 with \$17,952,039 being appropriated fund balance.

Overall actual revenues were \$4.9 million higher than final budgeted revenues. Variances were seen in Impact Aid where the District received \$248,021 million less than budgeted due to payment timing issues, Property Taxes, which was below projected amounts by \$567,497 due to delays in payments to the county related to Covid, as well as in Miscellaneous revenue that was over budgeted amounts by \$1,349,971 mainly due to additional indirect charges related to the large Covid federal grants, and finally Equalization payments which exceeded budget by \$4.2 million as the state was initially projecting a large decrease to per pupil funds due its loss of revenue but later legislators back filled the potentially lost revenue as the recovery took place.

Total operating expenditures were \$6.8 million under total appropriations.

Payments to the District's external management provider were unchanged during the year at \$3.2 million with the same paid in the prior year. In addition, due to the Covid 19 pandemic the District saw budgets underspent generally across the District at year end while deadlines and cutoffs for spending were kept tight to limit wasteful spending.

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 2020-21 totaled \$17.3 million and \$0.9 million of these funds were budgeted but unspent at year end. The largest unspent department budget was the Academic Affairs budget where \$338,919 was unspent at year end. In addition, \$452,450 which was budgeted for payments to the external management partner from the General fund in the supplemental budget was subsequently paid using grant funds. Other departments with unspent budgets at year end include Student Services, Special Education, Utilities and CTE. On the salary and benefits budget or FTE budget the District saw actual expenditures come in below budgeted amounts by \$3.7 million as Covid grants funds were used instead of General Fund when possible. These underspent budgets were offset by Covid related costs of approximately \$1.5 million that were paid using the General Fund. Together, these factors, along with variances between budgeted and actual General Fund revenue resulted in the increase rather than budgeted decrease in the General Fund fund balance in the current year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The District's governmental activities net investment in capital assets totaled \$48,140,349 for fiscal year 2020-21. Current year activity including additions, change in useful lives estimates and depreciation accounted for an increase of \$20.3 million. Current year additions were \$26,625,085 mainly improvements made from the District's energy performance lease agreement and construction in progress on a new building to replace the existing Alsup Elementary school building. The difference between the additions and the increase is a result of the annual depreciation costs.

At June 30, 2021, the District had total bonded debt outstanding of \$61,940,000 backed by the full faith and credit of the District. In January of 2021 the District refinanced portions of the outstanding debt from the 2013 series and 2015 series refunding bonds totaling \$41,135,000 with refunding bonds of \$47,095,000 saving the District over \$3.2 million dollars by lowering the overall debt service requirements due to the lower interest rates.

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 21, 2021 Economic Forecast, inflation expectations for 2021 have increased since March from 2.7% to 3.7% which is up 2.0% for calendar year 2020. Projected pupil count statewide is expected to decrease by 4,214 pupil's state wide for 2020-21. These two items together impact total program requirements for fiscal year 2022-23. If the inflation expectations are realized absent other factors the District would expect a proportionate increase in revenue in fiscal year 2022-23. 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 indicates an approaching risk in the coming year related to at risk funding, where rising inflation absent legislative changes will likely decrease the District's Free and Reduced lunch eligible percentage which will negatively impact funding. This risk is however offset by the positive news within the governors November proposed budget which indicated the for fiscal year 22-23 the governor intends to reduce the negative factor potentially providing the District up over a million dollars in additional income compared to already increased amounts for fiscal year 21-22.

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.

REQUESTS FOR INFORMATION

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

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



Adams County School District 14
Statement of Net Position
June 30, 2021

	Total Primary Government
ASSETS	
Current assets:	
Cash and investments	\$ 39,490,317
Accounts receivable	3,384,915
Property taxes receivable	2,220,990
Due from other governments	10,705,322
Inventories	276,083
Prepaid expenses	58,122
Total current assets	56,135,749
Non-current assets:	
Capital assets, not depreciated	
Land and land improvements	8,647,082
Construction in progress	33,793,453
Capital assets, net of accumulated depreciation	
Buildings and improvements	142,201,004
Machinery and equipment	10,907,976
Accumulated depreciation	(80,650,980)
Total non-current assets	114,898,535
Total assets	171,034,284
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow pension	37,220,975
Deferred outflow OPEB	289,944
Deferred charge on refunding debt	5,667,839
Total Deferred outflows of resources	43,178,758
LIABILITIES	
Current liabilities:	
Accounts payable	3,683,963
Retainage payable	1,298,700
Accrued salaries and benefits	5,592,964
Accrued interest payable	159,103
Due within one year:	
General obligation bonds	5,353,893
Capital leases and COP's	506,730
Compensated absences and early retirement	559,712
Total current liabilities	17,155,065
Non-current liabilities:	
Due in more than one year:	
General obligation bonds	58,070,619
Capital leases & COP's	10,859,324
Compensated absences and early retirement	2,307,893
Net pension liability	132,543,217
Net OPEB liability	4,817,197
Total non-current liabilities	208,598,250
Total liabilities	225,753,315
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow pension	60,054,193
Deferred inflow OPEB	2,024,134
Total deferred inflows of resources	62,078,327
NET POSITION	
Net investment in capital assets	48,140,349
Restricted for:	
Debt service	7,773,420
Emergencies	2,520,876
Food Service	355,321
Unrestricted	(132,408,566)
Total net position	\$ (73,618,600)

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

Adams County School District 14
Statement of Activities
For the Year Ended June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
				<u>Total</u>
Primary Government				
Governmental activities:				
Instructional services	\$ 23,042,862	\$ -	\$ 31,666,340	\$ 8,623,478
Operation and maintenance	12,499,479	-	5,399,190	(7,100,289)
Pupil services	2,826,791	-	892,413	(1,934,378)
Central support services	3,177,206	-	212,166	(2,965,040)
School administration	3,441,847	-	114,478	(3,327,369)
Instructional staff	4,009,974	-	3,699,648	(310,326)
Pupil transportation	1,046,650	-	861,369	(185,281)
Business administration	1,040,226	-	-	(1,040,226)
General administration	3,146,525	-	2,862,628	(283,897)
Other supporting services	1,740	-	-	(1,740)
Community services	354,100	75,491	113,632	(164,977)
Food service operations	1,538,169	-	44,158	(1,494,011)
Interest and fiscal charges	2,715,870	-	-	(2,715,870)
Total primary government	<u>\$ 58,841,439</u>	<u>\$ 75,491</u>	<u>\$ 45,866,022</u>	<u>\$ (12,899,926)</u>
General revenues:				
Taxes:				
Property taxes				34,211,901
Specific ownership taxes				2,142,549
Grants not restricted to specific programs				2,801,979
State equalization				34,621,744
Investment earnings				29,124
Gain on sale of assets				71,202
Miscellaneous				550,634
Total general revenues				<u>74,429,133</u>
Change in net position				61,529,207
Net position - beginning				<u>(135,147,807)</u>
Net position - ending				<u>\$ (73,618,600)</u>

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

Adams County School District 14
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Grants Fund	Bond Redemption Fund	Capital Projects Building Fund	Capital Reserve Capital Projects Fund	Non-major Funds	Total Governmental Funds
ASSETS							
Cash and investments	\$ 24,979,023	\$ -	\$ 7,487,696	\$ -	\$ -	\$ 2,425	\$ 32,469,144
Cash with fiscal agent	-	-	-	1,984,251	5,036,922	-	7,021,173
Accounts receivable	1,577,452	-	-	1,334,318	-	473,145	3,384,915
Property taxes receivable	1,776,594	-	444,396	-	-	-	2,220,990
Due from other funds	7,147,413	-	390	-	1,206,257	309,973	8,664,033
Due from other governments	-	10,705,322	-	-	-	-	10,705,322
Inventories	80,979	-	-	-	-	195,104	276,083
Prepaid items	53,847	-	-	-	-	4,275	58,122
Total assets	<u>\$ 35,615,308</u>	<u>\$ 10,705,322</u>	<u>\$ 7,932,482</u>	<u>\$ 3,318,569</u>	<u>\$ 6,243,179</u>	<u>\$ 984,922</u>	<u>\$ 64,799,782</u>
LIABILITIES							
Liabilities:							
Accounts payable	\$ 491,944	\$ 20,786	\$ -	\$ 917,013	\$ 2,251,091	\$ 3,129	\$ 3,683,963
Retainage payable	-	-	-	1,298,700	-	-	1,298,700
Accrued salaries and benefits	4,767,422	647,121	-	-	-	178,421	5,592,964
Due to other funds	-	8,455,087	-	47,925	-	161,021	8,664,033
Total liabilities	<u>5,259,366</u>	<u>9,122,994</u>	<u>-</u>	<u>2,263,638</u>	<u>2,251,091</u>	<u>342,571</u>	<u>19,239,660</u>
DEFERRED INFLOW OF RESOURCES							
Unavailable revenue	843,011	1,582,328	210,870	-	-	-	2,636,209
Total deferred inflow of resources	<u>843,011</u>	<u>1,582,328</u>	<u>210,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,636,209</u>
FUND BALANCE:							
Nonspendable:							
Inventories	80,979	-	-	-	-	195,104	276,083
Prepaid items	53,847	-	-	-	-	4,275	58,122
Restricted for:							
TABOR	2,520,876	-	-	-	-	-	2,520,876
Food service activities	-	-	-	-	-	155,942	155,942
Capital reserve activities	-	-	-	1,054,931	3,992,088	-	5,047,019
Debt service	-	-	7,721,612	-	-	41	7,721,653
Committed:	3,007,414	-	-	-	-	286,989	3,294,403
Assigned for:							
Risk management activities	195,642	-	-	-	-	-	195,642
Future budgeted use of reserves	4,022,537	-	-	-	-	-	4,022,537
Unassigned:	19,631,636	-	-	-	-	-	19,631,636
Total fund balance	<u>29,512,931</u>	<u>-</u>	<u>7,721,612</u>	<u>1,054,931</u>	<u>3,992,088</u>	<u>642,351</u>	<u>42,923,913</u>
Total liabilities, deferred Inflows and fund balance	<u>\$ 35,615,308</u>	<u>\$ 10,705,322</u>	<u>\$ 7,932,482</u>	<u>\$ 3,318,569</u>	<u>\$ 6,243,179</u>	<u>\$ 984,922</u>	<u>\$ 64,799,782</u>

The notes to the basic 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, 2021

Total fund balances for governmental funds	\$	42,923,913
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		114,898,535
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds		2,636,209
OPEB plan accounts, such as deferred inflows of (\$2,024,134), deferred outflows of \$289,944 and net OPEB liability of (4,817,197) are not receivable or payable in the current period and, therefore, are not reported in the fund statements		(6,551,387)
Pension plan accounts, such as deferred inflows of (\$60,054,193), deferred outflows of \$37,220,975, and net pension liability of (\$132,543,217), are not receivable or payable in the current period and, therefore, are not reported in the fund statements		(155,376,435)
Long-term liabilities, including long-term debt outstanding of (\$74,790,566) net of deferred charge on refunding debt of \$5,667,839, compensated absences and early retirement payments of (\$2,867,605), and accrued interest payable of (\$159,103) are not due and payable in the current period and therefore are not reported in the funds		<u>(72,149,435)</u>
Total net position of governmental activities	\$	<u>(73,618,600)</u>

The notes to the basic 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, 2021

	General Fund	Grants Fund	Bond Redemption Fund	Capital Projects Building Fund	Capital Reserve Capital Projects Fund	Non-major Funds	Total Governmental Funds
REVENUES							
Federal	\$ 2,801,979	\$ 22,769,764	\$ -	\$ -	\$ -	\$ 1,773,954	\$ 27,345,697
State	37,358,505	2,801,903	-	13,911,617	-	29,897	54,101,922
Local:							
Taxes	27,861,235	-	6,402,774	-	-	-	34,264,009
Payments in lieu of taxes	55,000	-	45,000	-	-	-	100,000
Developer Contribution	-	-	-	-	330,000	-	330,000
Charges for services	-	-	-	-	-	75,491	75,491
Miscellaneous	1,938,671	24,089	-	-	-	-	1,962,760
Investment income	25,107	-	3,686	-	331	-	29,124
Total revenues	<u>70,040,497</u>	<u>25,595,756</u>	<u>6,451,460</u>	<u>13,911,617</u>	<u>330,331</u>	<u>1,879,342</u>	<u>118,209,003</u>
EXPENDITURES							
Current operating:							
Instructional services	27,072,423	13,695,144	-	-	-	87,876	40,855,443
Operations and maintenance	6,353,993	3,557,064	-	-	181,765	3,892	10,096,714
Pupil services	4,135,078	892,413	-	-	-	-	5,027,491
Central support services	5,438,542	212,166	-	-	-	-	5,650,708
School administration	5,816,409	114,478	-	-	-	-	5,930,887
Instructional support	3,432,151	3,699,648	-	-	-	-	7,131,799
Pupil transportation	1,457,058	404,425	-	-	-	-	1,861,483
Business administration	1,424,385	-	-	-	372,237	53,436	1,850,058
General administration	2,733,514	2,862,628	-	-	-	-	5,596,142
Other supporting services	3,094	-	-	-	-	-	3,094
Community services	291,803	113,632	-	-	-	224,337	629,772
Food service operations	31,696	44,158	-	-	-	2,659,803	2,735,657
Capital Outlay	14,580	-	-	23,985,547	2,553,201	2,151	26,555,479
Non-Reimbursed Emergency Cost	1,531,850	-	-	-	-	-	1,531,850
Debt Service:							
Underwriter discount	-	-	235,475	-	-	-	235,475
Bond issue costs	-	-	121,831	-	-	-	121,831
Principal retirement	411,697	-	3,955,000	-	191,490	237,278	4,795,465
Interest and fiscal charges	-	-	1,826,560	-	30,643	248,330	2,105,533
Paying agent fee	-	-	-	-	-	2,500	2,500
Total expenditures	<u>60,148,273</u>	<u>25,595,756</u>	<u>6,138,866</u>	<u>23,985,547</u>	<u>3,329,336</u>	<u>3,519,603</u>	<u>122,717,381</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,892,224</u>	<u>-</u>	<u>312,594</u>	<u>(10,073,930)</u>	<u>(2,999,005)</u>	<u>(1,640,261)</u>	<u>(4,508,378)</u>
OTHER FINANCING SOURCES (USES)							
Refunding bond issuance	-	-	47,095,000	-	-	-	47,095,000
Capital lease issuance	-	-	-	-	5,036,591	-	5,036,591
Proceeds from sale	-	-	-	-	71,202	-	71,202
Transfers out	(1,472,997)	-	-	-	-	-	(1,472,997)
Transfers in	-	-	-	-	-	1,472,997	1,472,997
Payment to refunded bond escrow agent	-	-	(46,737,694)	-	-	-	(46,737,694)
Total other financing sources (uses)	<u>(1,472,997)</u>	<u>-</u>	<u>357,306</u>	<u>-</u>	<u>5,107,793</u>	<u>1,472,997</u>	<u>5,465,099</u>
Net change in fund balances	8,419,227	-	669,900	(10,073,930)	2,108,788	(167,264)	956,721
Fund balance - beginning	21,093,704	-	7,051,712	11,128,861	1,883,300	809,615	41,967,192
Fund balance - ending	<u>\$ 29,512,931</u>	<u>\$ -</u>	<u>\$ 7,721,612</u>	<u>\$ 1,054,931</u>	<u>\$ 3,992,088</u>	<u>\$ 642,351</u>	<u>\$ 42,923,913</u>

The notes to the basic 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, 2021**

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

Net change in fund balances - total governmental funds	\$ 956,721
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, net of deletions of (\$6,148,228) exceeds the sum of capital outlays, less deletions of \$26,625,085.	20,476,857
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. This amount represents change in property taxes and revenue from grant activities not available at year end from the prior fiscal year of \$545,768 to this fiscal year of \$2,636,209.	2,090,441
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 \$425,039, refunding of prior bond premium of \$4,331,923, principal refundings of \$41,135,000, net change in deferred loss of \$447,165, bond proceeds of (\$47,095,000) and a decrease in accrued interest payable of \$76,835 lease proceeds of (\$5,036,592).	(5,715,630)
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.	38,525,640
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.	506,819
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.	(107,106)
Repayments of bond principal of \$3,955,000, COP payments of \$237,278 and capital lease payments of \$603,187 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.	4,795,465
	\$ 61,529,207
Change in net position of governmental activities	\$ 61,529,207

The notes to the basic 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.

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

The District reports the following non-major funds:

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 and Activities Fund** accounts for the revenue and expenditures associated with middle and high school funded athletic programs. In addition, the Athletics and Activities 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 **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.

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

Deposits and Investments

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 2020-21 this amount was \$328,215.

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 minor repairs are not capitalized. Costs of major repairs(repairs over \$100,000) are added to the carrying amount of the repaired asset and depreciated over the remaining life of that asset. Roof repairs and asphalt repairs are never considered sufficient to extend the useful life of the underlying asset.

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

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

Accrued Salaries and Benefits

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from August through July but are incurred over the school year, which is approximately ten months. Accordingly, the accrued compensation is reflected as a liability in the General, 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 (20th) year salary. The early retirement incentive is equal to eighty percent (80%) of the twentieth-year salary. The retirement incentive is made in three (3) equal annual installments. Early retirement is reported as a liability in the government-wide financial statements upon acceptance by the retiring employees and as a liability in the fund financial statements when due.

Pensions

Adams County School District 14 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension 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 (FNP) and additions to/deductions from the FNP 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. SB 1200 made changes to certain benefit provisions. Most of these changes were in effect as of June 30, 2021.

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

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(FNP) and additions to/deductions from the FNP 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, which approximates the interest 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. In the General Fund the Committed fund balance is a board reserved 5% of expenditures.

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	\$ 39,490,317
Total	\$ 39,490,317

A summary of deposits and investments at June 30, 2021 follows:

Petty Cash	\$ 2,925
Deposits	3,726,389
Cash with Fiscal Agent	7,021,173
Investments	28,739,830
Total	\$ 39,490,317

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, 2021, the District had bank deposits of \$3,726,389 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

	Fair Value	S&P Rating	Fitch Rating	Maturity 12 Months or Less
Local Government Investment Pool				
Colotrust	\$ 18,659,849	AAAm	N/A	\$ 18,659,849
CSAFE	7,487,696	AAAm	N/A	7,487,696
CSIP	2,592,285	N/A	AAAf	2,592,285
	<u>\$ 28,739,830</u>			<u>\$ 28,739,830</u>

CSAFE – As of June 30, 2021, the District had invested \$7,487,696 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, 2021 the district had \$18,659,849 of investments, at COLOTRUST.

CSIP – As of June 30, 2021, the District had invested \$2,592,285 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 AA+ 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, 2021, 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 2021 fiscal year property tax calendar for Adams County was as follows:

Assessor certifies total assessed valuation.....	December 10, 2020
Levy date	December 15, 2020
Lien date	January 1, 2021
Tax bills mailed.....	January 15, 2021
First installment due	February 28, 2021
Second installment due	June 15, 2021
If paid in full, due	April 30, 2021
Tax sale: Delinquent property taxes.....	November 6, 2021

NOTE D – INTERFUND BALANCES AND TRANSACTIONS

Interfund balances at June 30, 2021, were as follows:

FUND	DUE FROM OTHER FUNDS	DUE TO OTHER FUNDS
General Fund	\$ 7,147,413	\$ -
Grants Fund	-	8,455,087
Building Fund	-	47,925
Bond Redemption Fund	390	-
Capital Projects Fund	1,206,257	-
Non-Major Funds	309,973	161,021
Total	\$ 8,664,033	\$ 8,664,033

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, 2021 is as follows:

FUND	TRANSFERS IN	TRANSFERS OUT
Governmental Funds		
General Fund	\$ -	\$ 1,472,997
Non-Major Funds	1,472,997	-
Total Governmental Funds	<u>\$ 1,472,997</u>	<u>\$ 1,472,997</u>

NOTE E – CAPITAL ASSETS

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

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Governmental Activities Capital Assets				
Not Being Depreciated				
Land	\$ 8,647,082	\$ -	\$ -	\$ 8,647,082
Construction in Progress	7,382,252	26,411,201	-	33,793,453
Total Not Being Depreciated	<u>16,029,334</u>	<u>26,411,201</u>	<u>-</u>	<u>42,440,535</u>
Being Depreciated				
Buildings	142,043,526	157,478	-	142,201,004
Machinery and Equipment	10,851,570	307,538	251,132	10,907,976
Total Being Depreciated	<u>152,895,096</u>	<u>465,016</u>	<u>251,132</u>	<u>153,108,980</u>
Less: Accumulated Depreciation				
Buildings	66,849,878	5,848,319	-	72,698,197
Machinery and Equipment	7,652,874	515,683	215,774	7,952,783
Total Accumulated Depreciation	<u>74,502,752</u>	<u>6,364,002</u>	<u>215,774</u>	<u>80,650,980</u>
Total Being Depreciated, Net	<u>78,392,344</u>	<u>(5,898,986)</u>	<u>35,358</u>	<u>72,458,000</u>
Total Governmental Activities				
Capital Assets, Net	<u>\$ 94,421,678</u>	<u>\$ 20,512,215</u>	<u>35,358.00</u>	<u>\$ 114,898,535</u>

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

Governmental Activities	
Instruction	\$ 137,463
Operations and Maintenance	6,226,539
Total Governmental Activities	<u>\$ 6,364,002</u>

NOTE F – SHORT-TERM DEBT

During the year ended June 30, 2021, 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, 2021, are as follows:

<u>Governmental Activities</u>	<u>Balance at June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Refunded</u>	<u>Balance at June 30, 2021</u>	<u>Due Within One Year</u>
General Obligation Bonds (Direct Placement)						
Dated March 11, 2013	\$ 50,345,000	\$ -	\$ 3,955,000	33,615,000	\$ 12,775,000	\$ 4,100,000
Dated April 14, 2015	9,590,000	-	-	7,520,000	2,070,000	-
Dated January 27, 2021	-	47,095,000	-	-	47,095,000	1,080,000
Bond Premium (2013)	5,081,724	-	307,140	3,497,741	1,276,843	122,577
Bond Premium (2015)	1,159,751	-	117,899	834,183	207,669	51,316
Net Pension Liability	119,330,922	13,212,295	-	-	132,543,217	-
Net OPEB Liability	5,867,491	-	1,050,294	-	4,817,197	-
Certificates of Participation	6,497,518	-	237,278	-	6,260,240	246,515
Capital Lease	672,409	5,036,592	603,187	-	5,105,814	260,415
Compensated Absences	2,377,996	2,676,115	2,488,063	-	2,566,048	392,550
Early Retirement	382,503	181,162	262,108	-	301,557	167,162
Totals	\$ 201,305,314	\$ 68,201,164	\$ 9,020,969	45,466,924	\$ 215,018,585	\$ 6,420,535

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 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%.

On January 27, 2021, the District issued \$47,095,000 of Taxable General Obligation Refunding Bonds, Series 2021, with interest rates ranging from 0.221% to 1.701%, to refund the District's outstanding General Obligation Refunding Bonds, Series 2013 and Series 2015. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at rates ranging from 0.221% to 1.701%. The Series 2021 Bonds are not subject to optional redemption prior to maturity. The overall reduction in debt service as a result of the refunding is \$3,407,390, which has a net present value of \$3,176,555.

The District's General Obligation bonds all have provisions which could in the event of a default of non-payment would provide remedies to bond holders as directed by judicial actions that may include immediate payment of the full obligation.

The net proceeds of \$46,737,694, after issuance costs of \$121,831, were used to: (i) advance refund \$33,615,000 of the Series 2013 Bonds with a total principal amount of \$46,390,000 and interest rates ranging from 2.000% to 5.250%, (ii) advance refund \$7,520,000 of the Series 2015 Bonds with a total principal amount of \$9,590,000 and interest rates ranging from 2.000% to 5.000%, (iii) pay the costs of issuing the Bonds. Both of the Refunded Bonds have optional redemption. The Series 2013 Bonds maturing on and before December 1, 2023 are not subject to redemption prior to the maturity dates, but the bonds maturing on and after December 1, 2024 are subject to redemption prior to maturity dates. The Series 2015 Bonds maturing on and before December 1, 2024 are not subject to redemption prior to the maturity dates, but the bonds maturing on and after December 1, 2025 are subject to redemption prior to maturity dates. The redemption price is equal to the principal amount plus accrued interest to the redemption date. The principal amount of \$12,775,000 for Series 2013 Bonds and \$2,070,000 for Series 2015 Bonds were not part of the refunding. Principal payments of \$4,100,000, \$4,250,000, \$4,425,000, and \$2,070,000 remain to be paid on their respective maturity dates of December 1, 2021, 2022, 2023, and 2024.

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. The land where the new Alsup building is now built is the collateral for the COP's.

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 gross carrying amount is \$187,922 with accumulated depreciation of \$70,471. 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 gross carrying amount is \$558,276 with accumulated depreciation of \$174,461. 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.

The District entered into a Lease agreement on March 15, 2020 for a total of \$320,641 of yellow fleet vehicles, all of which was capitalized. The gross carrying amount of the buses is \$320,641 with accumulated depreciation of \$60,120. Lease payments are due annually beginning March 15, 2020 through March 15, 2024 with interest accruing at 2.61% 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 in to an energy performance contract on March 5, 2021 with Trane U.S. Inc. for a total of \$5,036,592. The project is being capitalized to Construction in Progress as work is completed. The project includes but is not limited to lighting upgrades, HVAC systems, water/sewer improvements and energy management systems. Lease payments are due annually beginning on March 5, 2022 through March 5, 2036 with interest accruing at 1.99% per annum. 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, 2021;

The following schedule reflects the debt service requirements to maturity for the District's general obligation bonded debt at June 30, 2021

Year Ended June 30,	GO Bonds		Certificates of Participation		Total
	Principal	Interest	Principal	Interest	
2022	\$ 5,180,000	\$ 1,128,646	246,515	\$ 238,913	\$ 6,794,074
2023	5,250,000	968,298	256,112	229,129	6,703,539
2024	5,425,000	769,303	266,082	218,965	6,679,350
2025	5,465,000	594,099	276,441	208,404	6,543,944
2026	5,590,000	510,802	287,203	197,433	6,585,438
2027-2031	28,970,000	1,583,942	1,612,689	807,051	32,973,682
2032-2036	6,060,000	51,540	1,952,010	461,125	8,524,675
2037-2039			1,363,188	80,954	1,444,142
Totals	<u>\$ 61,940,000</u>	<u>\$ 5,606,630</u>	<u>\$ 6,260,240</u>	<u>\$ 2,441,974</u>	<u>\$ 76,248,844</u>

The following schedule reflects the future minimum lease payments required under capital lease obligations at June 30, 2021

Year Ended June 30,	
2022	\$ 369,792
2023	379,792
2024	360,865
2025	385,000
2026	397,000
2027-2031	2,041,395
2032-2036	2,062,326
Total minimum lease payments	5,996,170
Less: Interest portion	(890,356)
Present Value of Minimum Lease Payments	<u>\$ 5,105,814</u>

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 2020-21 were as follows;

Property	CSDSIP per Occurrence Limit	CSDSIP Member Limit
	\$1,000,000,000	\$255,287,111
		Per Occurrence Limit
Flood		\$ 100,000,000
Earth Movement		\$ 100,000,000
General Liability		\$ 10,000,000
Employment Wrongful Act Annual Aggregate		\$ 15,000,000
Equipment Breakdown		\$ 250,000,000
Rented Premise Damage		\$ 500,000

Garage Operations (per vehicle/per occurrence)	\$ 150,000
Crime Coverage(includes excess)	\$ 1,100,000
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
Cyber Enterprise Risk Management	\$ 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, 2020. 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, 2020, 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., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser

of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year., not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 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(s) 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 provisions as of June 30, 2021. 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 10.00 percent of their PERA-includable salary during the period of July 1, 2020 through June 30, 2021.

Employer contribution requirements are summarized in the table below:

	July 1, 2020 Through June 30, 2021
Employer Contribution Rate	10.90%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount Apportioned to the SCHDTF	9.88%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
Total Employer Contribution Rate to the SCHDTF	19.88%

**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. § 24-51-414, 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. House Bill (HB) 20-1379 suspended the \$225 million direct distribution payable on July 1, 2020 for the State's 2021-21 fiscal year.

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 \$9,412,575 for the year ended June 30, 2021.

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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of

December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. 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 2020 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

Due to the aforementioned suspension of the July 1, 2020, direct distribution payment, the nonemployer contributing entity's proportion is zero percent. Pursuant to C.R.S. § 24-51-414, the direct distribution payment from the State of Colorado is to recommence annually starting on July 1, 2021. For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation.

At June 30, 2021 Adams County School District 14 reported a liability of \$132,543,217 its proportionate share of the net pension liability. 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	\$132,543,217
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Adams County School District 14.	\$0
Total	\$132,543,217

At December 31, 2020, the Adams County School District 14 proportion was 0.8767 percent, which was an increase of 0.0780 percent from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, Adams County School District 14 recognized pension income of \$43,226,012, and revenue of \$0 for support from the state as a nonemployer contributing entity. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$7,282,591	-
Changes of assumptions or other inputs	\$12,750,246	\$22,279,393
Net difference between projected and actual earnings on pension plan investments	-	\$29,175,777
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$12,487,767	\$8,599,023
Contributions subsequent to the measurement date	\$4,700,371	-

Total	\$37,220,975	\$60,054,193
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\$4,700,371 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, 2022. 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, 2021:	Amount
2022	(\$25,415,277)
2023	\$ 5,933,415
2024	(\$ 3,449,085)
2025	(\$4,602,642)
Total	(\$27,533,590)

Actuarial assumptions. The total pension liability in the December 31, 2019 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	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25 percent
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR (Annual Increase Reserve)

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

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.

Post-retirement non-disabled mortality assumptions 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.

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

The actuarial assumptions used in the December 31, 2019, valuation 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's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020.

Actuarial cost method	Entry age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.40 – 11.00 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25 percent
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR (Annual Increase Reserve)

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

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 the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors were considered in evaluating the long-term rate of return assumption, 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.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives ¹	6.00%	4.70%
Total	100.00%	

¹ The Opportunity Fund's name changed to Alternative, effective January 1, 2020.

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 3.00%.
- 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 reflect 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, as a nonemployer contributing entity, 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. HB 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.
- 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 FNP (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 FNP 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 SCHDTF's FNP 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 rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Adams County School District 14 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 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	\$180,799,803	\$132,543,217	\$92,329,579

Pension plan fiduciary net position. Detailed information about the SCHDTF's FNP 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, 2021, program members contributed \$214,500. The District does not contribute to this plan.

Defined Benefit Other Post-Employment Benefit (OPEB) Plan

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. 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 (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, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

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 \$482,939 for the year ended June 30, 2021.

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

At June 30, 2021, the Adams County School District 14 reported a liability of \$4,817,197 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2020. 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 2020 relative to the total contributions of participating employers to the HCTF. At December 31, 2020, the Adams County School District 14's proportion was 0.5070%, which was a decrease of 0.0151% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Adams County School District 14 recognized OPEB revenue of \$747,985. At June 30, 2021, the Adams County School District 14 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$12,785	\$1,059,051
Difference in Assumptions	\$35,994	\$295,386
Net Difference between Projected and Actual Earnings on OPEB Plan Investments		\$196,835
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions		\$472,862
Contributions Subsequent to the Measurement Date	\$241,165	
Total	\$289,944	\$2,024,134

\$241,165 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, 2022.

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

<u>Year Ended June 30,</u>	<u>Amount</u>
2022	\$ (487,256)
2023	(459,718)
2024	(449,815)
2025	(406,274)
2026	(161,894)
Thereafter	<u>(10,398)</u>
Total	(1,975,355)

Actuarial assumptions

The total OPEB liability in the December 31, 2019 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	8.10% percent in 2020, gradually decreasing to 4.50 percent in 2029

Medicare Part A premiums	3.50 percent in 2019, gradually increasing to 4.50 percent in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2020 for the PERA Benefit Structure:

	Initial Costs for Members without Medicare Part A		
Medicare Plan	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/Self-Insured Prescription	\$588	\$227	\$550
Kaiser Permanente Medicare Advantage HMO	621	232	586

The 2020 Medicare Part A premium is \$458 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

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, 2019, 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
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%

Year	PERACare Medicare Plans	Medicare Part A Premiums
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2019 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were 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.

Post-retirement non-disability 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.

Post-retirement mortality non-disability 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.

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

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December 31, 2020.

	Trust Fund			
	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Price inflation	2.30%	2.30%	2.30%	2.30%

Real wage growth	0.70%	0.70%	0.70%	0.70%
Wage inflation	3.00%	3.00%	3.00%	3.00%
Salary increases, including wage inflation:				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40% ¹	N/A

¹ C.R.S. § 24-51-101 (46), as amended, expanded the definition of “State Troopers” to include certain employees within the Local Government Division, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA’s 2020 Annual Report for more information.

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25 percent.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the roll forward calculation for the HCTF, using a headcount-weighted basis.

Pre-retirement mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

The pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation 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 2020 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.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.

Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.

Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, 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 percentages and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%

Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives1	6.00%	4.70%
Total	100.00%	

1 The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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 nominal rate of return assumption of 7.25 percent.

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 net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rate	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Intitial Medicare Part A Trend Rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	\$ 4,692,689	\$ 4,817,197	\$ 4,962,140

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, 2020, 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 3.00 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.
- Estimated transfers of dollars into the HCTF representing a portion of purchased service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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 proportionate share of the net OPEB liability, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current discount rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 5,518,187	\$ 4,817,197	\$ 4,218,257

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, 2021, the District has restricted fund balance of \$2,520,876 in the General Fund and restricted Net Position in the government-wide financial statements. The District believes it complies with the requirements 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, which is renewing every year with not stated end date. The property will revert 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, 2021, 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, 2021 for the replacement of Alsup Elementary. The total outstanding commitment at year-end was \$2,511,742, 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 \$1,054,932 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.

The District also had ongoing construction at June 30, 2021 related to the energy performance lease project. The total outstanding commitment at year-end was \$2,798,372. District's funds remaining from the lease agreement with Sterling Bank held in the Capital Reserve Capital Projects fund will be used to pay this commitment. No funds are expected to be remaining from the lease issuance after project completion.

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 12 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 was expected to be in place for 4 years. In February of 2022 the District terminated the agreement with MGT for cause. The State Board of Education is will consider next steps for the District in April of 2022. Options available include innovation status, school closure, district reorganization, chartering all or part of the District or appointing a new EMO.

Required Supplementary Information



Adams County School District 14
Budgetary Comparison Schedule
General Fund
For The Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Federal:				
Impact aid	\$ 2,900,000	\$ 3,050,000	\$ 2,801,979	\$ (248,021)
Subtotal	<u>2,900,000</u>	<u>3,050,000</u>	<u>2,801,979</u>	<u>(248,021)</u>
State:				
Equalization payments	31,982,180	30,424,073	34,621,744	4,197,671
Vocational education	100,000	80,000	40,583	(39,417)
Exceptional Children's Educational Act (ECEA)	1,547,469	1,565,952	1,605,686	39,734
Transportation reimbursement	430,000	400,000	456,944	56,944
ELPA reimbursement	520,412	519,879	519,879	-
Other	-	-	113,669	113,669
Subtotal	<u>34,580,061</u>	<u>32,989,904</u>	<u>37,358,505</u>	<u>4,368,601</u>
Local:				
Property taxes	29,094,859	28,428,732	27,861,235	(567,497)
Payments in lieu of taxes	55,000	55,000	55,000	-
Miscellaneous	476,314	588,700	1,938,671	1,349,971
Investment income	145,000	36,000	25,107	(10,893)
Subtotal	<u>29,771,173</u>	<u>29,108,432</u>	<u>29,880,013</u>	<u>771,581</u>
Total revenues	<u>67,251,234</u>	<u>65,148,336</u>	<u>70,040,497</u>	<u>4,892,161</u>
EXPENDITURES				
Current operating:				
Instructional services	37,602,007	33,689,442	27,072,423	6,617,019
Operation and maintenance	6,631,299	6,631,299	6,353,993	277,306
Pupil services	4,430,059	4,430,059	4,135,078	294,981
Central support services	5,678,188	5,678,188	5,438,542	239,646
School administration	5,801,753	5,801,753	5,816,409	(14,656)
Instructional support	4,104,266	4,104,266	3,432,151	672,115
Pupil transportation	1,689,790	1,689,790	1,457,058	232,732
Business administration	1,397,647	1,397,647	1,424,385	(26,738)
General administration	3,164,465	3,164,465	2,733,514	430,951
Other supporting services	70,267	70,267	3,094	67,173
Community services	276,880	276,880	291,803	(14,923)
Food service operations	-	-	31,696	(31,696)
Capital outlay	-	-	14,580	(14,580)
Non-Reimbursed Emergency Cost	-	-	1,531,850	(1,531,850)
Debt service:				
Principal retirement	-	-	411,697	(411,697)
Total expenditures	<u>70,846,621</u>	<u>66,934,056</u>	<u>60,148,273</u>	<u>6,785,783</u>
Excess (deficiency) of revenues over (under) expenditures	(3,595,387)	(1,785,720)	9,892,224	11,677,944
Other financing (uses)				
Transfers out	(617,500)	(1,472,997)	(1,472,997)	-
Total other financing (uses)	<u>(617,500)</u>	<u>(1,472,997)</u>	<u>(1,472,997)</u>	<u>-</u>
Net change in fund balance	(4,212,887)	(3,258,717)	8,419,227	11,677,944
Fund balance - beginning (Appropriated)	18,729,345	21,093,704	21,093,704	-
Fund balance - ending	<u>\$ 14,516,458</u>	<u>\$ 17,834,987</u>	<u>\$ 29,512,931</u>	<u>\$ 11,677,944</u>

See the accompanying independent auditors' report.

**Adams County School District 14
Budgetary Comparison Schedule
Grants Fund
For The Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Federal	\$ 17,357,519	\$ 24,718,767	\$ 22,769,764	\$ (1,949,003)
State	2,028,486	2,890,825	2,801,903	(88,922)
Local	180,000	45,825	24,089	(21,736)
Total revenues	<u>19,566,005</u>	<u>27,655,417</u>	<u>25,595,756</u>	<u>(2,059,661)</u>
EXPENDITURES				
Instructional services	6,843,808	9,673,328	13,695,144	(4,021,816)
Operation and maintenance	7,366,182	10,411,672	3,557,064	6,854,608
Pupil services	850,880	1,202,669	892,413	310,256
Central support services	128,573	181,730	212,166	(30,436)
School administration	26,449	37,384	114,478	(77,094)
Instructional support	2,965,185	4,191,117	3,699,648	491,469
Pupil transportation	285,238	403,168	404,425	(1,257)
General administration	854,722	1,208,100	2,862,628	(1,654,528)
Community services	127,115	179,670	113,632	66,038
Food service operations	117,853	166,579	44,158	122,421
Total expenditures	<u>19,566,005</u>	<u>27,655,417</u>	<u>25,595,756</u>	<u>2,059,661</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

Adams County School District 14
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

	2020	2019	2018	2017	2016	2015	2014
Distict's proportion of the net pension liability	0.876726%	0.798746%	0.830062%	0.961220%	1.002676%	1.034914%	1.068534%
District's proportionate share of the net pension liability	\$ 132,543,217	\$ 119,330,922	\$ 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.	-	15,135,610	20,097,416	-	-	-	-
Total net pension liability	132,543,217	134,466,532	167,076,993	310,824,522	298,535,421	158,282,838	144,822,259
District's covered payroll	46,814,175	46,858,775	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	283.13%	254.66%	323.25%	703.41%	665.34%	350.95%	323.46%
Plan fiduciary net position as a percentage of the total pension liability	67.0%	64.5%	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, 2021

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 9,412,575	\$ 9,051,473	\$ 8,916,526	\$ 8,372,757	\$ 8,122,695	\$ 8,070,745	\$ 7,414,954	\$ 7,223,309	\$ 6,649,419	\$ 5,049,901
Contribution in relation to the contractually required contribution	9,412,575	9,051,473	8,916,526	8,372,757	8,122,695	8,070,745	7,414,954	7,223,309	6,649,419	5,049,901
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distict's covered payroll	\$ 47,346,958	\$ 46,705,228	\$ 46,610,170	\$ 44,348,577	\$ 44,196,792	\$ 45,520,276	\$ 43,927,451	\$ 45,196,743	\$ 44,082,592	\$ 38,410,002
Contributions as a percentage of covered payroll	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%	16.88%	15.98%	15.08%	13.15%

See the accompanying independent auditors' report.

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

	<u>2020</u>		<u>2019</u>		<u>2018</u>		<u>2017</u>		<u>2016</u>
District's proportion of the OPEB liability	0.506953%		0.522020%		0.539545%		0.546156%		0.569933%
District's proportionate share of the OPEB liability	\$ 4,817,197	\$	5,867,491	\$	7,340,736	\$	7,097,842	\$	7,389,376
District's covered payroll	46,814,175	\$	46,858,775	\$	45,468,953	\$	44,188,524	\$	44,869,373
District's proportionate share of net OPEB liability as a percentage of its covered payroll	10.29%		12.52%		16.14%		16.06%		16.47%
Plan fiduciary net position as a percentage of the total OPEB liability	32.78%		24.49%		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, 2021

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 482,939	\$ 476,393	\$ 475,424	\$ 452,355	\$ 450,807	\$ 464,307	\$ 448,060	\$ 461,025	\$ 449,643	\$ 391,782
Contribution in relation to the contractually required contribution	482,939	476,393	475,424	452,355	450,807	464,307	448,060	461,025	449,643	391,782
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distict's covered payroll	\$ 47,346,958	\$ 46,705,228	\$ 46,610,170	\$ 44,348,577	\$ 44,196,792	\$ 45,520,276	\$ 43,927,451	\$ 45,196,743	\$ 44,082,592	\$ 38,410,002
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 DISTRICT 14
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

NOTE I – BUDGETS AND BUDGETARY ACCOUNTING

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

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

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

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

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

All appropriations lapse at the end of each fiscal year.

Supplementary Information



Adams County School District 14
Budgetary Comparison Schedule
Bond Redemption Fund
For The Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes:				
Property taxes	\$ 6,488,784	\$ 6,567,281	\$ 6,402,774	\$ (164,507)
Payments in lieu of taxes	45,000	45,000	45,000	-
Investment income	20,000	7,000	3,686	(3,314)
Total revenues	<u>6,553,784</u>	<u>6,619,281</u>	<u>6,451,460</u>	<u>(167,821)</u>
EXPENDITURES				
Principal retirement	3,955,000	3,955,000	3,955,000	-
Interest and fiscal charges	2,546,381	2,546,381	1,826,560	719,821
Underwriters Discount	-	-	235,475	(235,475)
Bond issue costs	-	-	121,831	(121,831)
Paying Agent Fees	2,500	2,500	-	2,500
Total expenditures	<u>6,503,881</u>	<u>6,503,881</u>	<u>6,138,866</u>	<u>365,015</u>
Excess (deficiency) of revenues over (under) expenditures	<u>49,903</u>	<u>115,400</u>	<u>312,594</u>	<u>197,194</u>
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	47,095,000	47,095,000	-
Issuance premium	-	-	-	-
Payment to refunded bond escrow agent	-	(46,737,694)	(46,737,694)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>357,306</u>	<u>357,306</u>	<u>-</u>
Net change in fund balance	49,903	472,706	669,900	197,194
Fund balance - beginning	<u>6,770,350</u>	<u>7,051,712</u>	<u>7,051,712</u>	<u>-</u>
Fund balance - ending	<u>\$ 6,820,253</u>	<u>\$ 7,524,418</u>	<u>\$ 7,721,612</u>	<u>\$ 197,194</u>

**Adams County School District 14
 Budgetary Comparison Schedule
 Capital Projects Building Fund
 For The Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Best grant - state	\$ 15,988,292	\$ 15,368,428	\$ 13,911,617	\$ (1,456,811)
Total revenues	15,988,292	15,368,428	13,911,617	(1,456,811)
EXPENDITURES				
Capital outlay best grant	15,988,291	15,368,428	13,911,617	1,456,811
Capital outlay matching contribution	11,577,729	11,128,861	10,073,930	1,054,931
Total capital outlay expenditures	27,566,020	26,497,289	23,985,547	2,511,742
Excess (deficiency) of revenues (under) expenditures	(11,577,728)	(11,128,861)	(10,073,930)	1,054,931
Net change in fund balance	(11,577,728)	(11,128,861)	(10,073,930)	1,054,931
Fund balance - beginning	11,577,728	11,128,861	11,128,861	-
Fund balance - ending	\$ -	\$ -	\$ 1,054,931	\$ 1,054,931

**Adams County School District 14
Budgetary Comparison Schedule
Capital Reserve Capital Projects Fund
For The Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES				
Investment income	\$ -	\$ -	\$ 331	\$ 331
Other Local	-	-	330,000	330,000
Total revenues	<u>-</u>	<u>-</u>	<u>330,331</u>	<u>330,331</u>
EXPENDITURES				
Operations and maintenance	\$ 445,500	\$ 445,500	\$ 181,765	\$ 263,735
Capital outlay	-	5,300,000	2,553,201	2,746,799
Business Administration	500,000	500,000	372,237	127,763
Instructional Services	75,000	75,000	-	75,000
Food Service	20,000	20,000	-	20,000
Debt service				
Principal retirement	458,122	458,122	191,490	266,632
Interest and fiscal charges	31,200	31,200	30,643	557
Total expenditures	<u>1,529,822</u>	<u>6,829,822</u>	<u>3,329,336</u>	<u>3,500,486</u>
Excess (deficiency) of revenues (under) expenditures	<u>(1,529,822)</u>	<u>(6,829,822)</u>	<u>(2,999,005)</u>	<u>3,830,817</u>
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	-	5,300,000	5,036,591	(263,409)
Proceeds from sale of assets	9,000	9,000	71,202	62,202
Total other financing sources	<u>9,000</u>	<u>5,309,000</u>	<u>5,107,793</u>	<u>(201,207)</u>
Net change in fund balance	(1,520,822)	(1,520,822)	2,108,788	3,629,610
Fund balance - beginning	<u>1,673,389</u>	<u>1,883,300</u>	<u>1,883,300</u>	<u>-</u>
Fund balance - ending	<u>\$ 152,567</u>	<u>\$ 362,478</u>	<u>\$ 3,992,088</u>	<u>\$ 3,629,610</u>



*Non-Major Funds and Combining
Statements*

Adams County School District 14
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

Special Revenue

	Fee Supported Fund	Food Service Fund	Student Activity Fund	COP Debt Service Fund	Total
ASSETS					
Cash and investments	\$ 180	\$ 1,245	\$ 1,000	\$ -	\$ 2,425
Accounts receivable	-	473,145	-	-	473,145
Due from other funds	80,444	-	229,488	41	309,973
Prepaid items	-	4,275	-	-	4,275
Inventory	-	195,104	-	-	195,104
Total assets	80,624	673,769	230,488	41	984,922
LIABILITIES					
Accounts payable	-	1,919	1,210	-	3,129
Accrued salaries and benefits	22,913	155,508	-	-	178,421
Due to other funds	-	161,021	-	-	161,021
Total liabilities	22,913	318,448	1,210	-	342,571
FUND BALANCE					
Nonspendable					
Inventory	-	195,104	-	-	195,104
Prepaid items	-	4,275	-	-	4,275
Committed	57,711	-	229,278	-	286,989
Restricted	-	155,942	-	-	155,942
Assigned	-	-	-	41	41
Total fund balance	57,711	355,321	229,278	41	642,351

Adams County School District 14
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For The Year Ended June 30, 2021

	<u>Special Revenue</u>				Total Nonmajor Governmental Funds
	Fee Supported	Food Service Fund	Student Activity Fund	COP Debt Fund	
REVENUES					
Daycare fees	\$ 11,130	\$ -	\$ -	\$ -	\$ 11,130
Outside printing printshop	1,825	-	-	-	1,825
Local - Charges for Services	-	5,488	-	-	5,488
State - Grants	-	29,897	-	-	29,897
Federal - Donated Commodities	-	137,289	-	-	137,289
Federal - Grants	-	1,636,665	-	-	1,636,665
Student activities	-	-	53,008	-	53,008
Facility use	4,040	-	-	-	4,040
Total revenues	<u>16,995</u>	<u>1,809,339</u>	<u>53,008</u>	<u>-</u>	<u>1,879,342</u>
EXPENDITURES					
Business services	53,436	-	-	-	53,436
Instructional services	20,676	-	67,200	-	87,876
Food service operations	-	2,659,803	-	-	2,659,803
Community services	224,337	-	-	-	224,337
Operations and maintenance	3,892	-	-	-	3,892
Capital outlay	-	2,151	-	-	2,151
Debt service					
Principal retirement	-	-	-	237,278	237,278
Interest and fiscal charges	-	-	-	248,330	248,330
Agent Fees	-	-	-	2,500	2,500
Total expenditures	<u>302,341</u>	<u>2,661,954</u>	<u>67,200</u>	<u>488,108</u>	<u>3,519,603</u>
Excess (deficiency) of revenues (under) expenditures	<u>(285,346)</u>	<u>(852,615)</u>	<u>(14,192)</u>	<u>(488,108)</u>	<u>(1,640,261)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	190,000	795,497	-	487,500	1,472,997
Total other financing sources	<u>190,000</u>	<u>795,497</u>	<u>-</u>	<u>487,500</u>	<u>1,472,997</u>
Net change in fund balance	(95,346)	(57,118)	(14,192)	(608)	(167,264)
Fund balance - beginning	153,057	412,439	243,470	649	809,615
Fund balance - ending	<u>\$ 57,711</u>	<u>\$ 355,321</u>	<u>\$ 229,278</u>	<u>\$ 41</u>	<u>\$ 642,351</u>

Adams County School District 14
Budgetary Comparison Schedule
Fee Supported Fund
For The Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Local				
Outside printing - printshop	\$ 7,500	\$ 3,000	\$ 1,825	\$ (1,175)
Facility use fees	50,000	5,000	4,040	(960)
Daycare fees	96,605	21,000	11,130	(9,870)
Total revenues	<u>154,105</u>	<u>29,000</u>	<u>16,995</u>	<u>(12,005)</u>
EXPENDITURES				
Community services	351,124	229,764	224,337	5,427
Business services	15,273	60,273	53,436	6,837
Instructional services	3,464	-	20,676	(20,676)
Operations and maintenance	30,000	30,000	3,892	26,108
Total expenditures	<u>399,861</u>	<u>320,037</u>	<u>302,341</u>	<u>17,696</u>
OTHER FINANCE SOURCES				
Transfers in LAHS child care	70,000	100,000	100,000	-
Transfers in print shop	20,000	30,000	30,000	-
Transfers in before and after care	40,000	60,000	60,000	-
Total other financing sources	<u>130,000</u>	<u>190,000</u>	<u>190,000</u>	<u>-</u>
Net change in fund balance	(115,756)	(101,037)	(95,346)	5,691
Net fund balance - beginning	165,224	153,057	153,057	-
Net fund balance - ending	<u>\$ 49,468</u>	<u>\$ 52,020</u>	<u>\$ 57,711</u>	<u>\$ 5,691</u>

Adams County School District 14
Budgetary Comparison Schedule
Food Service Fund
For The Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Local				
Charges for Services	\$ 90,000	\$ 10,000	\$ 5,488	\$ (4,512)
State				
State Grants	82,529	30,000	29,897	(103)
Federal				
Donated Commodities	250,000	250,000	137,289	(112,711)
Federal Grants	2,751,700	1,344,904	1,636,665	291,761
Total revenues	<u>3,174,229</u>	<u>1,634,904</u>	<u>1,809,339</u>	<u>174,435</u>
Expenditures				
Food Service Operations				
Salaries and benefits	1,819,216	1,866,685	1,863,760	2,925
Contracted services	75,360	67,919	33,717	34,202
Food costs:				
Purchased food	1,235,946	569,600	549,668	19,932
Donated commodities	250,000	250,000	137,289	112,711
Supplies	75,200	75,200	74,917	283
Other	9,000	13,436	452	12,984
Capital Outlay	-	-	2,151	(2,151)
Total expenditures	<u>3,464,722</u>	<u>2,842,840</u>	<u>2,661,954</u>	<u>180,886</u>
OTHER FINANCING SOURCES				
Transfers in	-	795,497	795,497	-
Net change in Fund Balance	(290,493)	(412,439)	(57,118)	355,321
Fund Balance - beginning	290,924	412,439	412,439	-
Fund Balance - ending	<u>\$ 431</u>	<u>\$ -</u>	<u>\$ 355,321</u>	<u>\$ 355,321</u>

Adams County School District 14
Budgetary Comparison Schedule
Student Activity Fund
For The Year Ended June 30, 2021

	Original Budget	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Local				
Student activities	\$ 488,912	\$ 488,912	\$ 53,008	\$ (435,904)
Total revenues	488,912	488,912	53,008	(435,904)
EXPENDITURES				
Non-Instructional services	488,912	488,912	67,200	421,712
Total expenditures	488,912	488,912	67,200	421,712
Change in fund balance	-	-	(14,192)	(14,192)
Net fund balance - beginning	268,699	243,470	243,470	-
Net fund balance - ending	\$ 268,699	\$ 243,470	\$ 229,278	\$ (14,192)

Adams County School District 14
Budgetary Comparison Schedule
Certificates of Participation Debt Service Fund
For The Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES				
Interest charges	\$ 248,330	\$ 248,330	\$ 248,330	\$ -
Principal retirement	237,278	237,278	237,278	-
Agent Fees	2,500	2,500	2,500	-
Total expenditures	<u>488,108</u>	<u>488,108</u>	<u>488,108</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(488,108)</u>	<u>(488,108)</u>	<u>(488,108)</u>	<u>-</u>
OTHER FINANCING SOURCES				
Transfer from General Fund	<u>487,500</u>	<u>487,500</u>	<u>487,500</u>	<u>-</u>
Total Other Financing Sources	<u>487,500</u>	<u>487,500</u>	<u>487,500</u>	<u>-</u>
Net change in fund balance	(608)	(608)	(608)	-
Fund balance - beginning	<u>649</u>	<u>649</u>	<u>649</u>	<u>-</u>
Fund balance - ending	<u>\$ 41</u>	<u>\$ 41</u>	<u>\$ 41</u>	<u>\$ -</u>

Statistical Section

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

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

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



Financial Trends

Financial Trends

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

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

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

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities										
Net investment in capital assets	\$ 48,140,349	\$ 39,731,078	\$ 25,995,593	\$ 25,078,397	\$ 22,389,890	\$ 23,562,485	\$ 26,109,796	\$ 25,656,053	\$ 24,097,581	\$ 22,930,071
Restricted	10,649,617	9,768,802	10,206,168	10,176,246	8,606,139	8,157,574	9,749,252	8,590,710	8,784,118	8,114,785
Unrestricted	<u>(132,408,566)</u>	<u>(184,647,687)</u>	<u>(202,769,424)</u>	<u>(225,914,259)</u>	<u>(172,714,435)</u>	<u>(131,309,801)</u>	<u>(134,789,975)</u>	<u>6,035,003</u>	<u>12,052,165</u>	<u>14,332,393</u>
Total governmental activities net position	<u>\$ (73,618,600)</u>	<u>\$ (135,147,807)</u>	<u>\$ (166,567,663)</u>	<u>\$ (190,659,616)</u>	<u>\$ (141,718,406)</u>	<u>\$ (99,589,742)</u>	<u>\$ (98,930,927)</u>	<u>\$ 40,281,766</u>	<u>\$ 44,933,864</u>	<u>\$ 45,377,249</u>
Business-type activities										
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 499,417	\$ 522,455	\$ 513,718
Unrestricted	-	-	-	-	-	-	-	1,574,919	1,595,342	1,734,355
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,074,336</u>	<u>\$ 2,117,797</u>	<u>\$ 2,248,073</u>
Total primary government										
Net investment in capital assets	\$ 48,140,349	\$ 39,731,078	\$ 25,995,593	\$ 25,078,397	\$ 22,389,890	\$ 23,562,485	\$ 26,109,796	\$ 26,155,470	\$ 24,620,036	\$ 23,443,789
Restricted	10,649,617	9,768,802	10,206,168	10,176,246	8,606,139	8,157,574	9,749,252	8,590,710	8,784,118	8,114,785
Unrestricted	<u>(132,408,566)</u>	<u>(184,647,687)</u>	<u>(202,769,424)</u>	<u>(225,914,259)</u>	<u>(172,714,435)</u>	<u>(131,309,801)</u>	<u>(134,789,975)</u>	<u>7,609,922</u>	<u>13,647,507</u>	<u>16,066,748</u>
Total primary government activities net position	<u>\$ (73,618,600)</u>	<u>\$ (135,147,807)</u>	<u>\$ (166,567,663)</u>	<u>\$ (190,659,616)</u>	<u>\$ (141,718,406)</u>	<u>\$ (99,589,742)</u>	<u>\$ (98,930,927)</u>	<u>\$ 42,356,102</u>	<u>\$ 47,051,661</u>	<u>\$ 47,625,322</u>

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 in that year. The large decrease in 2018 is due to implementation of GASB 75 and the OPEB liabilities.

Table 1

ADAMS COUNTY SCHOOL DISTRICT 14

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	2021	2020	2019	2018	2017
Expenses					
Governmental activities:					
Instructional services	\$ 23,042,862	\$ 27,813,395	\$ 30,281,429	\$ 60,998,562	\$ 61,922,957
Operations and maintenance	12,499,479	5,487,879	9,392,445	19,519,541	16,517,855
Pupil services	2,826,791	3,465,084	4,014,467	8,045,099	7,991,280
Central support services	3,177,206	3,632,982	4,874,950	7,149,787	8,106,344
School administration	3,441,847	4,327,507	4,368,448	8,492,941	7,738,609
Instructional staff	4,009,974	5,019,738	5,642,553	10,552,341	8,951,936
Pupil transportation	1,046,650	1,615,587	1,860,294	3,607,206	3,161,484
Business administration	1,040,226	1,022,816	1,045,516	2,206,973	2,103,394
General administration	3,146,525	2,579,705	1,372,837	2,217,620	1,971,712
Community services & education for adults	354,100	466,790	519,053	1,019,469	1,537,309
Other support services	1,740	48,881	61,236	112,830	623,265
Non-instructional services	-	-	-	-	-
Food service operations	1,538,169	2,313,981	2,833,973	6,137,642	5,781,057
Interest and fiscal charges	2,715,870	2,891,048	2,911,493	2,987,932	3,113,437
Education for Adults	-	529,319	594,941	1,278,399	844,666
Unallocated Depreciation Expense	-	3,933,376	-	-	-
Total governmental activities expenses	<u>58,841,439</u>	<u>65,148,086</u>	<u>69,773,636</u>	<u>134,326,342</u>	<u>130,365,304</u>
Business-type activities:					
Nutrition services	-	-	-	-	-
Adult education	-	-	-	-	-
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u>\$ 58,841,439</u>	<u>\$ 65,148,086</u>	<u>\$ 69,773,636</u>	<u>\$ 134,326,342</u>	<u>\$ 130,365,304</u>
Program revenues					
Governmental activities:					
Charges for services	\$ 75,491	\$ 564,579	\$ 380,186	\$ 409,936	\$ 362,681
Operating grants and contributions	45,866,022	19,019,709	16,582,321	15,371,637	15,099,954
Total governmental activities program revenues	<u>45,941,513</u>	<u>19,584,288</u>	<u>16,962,507</u>	<u>15,781,573</u>	<u>15,462,635</u>
Business-type activities:					
Food services:					
Charges for services	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Charges for services	-	-	-	-	-
Total business-type activities program revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government revenues	<u>\$ 45,941,513</u>	<u>\$ 19,584,288</u>	<u>\$ 16,962,507</u>	<u>\$ 15,781,573</u>	<u>\$ 15,462,635</u>
Net (expense) / revenue					
Governmental activities	\$ (12,899,926)	\$ (41,630,422)	\$ (52,811,129)	\$ (118,544,769)	\$ (114,902,669)
Business-type activities	-	-	-	-	-
Total primary government net (expense) / revenue	<u>\$ (12,899,926)</u>	<u>\$ (41,630,422)</u>	<u>\$ (52,811,129)</u>	<u>\$ (118,544,769)</u>	<u>\$ (114,902,669)</u>
General revenues and other changes in net position					
Governmental activities:					
Property and specific ownership taxes	\$ 36,354,450	\$ 35,121,021	\$ 32,041,128	\$ 32,256,933	\$ 29,912,191
State equalization	34,621,744	37,376,977	40,144,898	38,260,102	38,759,964
Investment earnings	29,124	352,402	594,102	402,629	186,622
Grants not restricted to specific programs	2,801,979	3,062,048	3,119,441	2,934,979	3,105,282
Miscellaneous	621,836	817,971	1,003,513	1,413,789	809,946
Total governmental activities	<u>74,429,133</u>	<u>76,730,419</u>	<u>76,903,082</u>	<u>75,268,432</u>	<u>72,774,005</u>
Business-type activities:					
Investment earnings	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 74,429,133</u>	<u>\$ 76,730,419</u>	<u>\$ 76,903,082</u>	<u>\$ 75,268,432</u>	<u>\$ 72,774,005</u>
Change in net position					
Governmental activities:	\$ 61,529,207	\$ 35,099,997	\$ 24,091,953	\$ (43,276,337)	\$ (42,128,664)
Business-type activities	-	-	-	-	-
Total primary government	<u>\$ 61,529,207</u>	<u>\$ 35,099,997</u>	<u>\$ 24,091,953</u>	<u>\$ (43,276,337)</u>	<u>\$ (42,128,664)</u>

Table 2

	2016	2015	2014	2013	2012
\$	40,456,798	\$ 40,359,843	\$ 39,958,656	\$ 40,827,701	\$ 37,736,796
	9,030,290	8,721,472	10,856,904	10,185,647	9,008,428
	6,287,319	7,924,550	7,471,544	7,411,260	6,574,264
	4,845,945	5,056,863	4,521,097	4,887,399	4,301,242
	6,560,067	5,245,988	4,954,754	3,332,084	4,105,888
	7,385,379	5,110,063	4,976,165	4,757,335	4,479,727
	1,984,778	2,061,549	2,001,980	1,965,158	1,852,093
	1,360,493	1,646,335	1,323,702	1,250,496	1,071,252
	1,692,565	1,305,793	1,141,060	897,594	809,942
	1,017,152	659,839	686,882	488,088	982,298
	111,016	451,005	689,553	974,016	657,785
	-	-	-	7,504	-
	4,227,985	4,443,612	203,210	284,423	529,798
	3,224,180	3,344,643	3,281,050	3,818,841	4,174,576
	502,933	469,677.00	-	-	-
	-	-	-	-	-
	<u>88,686,900</u>	<u>86,801,232</u>	<u>82,066,557</u>	<u>81,087,546</u>	<u>76,284,089</u>
	-	-	4,060,047	4,458,373	3,791,818
	-	-	202,383	396,842	443,171
	-	-	4,262,430	4,855,215	4,234,989
\$	<u>88,686,900</u>	<u>\$ 86,801,232</u>	<u>\$ 86,328,987</u>	<u>\$ 85,156,226</u>	<u>\$ 80,519,078</u>
\$	223,850	\$ 322,751	\$ 159,723	\$ 149,507.00	\$ 180,247.00
	<u>15,517,305</u>	<u>14,016,699</u>	<u>10,123,352</u>	<u>12,668,165</u>	<u>12,760,903</u>
	<u>15,741,155</u>	<u>14,339,450</u>	<u>10,283,075</u>	<u>12,817,672</u>	<u>12,941,150</u>
	-	-	62,581	75,498	85,548
	-	-	4,113,478	4,143,045	4,046,090
	-	-	41,625	504,765	565,702
	-	-	4,217,684	4,723,308	4,697,340
\$	<u>15,741,155</u>	<u>\$ 14,339,450</u>	<u>\$ 14,500,759</u>	<u>\$ 17,540,980</u>	<u>\$ 17,638,490</u>
\$	(72,945,745)	\$ (72,461,782)	\$ (71,783,482)	\$ (68,269,874)	\$ (63,342,939)
	-	-	(44,746)	(131,907)	462,351
\$	<u>(72,945,745)</u>	<u>\$ (72,461,782)</u>	<u>\$ (71,828,228)</u>	<u>\$ (67,615,246)</u>	<u>\$ (62,880,588)</u>
\$	29,885,430	\$ 29,887,697	\$ 29,921,303	\$ 26,023,906	\$ 27,327,313
	38,554,537	36,011,262	33,216,587	32,991,855	34,452,245
	54,136	12,243	12,154	21,071	16,651
	2,660,849	2,682,835	2,891,498	7,313,489	4,601,222
	1,131,978	1,121,265	1,089,842	1,476,168	1,874,840
	<u>72,286,930</u>	<u>69,715,302</u>	<u>67,131,384</u>	<u>67,826,489</u>	<u>68,272,271</u>
	-	-	1,285	1,631	284
	-	-	1,285	1,631	284
\$	<u>72,286,930</u>	<u>\$ 69,715,302</u>	<u>\$ 67,132,669</u>	<u>\$ 67,828,120</u>	<u>\$ 68,272,555</u>
\$	(658,815)	\$ (2,746,480)	\$ (4,652,098)	\$ (443,385)	\$ 4,174,804
	-	-	(43,461)	(130,276)	957,965
\$	<u>(658,815)</u>	<u>\$ (2,746,480)</u>	<u>\$ (4,695,559)</u>	<u>\$ (573,661)</u>	<u>\$ 5,132,769</u>

Table 2

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

(modified accrual basis of accounting)

	Fiscal Year				
	2021	2020	2019	2018	2017
General Fund					
Non Spendable					
Inventories	\$ 80,979	\$ 92,842	\$ 86,964	\$ 84,098	\$ 82,784
Prepaid items	53,847	41,525	56,315	1,512,156	102,445
Deposit in insurance pool	-	-	-	64,950	129,900
Restricted					
Tabor	2,520,876	2,430,760	2,309,000	2,439,416	2,297,229
Colorado preschool program	-	-	343,697	205,768	197,560
Committed	3,007,414	3,530,803	3,465,905	3,161,602.25	-
Assigned	4,218,179	2,615,921	7,919,096	5,053,739	3,736,785
Unassigned	19,631,636	12,381,853	6,782,410	9,719,993	11,499,306
Total General Fund Balance	<u>\$ 29,512,931</u>	<u>\$ 21,093,704</u>	<u>\$ 20,963,387</u>	<u>\$ 22,241,722</u>	<u>\$ 18,046,009</u>
All other governmental Funds					
Non spendable	\$ 199,379	\$ 191,496	\$ 127,557	\$ 246,213	\$ 295,380
Restricted					
Food service	155,942	220,943	731,324	773,133	631,640
Building fund activities	5,047,019	11,128,861	13,845,728	-	-
Debt service	7,721,653	7,052,361	6,833,442	6,720,674	5,652,767
Assigned	-	2,279,827	1,606,765	5,122,449	3,841,479
Committed	286,989	-	-	1,109,184	1,387,647.00
Unassigned	-	-	-	-	-
Total other governmental funds	<u>\$ 13,410,982</u>	<u>\$ 20,873,488</u>	<u>\$ 23,144,816</u>	<u>\$ 13,971,653</u>	<u>\$ 11,808,913</u>
Total Governmental Funds	<u>\$ 42,923,913</u>	<u>\$ 41,967,192</u>	<u>\$ 44,108,203</u>	<u>\$ 36,213,375</u>	<u>\$ 29,854,922</u>

Table 3

Fiscal Year					
<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	
					General Fund
\$ 77,646	\$ 91,848	\$ 95,161	\$ 94,463	\$ 97,908	Inventories
92,699	123,618	182,436	267,616	93,830	Prepaid items
41,880	41,880	740,442	744,320	567,710	Deposit in insurance pool
2,553,486	3,435,539	3,088,733	2,154,269	2,098,716	
58,827	35,453	5,065	337,152	482,140	Colorado preschool program
-	-	-	-	409,535	Committed
4,190,333	3,948,844	3,569,132	741,538	-	Assigned
<u>7,384,414</u>	<u>2,875,391</u>	<u>2,459,831</u>	<u>10,423,323</u>	<u>15,184,147</u>	Unassigned
<u>\$ 14,399,285</u>	<u>\$ 10,552,573</u>	<u>\$ 10,140,799</u>	<u>\$ 14,762,681</u>	<u>\$ 18,933,986</u>	
					All other governmental Funds
\$ 186,805	\$ 133,432.00	\$ -	\$ -	\$ -	Non spendable
					Restricted
546,444	426,277.00	-	-	-	Food service
-	-	-	-	-	Building fund activities
4,998,817	5,851,983	5,496,912	6,292,697	5,533,929	Debt service
6,071,452	1,351,288	980,636	2,193,505	734,885	Assigned
-	-	-	-	-	Committed
-	(2,250.00)	-	-	-	Unassigned
<u>\$ 11,803,518</u>	<u>\$ 7,760,730</u>	<u>\$ 6,477,548</u>	<u>\$ 8,486,202</u>	<u>\$ 6,268,814</u>	Total other governmental funds
<u>\$ 26,202,803</u>	<u>\$ 18,313,303</u>	<u>\$ 16,618,347</u>	<u>\$ 23,248,883</u>	<u>\$ 25,202,800</u>	Total Governmental Funds

Table 3

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

(modified accrual basis of accounting)

	Fiscal Year				
	2021	2020	2019	2018	2017
Revenues					
Taxes	\$ 34,264,009	\$ 35,190,930	\$ 31,784,979	\$ 32,450,483	\$ 29,811,875
Intergovernmental	81,447,619	60,605,563	59,846,660	56,566,718	56,965,200
Investment income	29,124	352,402	594,102	402,629	186,622
Tuition	75,491	564,579	380,186	409,936	295,059
Miscellaneous	2,392,760	717,971	1,003,513	957,842	810,224
Total revenues	<u>118,209,003</u>	<u>97,431,445</u>	<u>93,609,440</u>	<u>90,787,608</u>	<u>88,068,980</u>
Expenditures					
Instructional services	40,855,443	40,993,967	39,268,589	36,530,752	37,220,596
Operations and maintenance	11,628,564	8,129,799	7,702,643	8,809,996	9,206,876
Pupil services	5,027,491	5,135,218	5,229,652	4,835,817	5,175,402
Central support services	5,650,708	5,401,833	6,350,605	4,297,655	4,413,536
School administration	5,930,887	5,712,236	5,721,653	5,211,359	4,883,844
Instructional staff	7,131,799	7,434,647	7,350,562	6,342,891	5,788,844
Pupil transportation	1,861,483	2,392,726	2,423,408	2,168,250	2,047,322
Business administration	1,850,058	1,512,281	1,361,995	1,326,586	1,355,118
General administration	5,596,142	3,781,433	1,788,397	1,332,986	1,276,034
Other supporting services	3,094	71,521	79,772	67,821	403,652
Community services & education for adults	629,772	1,475,914	1,451,202	1,381,222	1,540,898
Food service operations	2,735,657	3,434,549	3,691,821	3,689,266	3,737,752
Construction in progress and capital outlay	26,555,479	7,478,359	3,994,258	2,087,126	1,636,701
Debt service					
Principal	121,831	4,192,491	3,724,507	3,619,407	2,618,032
Interest and fiscal charges	4,795,465	3,005,964	3,039,002	3,072,057	3,157,016
Bond issuance cost	2,343,508	2,500.00	-	725	1,750
Total expenditures	<u>122,717,381</u>	<u>100,155,438</u>	<u>93,178,066</u>	<u>84,773,916</u>	<u>84,463,373</u>
Excess of revenues over (under) expenditures	(4,508,378)	(2,723,993)	431,374	6,013,692	3,605,607
Other financing sources (uses)					
Transfers in	1,472,997	2,806,500	9,581,347	3,085,000	2,370,000
Transfers out	(1,472,997)	(2,806,500)	(9,581,347)	(3,085,000)	(2,370,000)
Bonds/COP's issued	47,095,000	-	6,729,407.00	-	-
Bond premium	-	-	-	-	-
Proceeds from Sale	71,202	9,106	42,170	8,039	46,512
Bond cost	(46,737,694)	-	-	-	-
Insurance Proceeds	-	-	-	336,722	-
Payment to refunded bond escrow agent	-	-	-	-	-
Capital Lease	5,036,591	320,641	691,877.00	-	-
Total other financing sources (uses)	<u>\$ 5,465,099</u>	<u>\$ 329,747</u>	<u>\$ 7,463,454</u>	<u>\$ 344,761</u>	<u>\$ 46,512</u>
Net change in fund balances	<u>\$ 956,721</u>	<u>\$ (2,394,246)</u>	<u>\$ 7,894,828</u>	<u>\$ 6,358,453</u>	<u>\$ 3,652,119</u>
Debt service as a percentage of noncapital expenditures	4.2%	7.7%	7.4%	8.0%	6.9%

Fiscal Year					
2016	2015	2014	2013	2012	
					Revenues
\$ 31,202,617	\$ 29,239,114	\$ 29,668,336	\$ 26,269,189	\$ 26,799,359	Taxes
56,732,691	52,599,787	45,825,049	52,131,566	48,350,259	Intergovernmental
54,136	12,243	12,154	21,071	15,674	Investment income
113,351	216,383	159,723	149,507	180,247	Tuition
<u>1,155,515</u>	<u>1,236,754</u>	<u>1,405,592</u>	<u>1,962,475</u>	<u>1,938,150</u>	Miscellaneous
<u>89,258,310</u>	<u>83,304,281</u>	<u>77,070,854</u>	<u>80,533,808</u>	<u>77,283,689</u>	Total revenues
					Expenditures
35,353,002	35,771,554	37,439,874	38,263,206	34,981,226	Instructional services
6,822,646	6,776,533	8,960,817	8,156,368	8,592,693	Operations and maintenance
5,906,443	7,565,720	7,392,180	7,376,909	6,367,014	Pupil services
4,544,196	4,136,858	4,113,673	4,015,129	3,799,334	Central support services
5,425,302	5,009,684	4,914,962	3,725,211	3,463,853	School administration
6,954,048	4,913,455	4,593,847	4,757,335	4,436,125	Instructional staff
1,863,691	1,825,450	1,995,165	1,962,499	1,839,484	Pupil transportation
1,243,847	1,359,153	1,321,442	1,235,139	1,068,123	Business administration
1,594,010	1,258,258	1,130,916	882,895	804,752	General administration
104,558	616,999	682,157	974,016	657,785	Other supporting services
1,431,310	873,326	685,923	488,088	948,895	Community services & education for adults
3,974,289	4,305,733	203,210	283,403	238,533	Food service operations
1,982,666	1,749,631	2,211,730	4,496,387	2,411,144	Construction in progress and capital outlay
					Debt service
4,397,877	3,869,619	3,904,813	2,677,648	2,385,804	Principal
3,296,704	3,258,719	4,150,681	3,193,492	4,257,777	Interest and fiscal charges
2,101	117,652	-	541,451	-	Bond issuance cost
<u>84,896,690</u>	<u>83,408,344</u>	<u>83,701,390</u>	<u>83,029,176</u>	<u>76,252,542</u>	Total expenditures
4,361,620	(104,063)	(6,630,536)	(2,495,368)	(2,077,526)	Excess of revenues over (under) expenditure:
					Other financing sources (uses)
3,434,200	1,300,000	1,460,000	4,825,000	1,607,000	Transfers in
(3,434,200)	(1,300,000)	(1,460,000)	(4,825,000)	(1,607,000)	Transfers out
-	11,590,000	-	62,797,630	-	Bonds/COP's issued
-	2,033,058	-	8,721,976	-	Bond premium
3,527,880	-	-	-	-	Proceeds from Sale
-	-	-	-	-	Bond cost
-	-	-	-	-	Insurance Proceeds
-	(13,505,406)	-	(70,978,155)	-	Payment to refunded bond escrow agent
-	-	-	-	-	Capital Lease
<u>\$ 3,527,880</u>	<u>\$ 117,652</u>	<u>\$ -</u>	<u>\$ 541,451</u>	<u>\$ -</u>	Total other financing sources (uses)
<u>\$ 7,889,500</u>	<u>\$ 13,589</u>	<u>\$ (6,630,536)</u>	<u>\$ (1,953,917)</u>	<u>\$ 1,031,147</u>	Net change in fund balances
9.2%	8.6%	9.7%	7.5%	9.0%	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									
	2021		2020		2019		2018		2017	
Revenue from Local Sources										
Property taxes	\$ 25,701,856	36.4 %	\$ 26,400,611	38.4 %	\$ 22,839,578	33.2 %	\$ 23,116,081	33.4 %	\$ 21,207,341	32.9 %
Specific ownership taxes	2,159,379	3.1 %	2,159,379	3.1 %	2,483,258	3.6 %	2,678,093	3.9 %	2,469,691	3.8 %
Investment income	25,107	0.0 %	280,466	0.4 %	495,081	0.7 %	289,603	0.4 %	130,726	0.2 %
Tuition	-	0.0 %	-	0.0 %	-	0.0 %	0	0.0 %	0	0.0 %
Other	1,993,671	2.8 %	543,260	0.8 %	826,176	1.2 %	857,763	1.2 %	656,654	1.0 %
Total local sources	<u>29,880,013</u>	<u>42.4 %</u>	<u>29,383,716</u>	<u>42.7 %</u>	<u>26,644,093</u>	<u>38.7 %</u>	<u>26,941,540</u>	<u>38.9 %</u>	<u>24,464,412</u>	<u>38.0 %</u>
Revenue from State Sources										
Equalization	34,621,744	49.1 %	37,376,977	54.3 %	40,144,898	58.4 %	38,260,102	55.2 %	38,759,964	60.1 %
Vocational education	40,583	0.1 %	80,121	0.1 %	93,746	0.1 %	96,066	0.1 %	89,792	0.1 %
Exceptional children's act (ECEA)	1,605,686	2.3 %	1,561,036	2.3 %	1,359,637	2.0 %	1,376,745	2.0 %	1,438,929	2.2 %
Transportation reimbursement	456,944	0.6 %	410,580	0.6 %	903,833	1.3 %	459,387	0.7 %	460,421	0.7 %
ELPA reimbursement	519,879	0.7 %	520,412	0.8 %	501,228	0.7 %	443,939	0.6 %	460,537	0.7 %
Other	113,669	0.2 %	1,157,981	1.7 %	1,193,650	1.7 %	-	0.0 %	-	0.0 %
Total state sources	<u>37,358,505</u>	<u>53.0 %</u>	<u>41,107,107</u>	<u>59.8 %</u>	<u>44,196,992</u>	<u>64.3 %</u>	<u>40,636,239</u>	<u>58.7 %</u>	<u>41,209,643</u>	<u>63.9 %</u>
Revenue from Federal Sources										
Impact aid	2,801,979	4.0 %	3,062,048	4.5 %	3,119,441	4.5 %	2,934,979	4.2 %	3,105,282	4.8 %
Other	-	0.0 %	-	0.0 %	-	0.0 %	-	0.0 %	0	0.0 %
Total federal sources	<u>2,801,979</u>	<u>4.0 %</u>	<u>3,062,048</u>	<u>4.5 %</u>	<u>3,119,441</u>	<u>4.5 %</u>	<u>2,934,979</u>	<u>4.2 %</u>	<u>3,105,282</u>	<u>4.8 %</u>
Total revenue	<u>\$ 70,040,497</u>	<u>100.0 %</u>	<u>\$ 73,552,871</u>	<u>100.0 %</u>	<u>\$ 73,960,526</u>	<u>100.0 %</u>	<u>\$ 70,512,758</u>	<u>100.0 %</u>	<u>\$ 68,779,337</u>	<u>100.0 %</u>

										Fiscal Year											
2016		2015		2014		2013		2012													
										Revenue from Local Sources											
\$ 22,198,060	35.6 %	\$ 19,678,922	34.1 %	\$ 20,562,755	28.4 %	\$ 18,141,956	28.5 %	\$ 18,719,780	28.5 %						Property taxes						
2,419,465	3.9 %	2,330,239	3.5 %	2,086,957	2.8 %	1,773,962	2.9 %	1,667,424	2.9 %						Specific ownership taxes						
33,948	0.1 %	6,318	0.0 %	7,346	0.0 %	13,802	0.2 %	11,642	0.2 %						Investment income						
81,615	0.1 %	176,994.00	0.3 %	159,723.00	0.2 %	149,507.00	0.0 %	180,247.00	0.0 %						Tuition						
634,567	1.0 %	1,019,028	1.6 %	999,204	1.9 %	1,218,770	1.7 %	1,061,163	1.7 %						Other						
<u>25,367,655</u>	<u>40.7 %</u>	<u>23,211,501</u>	<u>39.4 %</u>	<u>23,815,985</u>	<u>33.3 %</u>	<u>21,297,997</u>	<u>33.3 %</u>	<u>21,640,256</u>	<u>33.3 %</u>						Total local sources						
										Revenue from State Sources											
38,554,537	61.8 %	36,011,262	55.0 %	33,216,587	51.8 %	32,991,855	52.2 %	32,205,865	52.2 %						Equalization						
221,264	0.4 %	145,976	0.2 %	105,520	0.2 %	117,436	0.2 %	137,977	0.2 %						Vocational education						
1,532,900	2.5 %	1,549,382	2.8 %	1,661,595	2.2 %	1,428,409	2.3 %	1,399,736	2.3 %						Exceptional children's act (ECEA)						
495,824	0.8 %	479,526	0.8 %	469,214	0.7 %	472,049	0.7 %	428,513	0.7 %						Transportation reimbursement						
419,549	0.7 %	381,488	0.6 %	367,442	0.5 %	286,791	0.5 %	315,245	0.5 %						ELPA reimbursement						
-	0.0 %	-	(0.3) %	(191,593.00)	0.0 %	-	0.0 %	0	0.0 %						Other						
<u>41,224,074</u>	<u>66.1 %</u>	<u>38,567,634</u>	<u>59.0 %</u>	<u>35,628,765</u>	<u>55.4 %</u>	<u>35,296,540</u>	<u>55.8 %</u>	<u>34,487,336</u>	<u>55.8 %</u>						Total state sources						
										Revenue from Federal Sources											
2,660,849	4.3 %	2,679,175	4.6 %	2,801,979	11.4 %	7,238,982	11.4 %	3,904,909	11.4 %						Impact aid						
0	0.0 %	3,660	0.1 %	89,519	0.1 %	74,507	0.1 %	355,569	0.1 %						Other						
<u>2,660,849</u>	<u>4.3 %</u>	<u>2,682,835</u>	<u>4.8 %</u>	<u>2,891,498</u>	<u>11.5 %</u>	<u>7,313,489</u>	<u>11.6 %</u>	<u>4,260,478</u>	<u>11.6 %</u>						Total federal sources						
<u>\$ 69,252,578</u>	<u>100.0 %</u>	<u>\$ 64,461,970</u>	<u>100.0 %</u>	<u>\$ 62,336,248</u>	<u>100.0 %</u>	<u>\$ 63,908,026</u>	<u>100.0 %</u>	<u>\$ 60,388,070</u>	<u>100.0 %</u>						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 I	All Others
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%	7.96%	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%	7.96%	29.00%
2019	185,800,460	333,238,020	265,407,900	48,053,860	32,670,990	865,171,230	38.009	4,962,517,546	17.43%	7.15%	29.00%
2020	\$ 186,829,170	\$ 341,735,710	\$ 256,938,940	\$ 47,907,960	\$ 34,892,440	\$ 868,304,220	38.088	\$ 4,964,156,155	17.49%	7.15%	29.00%

Source: Adams County Assessor's Office.

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

<u>Taxing Authority</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Adams County School District 14</u>										
General Fund	33.502	33.442	33.605	32.975	34.799	33.492	31.702	31.377	30.403	30.467
Bond Redemption Fund	<u>11.475</u>	<u>11.475</u>	<u>11.475</u>	<u>12.105</u>	<u>10.281</u>	<u>9.681</u>	<u>9.057</u>	<u>8.807</u>	<u>7.606</u>	<u>7.621</u>
Adams County School District 14 Total	<u>44.977</u>	<u>44.917</u>	<u>45.080</u>	<u>45.080</u>	<u>45.080</u>	<u>43.173</u>	<u>40.759</u>	<u>40.184</u>	<u>38.009</u>	<u>38.088</u>
Adams County	26.806	26.903	26.815	27.042	26.817	27.055	27.055	27.055	26.917	26.897
Cities & Towns										
Commerce City	3.280	3.269	3.280	3.280	3.280	3.128	3.160	3.280	3.104	3.200
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	11.176	11.375	11.246	14.903	14.713	14.810	14.710	14.730	14.674	14.812
Adams County Fire Protection District	17.318	17.344	17.274	17.286	16.892	16.841	16.733	16.650	16.594	16.683
South Adams Fire District #4	4.300	4.300	9.900	9.900	9.900	9.900	9.900	14.750	14.750	14.750
North Metro Fire Dist #1 Bond	-	-	1.400	1.400	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	-	-	-	-	-	-	-
Sanitation & Water Districts										
South Adams Water & Sanitation District	3.102	3.102	3.102	3.102	3.102	3.102	2.701	2.714	2.449	2.490
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	95.000	85.000	88.000	88.000	83.000	80.000	75.000	70.000	65.000	65.000
Special Districts										
Central Colo. Water Conservancy District Subdistrict	0.392	1.856	1.887	1.737	1.533	2.004	1.800	1.540	1.286	1.156
Central Colo. Ground Water Subdistrict	1.319	1.291	1.301	1.309	1.272	1.583	1.353	2.739	2.279	2.151
City of Commerce City North GID	-	-	27.000	27.000	27.000	27.000	27.000	27.000	20.000	20.000
Urban Drainage & Flood Control District	0.566	0.599	0.632	0.608	0.553	0.559	0.500	0.726	0.900	0.900
Urban Drainage South Platte	0.057	0.058	0.068	0.064	0.058	0.061	0.057	0.094	0.097	0.100
Rangeview Library f/k/a Anythink Libraries	3.659	3.659	3.659	3.659	3.659	3.659	3.669	3.666	3.677	3.670

Notes:

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

Source: Adams County Assessor's Office.

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

Taxpayer	Type of Business	December 31, 2020			December 31, 2011		
		Taxable Assessed Value	Rank	of Total Taxable Assessed Value	Taxable Assessed Value	Rank	of Total Taxable Assessed Value
Suncor Energy USA Inc.	Oil refinery	\$113,520,220	1	13.10%	\$ 118,783,490	1	21.10%
Public Service CO of Colorado	Public utility	23,462,780	2	2.70%	8,687,530	4	1.50%
Lineage Master RE 4 LLC	Logistics	12,942,700	3	1.50%			
BT-OH LLC	Real estate	12,316,710	4	1.40%			
Kew Realty Corporation	Real estate leasing	11,576,830	5	1.30%			
ARC3 FECMCCO01 LLC (Fed Ex)	Air delivery & freight services	6,871,880	6	0.80%			
Terminal Logistics II Fxg Ground Spe	Air delivery & freight services	6,363,320	7	0.70%			
Magellan Pipeline Terminals LLC	Oil & Gas	6,120,670	8	0.70%			
United Parcel Service - Rocky Mountain	Supply chain management	5,889,330	9	0.70%			
Mid-Rail Real Estate LLC	Real estate	5,624,540	10	0.60%	4,173,100	9	0.70%
Qwest Corp (formerly U.S. West, Inc.)	Telecommunications				9,593,300	3	1.70%
Rentech Energy Technology Center	Renewable energy technologies				15,453,640	2	2.70%
FEDEX Ground Package System	Air delivery & freight services				6,550,980	5	1.20%
Setzer Properties Commerce City LLC	Property Management				5,799,740	7	1.00%
Continental World Leasing Real Estate	Real estate leasing				4,808,220	8	0.90%
1480 Welton, Inc	Subsidiary of Public Service CO				4,082,690	10	0.70%
Con Agra Floor Milling Company	Process and packed food				6,354,940	6	1.10%
Totals		<u>\$204,688,980</u>		<u>23.50%</u>	<u>\$ 186,545,120</u>		<u>32.60%</u>
Total Assessed Valuation		<u>\$868,304,220</u>			<u>\$ 562,682,490</u>		

Source: Adams County Assessors Office.

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

Assessment Year	Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy ⁽¹⁾	Estimated Outstanding Delinquent Taxes	Ratio of Estimated Delinquent Taxes to Total Tax Levy
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%
2019	2020	32,884,466	32,009,853	97.34%	101,480	32,111,333	97.65%	874,600	2.66%
2020	2021	\$ 32,821,452	\$ 31,439,356	95.79%	\$ 83,816	\$ 31,523,172	96.04%	\$ 1,382,100	4.21%

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.



ADAMS 14

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Debt Capacity

Debt Capacity

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

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

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

Fiscal Year	Governmental Activities				Total Primary Government	Less; Debt Redemption	Net Debt	Debt as a Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Certificate of Participation	Capital Leases	Fund Available					
2012	\$ 89,062,935	\$ -	\$ 1,877,207	\$ 90,940,142	\$ 5,533,929	\$ 85,406,213	627.47%	1,849	
2013	86,109,025	-	1,724,559	87,833,584	6,292,697	81,540,887	582.48%	1,729	
2014	89,158,912	-	1,564,746	90,723,658	5,496,912	85,226,746	568.96%	1,757	
2015	85,984,970	-	1,385,292	87,370,262	5,851,983	81,518,279	527.01%	1,681	
2016	81,068,335	-	1,197,415	82,265,750	4,998,817	77,266,933	483.63%	1,593	
2017	77,988,084	-	979,383	78,967,467	5,652,767	73,314,700	434.82%	1,336	
2018	74,747,053	-	-	74,747,053	6,720,674	68,026,379	390.95%	1,216	
2019	70,554,264	6,729,407	547,370	77,831,041	6,833,442	70,997,599	375.30%	1,177	
2020	66,176,474	6,497,518	672,409	73,346,401	7,051,712	66,294,689	330.82%	1,062	
2021	\$ 63,290,676	\$ 6,260,240	\$ 5,105,814	\$ 74,656,730	\$ 7,721,612	\$ 66,935,118	317.25%	1,072	

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

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

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

Assessment Year	Collection Year	Assessed Value	General Bonded Debt	Less Debt Service Fund Available	Net Debt	Ratio of General Bonded Debt to Assessed Value	Population	Net Bonded Debt Per Capita
2011	2012	\$ 556,858,540	\$ 89,062,935	\$ 5,533,929	\$83,529,006	15.99%	43,193 (3)	1,865
2012	2013	565,354,990	86,109,025	6,292,697	79,816,328	15.23%	43,193 (3)	1,848
2013	2014	614,550,160	89,158,912	5,851,983	83,306,929	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
2019	2020	865,171,230	66,176,474	7,051,712	59,124,762	7.65%	60,336 (3)	980
2020	2021	\$ 868,304,220	\$ 63,290,676	\$ 7,721,612	\$55,569,064	7.29%	62,418 (3)	921

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

**ADAMS COUNTY SCHOOL DISTRICT 14
RATIO OF DIRECT AND OVERLAPPING DEBT (1)
JUNE 30, 2020
(Unaudited)**

	2019 Assessed Valuation (3)	Outstanding General Obligation Debt (4)	Percent Applicable To The District	Overlapping Debt (2)
Direct Debt:				
Adams County School District 14	\$ 868,304,220	\$ 74,656,730	100.000%	\$ 74,656,730
Overlapping Debt: (1)				
Commerce City North GID	382,938,420	72,660,000	0.72%	522,571
Rangeview Library	6,185,469,180	30,146,506	11.84%	3,570,552
North Metro Fire Rescue District	589,437,740	11,670,000	0.14%	16,291
Central CO. Water Conservancy	987,658,230	52,429,030	10.77%	5,645,296
Central CO. Well Augmentation Subdis	31,865,260	22,405,671	29.23%	6,549,671
Central CO. Ground Water Subdistrict	249,524,100	27,223,613	17.90%	4,873,000
Aberdeen Metropolitan District No 1	4,774,380	7,870,000	12.22%	961,533
Eagle Creek Metropolitan District	<u>9,077,930</u>	<u>2,965,000</u>	<u>84.21%</u>	<u>2,496,942</u>
Total Overlapping Debt	<u>9,148,031,460</u>	<u>227,369,820</u>		<u>24,635,855</u>
 TOTAL	 <u>\$ 10,016,335,680</u>	 <u>\$ 302,026,550</u>		 <u>\$ 99,292,585</u>

Notes:

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

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

Fiscal Year	Assessment Year	Assessed Value	DEBT LIMIT COMPUTATIONS			Percentage of Total net debt applicable to the limit to Debt limit
			Debt limit (20% of Assessed Value)	Total net debt applicable to the limit	Legal debt margin	
2012	2011	\$ 556,858,540	\$ 111,371,708	- \$ 83,529,006	= <u>\$ 27,842,702</u>	75.00%
2013	2012	\$ 565,354,990	\$ 113,070,998	- \$ 79,816,328	= <u>\$ 33,254,670</u>	70.59%
2014	2013	\$ 614,550,160	\$ 122,910,032	- \$ 83,662,000	= <u>\$ 39,248,032</u>	68.07%
2015	2014	\$ 612,220,050	\$ 122,444,010	- \$ 80,132,987	= <u>\$ 42,311,023</u>	65.44%
2016	2015	\$ 640,714,560	\$ 128,142,912	- \$ 76,069,518	= <u>\$ 52,073,394</u>	59.36%
2017	2016	\$ 637,604,680	\$ 127,520,936	- \$ 72,335,317	= <u>\$ 55,185,619</u>	56.72%
2018	2017	\$ 725,699,790	\$ 145,139,958	- \$ 68,026,379	= <u>\$ 77,113,579</u>	46.87%
2019	2018	\$ 733,627,550	\$ 146,725,510	- \$ 63,720,822	= <u>\$ 83,004,688</u>	34.17%
2020	2019	\$ 865,171,230	\$ 173,034,246	- \$ 66,176,474	= <u>\$106,857,772</u>	32.11%
2021	2020	\$ 868,304,220	\$ 173,660,844	- \$ 55,569,064	= <u>\$118,091,780</u>	32.00%

Source: Adams County Assessor's Office.

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)
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%
2019	60,336	\$22,171,317 (3)	33.00	6,697	8.3%
2020	62,418	\$23,532,735 (3)	33.80	6,111	8.0%

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)
2011	133	\$ 91,399,087	\$ 562,682,490	\$ 2,672,199,115
2012	205	58,575,451	556,858,540	2,713,476,371
2013	402	79,522,309	565,354,990	2,894,428,250
2014	372	80,937,975	614,550,160	2,896,617,498
2015	361	63,310,017	612,220,050	3,233,091,493
2016	517	198,373,405	637,604,680	3,196,328,364
2017	902	246,799,539	725,699,790	4,012,759,896
2018	848	298,987,895	733,627,550	4,055,062,687
2019	706	279,247,747	865,171,230	4,962,517,546
2020	1,017	\$ 315,081,256	\$ 868,304,220	\$ 4,964,156,155

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, 2020 and 2011
(Unaudited)

Name of Employer (1)	Industry (1)	December 31, 2020			December 31, 2011		
		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	3,371	1	10.8%	2,100	1	9.2%
FedEX Ground Package System INC	Parcel Delivery Service	1,322	2	2.4%	790	3	3.5%
Adams County School District 14	Public School District	834	3	2.9%	801	2	3.5%
Q3 Contracting	Construction	717	4	2.5%			
FedEx Freight	Trucking	660	5	2.3%	490	6	2.2%
Shamrock Foods(United Food Service)	Food Service Distribution	629	6	2.6%	595	4	2.6%
Suncor Energy USA Inc.	Energy Production	448	7	1.5%	400	7	1.8%
Old Dominion Freight Lines	Trucking	343	8	1.5%	250	9	1.1%
Wal-Mart	Manufacturer	339	9	1.3%			
Liberty Oilfield Services	Hydraulic Fracking and Engineering Services	305	10	1.0%	288	8	1.3%
City of Commerce City	City Government				500	5	2.2%
Safeway Services LLC	Retail				245	10	1.1%
	Total	<u>8,968</u>		31.2%	<u>6,459</u>		28.4%
Total Employers' Employees		<u>28,753</u>	(1)		<u>22,716</u>	(1)	

Sources:
(1) City of Commerce City Website

Operating Information

Operating Information

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

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

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

Fund Type	Full Time Equivalents									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Total general fund	729.46	747.29	756.83	743.71	756.06	793.76	786.10	840.06	809.69	780.05
Total grants fund	55.84	63.19	64.05	70.74	71.13	59.02	58.95	72.39	67.89	41.42
Total other special revenue funds	48.58	51.22	50.76	52.69	52.91	55.93	46.62	43.53	42.53	47.65
Total all funds	<u>833.88</u>	<u>861.70</u>	<u>871.64</u>	<u>867.14</u>	<u>880.10</u>	<u>908.71</u>	<u>891.67</u>	<u>955.98</u>	<u>920.11</u>	<u>869.12</u>

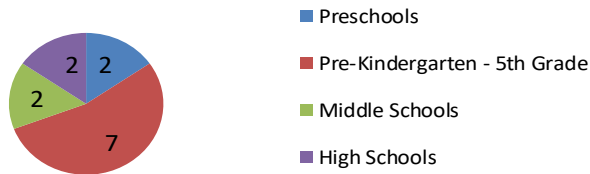
(1) Source: Adams County School District 14; Position Control

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

District Statistics:

- * Year of organization: 1902
- * Year of consolidation: 1947
- * Geographical area: 52 Square miles all within Adams County
- * Accreditation: North Central Association of Colleges and Schools
- * Twenty-sixth (30th) largest school district (by student population) in the state fiscal year 2020-21
- * Fifth (5th) largest school district (by student population) in Adams County fiscal year 2020-21

Number of Schools in FY2020-21



Enrollment and Funded Pupil Count (1)

School Year	Student Enrollment	Funded Pupil Count
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	7,400	7,185
2016-2017	7,467	7,151
2017-2018	7,400	7,117
2018-2019	7,060	6,703
2019-2020	6,697	6,352
2020-2021	6,697	6,352

Summary of Teachers by Education Level

Teacher FTE	Education Level	% of Total
94	Bachelor of Arts (BA)	21.62%
13	BA + 10 Hrs	2.99%
13	BA+ 20 Hrs	2.99%
10	BA + 30 Hrs	2.30%
9	BA + 40 Hrs	2.07%
173.8	BA + 50 Hrs or Master's Degree	39.97%
24	Master's Degree + 10 Hrs	5.52%
17.5	Master's Degree + 20 Hrs	4.02%
25	Master's Degree + 30 Hrs	5.75%
42.5	Master's Degree + 40 Hrs	9.77%
<u>13</u>	Doctorate (EDD or PhD)	<u>2.99%</u>
<u>434.8</u>		<u>100.00%</u>

Summary of Teachers by Years of Service

Teacher FTE	Years of Service	% of Total
88.7	Less than 1 year	20.41%
71.5	At least 1 year, but less than 2	16.45%
65.5	At least 2 years, but less than 3	15.05%
40.0	At least 3 years, but less than 4	9.20%
31.5	At least 4 years, but less than 5	7.25%
26.7	At least 5 years, but less than 6	6.13%
50.9	At least 6 years, but less than 10	11.71%
26.7	At least 10 years, but less than 15	6.13%
18.8	At least 15 years, but less than 20	4.32%
8.5	At least 20 years, but less than 25	1.95%
<u>6.1</u>	25 or more years	<u>1.39%</u>
<u>434.8</u>		<u>100.00%</u>

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

(2) Number of persons employed as teachers during the fiscal year ending June 30, 2021

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

Schools	Year of Original Construction	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
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)		75	83	86	87	92	91	89	92	90	89
Stars Early Learning Center Prescho	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)		72	90	85	111	120	105	104	115	76	80
Alsip 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)		365	415	470	519	532	545	521	504	484	598
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)		417	442	502	570	577	580	544	577	609	624
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)		399	477	511	576	589	642	698	699	622	562
Kemp Elementary	1951										
Square feet (3)		46,403	46,403	46,403	46,403	46,403	44,963	44,963	44,963	44,963	44,963
Capacity (students)		475	475	475	475	475	450	450	450	450	450
Enrollment (head count)		473	501	554	554	569	566	625	587	555	482
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)		290	287	340	439	449	472	490	501	525	583
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)		347	397	405	455	472	536	521	539	543	535
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)		348	395	423	448	416	426	446	461	488	388
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)		718	773	809	831	818	798	761	774	762	740
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)		730	794	839	785	792	821	820	783	742	697
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)		176	253	272	227	239	213	182	220	147	149
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)		1,656	1,721	1,764	1,798	1,799	1,782	1,783	1,749	1,748	1,689
Other capital assets (Square feet)											
ESS Building	1971	43020	43,020	43,020	43,020	43,020	43,020	43,020	43,020	43,020	43,020
Administration building	1956	14020	14,020	14,020	14,020	14,020	14,020	14,020	14,020	14,020	14,020
Bus Terminal	1956	15113	15,113	15,113	15,113	15,113	15,113	15,113	15,113	15,113	15,113
Warehouse	1971	12096	12,096	12,096	12,096	12,096	12,096	12,096	12,096	12,096	12,096
Operations and Maintenance	1971	5568	5,568	5,568	5,568	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, 2021, 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 February 25, 2022.

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) as a basis for designing 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.

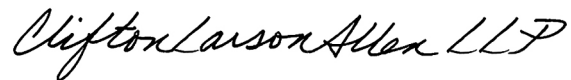
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

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

CliftonLarsonAllen LLP

Broomfield, Colorado
February 25, 2022.



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

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

Report on Compliance for Each Major Federal Program

We have audited Adams County School District 14's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Adams County School District 14's major federal programs for the year ended June 30, 2021. Adams County School District 14's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Adams County School District 14 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended June 30, 2021.


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 County School District 14's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Adams County School District 14's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result 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
February 25, 2022

Adams County School District 14
 Schedule of Expenditures of Federal Awards
 For The Period Ending June 30, 2021

Federal Grantor/Pass-Through Grantor / Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed to Subrecipient	Grant Expenditures 2020-21
<u>U.S. Department of Education</u>				
Passed Through the Colorado Department of Education:				
<u>Special Education Cluster</u>				
Special Education (4027)	84.027	4027	\$ -	\$ 1,194,422
Special Education - Preschool (4173)	84.173	4173	-	51,903
Total Special Education Cluster			<u>\$ -</u>	<u>\$ 1,246,325</u>
Title I				
Grants to Local Education Agencies (Tile I, Part A of ESEA)	84.010	4010	-	2,296,986
Improving Basic Programs Operated by Schools	84.010	5010	-	265,290
Total Title I			<u>\$ -</u>	<u>\$ 2,562,276</u>
Improving Teacher Quality (4367)	84.367	4367	-	366,141
English Language Acquisition (4365)	84.365	4365	-	251,713
Student Support and Academic Enrichment (4424)	84.424	4424	-	267,490
Special Education - Child Find (5181)	84.181	5181	-	540
Covid-19 Elementary & Secondary School Emergency Relief (ESSER I)	84.425D	4425	\$ -	\$ 1,656,681
Covid-19 Elementary & Secondary School Emergency Relief (ESSER II)	84.425D	4420	-	6,746,767
Covid-19 Elementary & Secondary School Emergency Relief (ESSER III)	84.425U	4414	-	1,056,290
Total Covid-19 Education Stabilization Fund Program			<u>\$ -</u>	<u>\$ 9,459,738</u>
Passed through Colorado Office of the Governor:				
Covid-19 Governor's Emergency Education Relief Fund (6426)	84.425C	6426	\$ -	\$ 25,864
Total 84.425				<u>\$ 9,485,602</u>
Passed through Colorado Community College System:				
Career and Technical Education (4048)	84.048	4048	\$ -	\$ 49,466
Direct Program:				
Impact Aid (4041)	84.041		-	2,801,979
Total U.S. Department of Education			<u>\$ -</u>	<u>\$ 17,031,532</u>
<u>U. S. Department of the Treasury</u>				
Passed Through the Colorado Department of Education:				
Covid-19 Coronavirus Relief Fund	21.019	4012, 5012, 6012	\$ -	\$ 6,577,069
Passed Through the Department of Human Services:				
Covid-19 Coronavirus Relief Fund	21.019	4012	-	8,576
Passed Through Adams County:				
Covid-19 Coronavirus Relief Fund	21.019	4012	-	2,319,750
Total U.S. Department of the Treasury			<u>\$ -</u>	<u>\$ 8,905,395</u>

Schedule of Expenditures of Federal Awards Continued

U. S. Department of Agriculture

Child Nutrition Cluster

Passed Through the Colorado Department of Education:

School Breakfast Program (4553)	10.553	4553	\$	-	\$	-
National School Lunch Program (4555)	10.555	4555		-		498,653
Summer Food Service Program for Children (4559)	10.559	4559		-		1,115,292

Passed Through the Colorado Department of Human Services:

Food Donation (4555)	10.555	4555		-		137,289
Total Child Nutrition Cluster			\$	-	\$	<u>1,751,234</u>

Passed Through the Colorado Department of Public Health and the Environment:

Child and Adult Care Food Program (4558)	10.558	4558	\$	-	\$	<u>22,719</u>
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Passed Through the Colorado Department of Education:

Fresh Fruit & Vegetable Program (4582)	10.582	4582	\$	-	\$	29,509
Covid-19 SNAP CN Local P-EBT Administrative Funds Grant (4649)	10.649	4649		-		4,411
Total U.S. Department of Agriculture			\$	-	\$	<u>1,807,874</u>

U.S. Department of Defense

Direct Program

ROTC (9001)	12.000		\$	-	\$	96,444
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Total U.S. Department of Defense			\$	-	\$	<u>96,444</u>
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Total			\$	-	\$	<u>27,841,245</u>
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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, 2021

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. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Such expenditures are recognized following the cost principals contained in the Uniform Guidance for all awards except for Assistance Listing 21.019, which follows criteria determined by the Department of Treasury for allowability of costs.

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
For the Year Ended June 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
10.553	School Breakfast Program
10.555	National School Lunch Program
10.556	Special Milk Program for Children
10.559	Summer Food Service Program for Children
21.019	COVID-19 Coronavirus Relief Fund
84.425	COVID-19 Education Stabilization Fund

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

\$835,237

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

**Adams County School District 14
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021**

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

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

Adams County School District 14
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED June 30, 2021

Adams County School District 14 respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2021.

Audit period: June 30, 2021

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

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

There were no single audit findings in the prior year.

If there are questions regarding this schedule, please call Eddie Storz, Director of Finance at 303-359-6923.



**Colorado Department of Education
Auditors Integrity Report**
District: 0030 - Adams County 14
Fiscal Year 2020-21
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	20,732,032	66,567,500	57,982,243	29,317,289
18 Risk Mgmt Sub-Fund of General Fund	350,069	2,000,000	2,154,428	195,642
19 Colorado Preschool Program Fund	11,604	0	11,604	0
Sub-Total	21,093,705	68,567,500	60,148,274	29,512,931
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	153,059	206,995	302,341	57,712
06 Supplemental Cap Const, Tech, Main, Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	412,439	2,604,836	2,661,955	355,320
22 Govt Designated-Purpose Grants Fund	1	25,595,757	25,595,757	1
23 Pupil Activity Special Revenue Fund	243,469	53,009	67,200	229,277
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	7,051,711	53,903,767	53,233,867	7,721,611
39 Certificate of Participation (COP) Debt Service Fund	649	487,500	488,108	41
41 Building Fund	11,128,861	13,911,617	23,985,546	1,054,931
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	1,883,300	5,438,124	3,329,335	3,992,089
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	41,967,194	170,769,103	169,812,383	42,923,913
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	0	0	0	0
79 GASB 34 Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	0	0	0	0

FINAL