

Boulder Valley School District RE-2

Comprehensive Annual Financial Report

For the fiscal year ending June 30, 2002



**Boulder, Colorado
Boulder, Broomfield and Gilpin Counties**

Boulder Valley School District RE-2 Boulder, Colorado

Boulder, Broomfield and Gilpin Counties

**Comprehensive Annual Financial Report
For the fiscal year ending June 30, 2002**



Prepared by: Finance and Accounting Department

**Jan L. Harkins
Finance Director**

**Leslie Stafford, C.P.A.
Accounting Manager**

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INTRODUCTORY
SECTION



Boulder Valley
Public Schools

6500 Arapahoe, P.O. Box 9011
Boulder, Colorado 80301

Finance & Accounting

November 1, 2002

Members of the Board of Education
Dr. George F. Garcia, Superintendent of Schools
Boulder Valley School District RE-2
Boulder, Colorado

It is our pleasure to submit the Comprehensive Annual Financial Report of the Boulder Valley School District RE-2 for the fiscal year ended June 30, 2002. State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is being formally submitted to the Board of Education in fulfillment of those requirements.

This extensive document was prepared by the District's Finance and Accounting Department, and to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner to present fairly the financial position and results of operations of the school district. The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the District.

Effective with the current year, the District implemented the new governmental financial reporting model established by the Governmental Accounting Standards Board Statement No. 34 titled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Accounting and financial reporting for state and local governments focused originally on funds to demonstrate fiscal accountability. This new reporting model parallels private sector reporting by consolidating fund-based presentations into government-wide financial statements designed to ensure and demonstrate fiscal and operational accountability.

This transmittal letter serves as a narrative introduction and overview to accompany the financial statements. In addition, we have included the required new section entitled *Management's Discussion and Analysis* that can be found immediately following the report of the independent auditors' under the Financial Section tab.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit.

Profile of the Government

Boulder Valley School District is a public school district, organized and existing under the School District Organization Act of 1965, Article 30, Title 22, and Colorado Revised Statutes. It was originally organized in 1860 and was reorganized in 1961 to include numerous smaller districts. A seven member Board of Education elected by the citizens of Boulder, Broomfield and Gilpin Counties governs the District.

The District is nestled in the foothills of the Rocky Mountains thirty miles northwest of Denver. Boulder Valley's boundaries encompass approximately 500 square miles in Boulder, Broomfield and Gilpin Counties and have a population of approximately 202,000. The communities of Boulder, Louisville, Lafayette, Superior, Broomfield, Nederland, Ward, Jamestown and Gold Hill are served. The District's enrollment in the fall of 2001 was 27,924.

The District provides a full and challenging range of educational programs and services authorized by Colorado State Statute. Included is basic kindergarten through grade twelve education in elementary, middle and high schools, special education for special needs students, vocational education, English-as-a second-language education and numerous other programs.

Five charter schools are included as component units of Boulder Valley School District: Boulder Preparatory High School, Horizons K-8 Alternative School, Peak to Peak K-12 Charter School, Sojourner Charter School and Summit Charter School.

Economic Conditions and Outlook

The state economic picture is important to the Boulder Valley School District because a major source of funding for the District's General Fund operations is received through the State's School Finance Act established by the state legislature. Among the important industries in Colorado are advanced technology, telecommunications, mining and tourism. As these sectors were impacted by the national downturn, they pulled the Colorado economy into recession. The Colorado economy slowed steadily throughout the first half of 2002. Through June 2002, employment declined 1.9%. The state's unemployment rate rose to a high of 5.7% in February 2002, and then fell to 5.0% in June. The Colorado economic outlook is uncertain. However, most analysts believe growth will return to Colorado in 2003, but not at the rates enjoyed throughout most of the last decade.

In November 2000, the voters of Colorado passed a statewide ballot issue to amend the Constitution. Amendment 23 guarantees annual funding increases of inflation plus one percent for ten years and increases to equal inflation thereafter. During the 2001-02 fiscal year, the District received a 5% increase in base funding plus an additional 1% (translated into \$1,373,911) related to Amendment 23.

Even with the increases mandated by Amendment 23, Boulder Valley had to sustain reductions of almost \$1 million during 2001-02 in order to keep District resources greater than expenditures. The stagnant economy, decrease in overall District growth rates, increase in charter school enrollment and higher personnel costs contributed to the budget reductions.

Major Initiatives

Boulder Valley School District's Mission:

The Boulder Valley School District challenges students to achieve their academic, creative and physical potential in order to become responsible, contributing citizens.

Nearly a decade ago, Boulder Valley School District hosted a community-wide discussion about its future. That was the first strategic planning process. Its purpose was to, in a deliberate way, reach agreement and commit to paper the beliefs and priorities that should drive educational decisions in Boulder Valley.

The current School Board returned to the strategic plan as a vehicle to re-emphasize key priorities in the District. The Board wanted to create a roadmap to meet present-day demands for increased performance and accountability. The strategic plan serves as a compass for the District's decision-making process and keeps all facets of the complex organization working in concert toward the same goals.

The Board of Education focused the priorities into six areas and developed belief statements related to each priority.

The Priorities:

- 1: *Maximize Student Learning and Achievement*
- 2: *Foster Collaboration and Partnerships*
- 3: *Value Diversity and Promote Understanding*
- 4: *Provide a High-Quality, Committed Staff*
- 5: *Manage Assets Responsibly*
- 6: *Plan and Assess for Continuous Improvement*

In September 2001, Boulder Valley initiated a project entitled "Visioning the New Century Graduate". The project was designed to seek input from all constituencies of the Boulder Valley School District with an emphasis on hearing the voices of all our citizens. The visioning activity asked our community what they believed would be the knowledge, skills and characteristics a graduate of our school system will need for the future. A diverse steering committee consisting of thirty-five community members was established and charged with identifying the characteristics required of a graduate in the New Century. Thirteen community visioning sessions involving over 400 interested citizens were held from January through March of 2002. The steering committee completed their activities and submitted a report to the School Board in May and the following vision statement and New Century Graduate profile was adopted in June 2002.

The vision of the Boulder Valley School District is to graduate students in the New Century who have the knowledge, skills and personal characteristics that will prepare them for the challenges they will encounter as adults. In addition to skills and knowledge in reading, math, writing, and speaking, New Century Graduates will possess a multicultural and global perspective. New Century Graduates' personal characteristics will include respect for others, initiative, creativity, ethical behavior and other characteristics that will enable them to become contributing members to society.

Financial Information

Internal Control

District management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse. Adequate accounting data must also be compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

As a recipient of federal, state and local financial assistance, the District is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to these programs. As a part of the District's single audit, tests are made to determine the adequacy of internal control, including that portion related to federal award programs, as well as to determine that the District has complied with applicable laws and regulations, contracts and grants. The results of the District's single audit for the fiscal year ended June 30, 2002 provided no instances of material weaknesses or reportable conditions in internal control or material violations of applicable laws, regulations, contracts and grants.

Budgeting Controls

The District maintains numerous budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the Board of Education. Budgetary controls include an encumbrance accounting system, expenditure control and position control. The District's financial system provides budget managers with on-line capabilities to view outstanding orders and available funds for all accounts in their department or school. Encumbered amounts lapse at year end and are generally re-established in the following year as an obligation against that year's appropriated budget. As demonstrated by the statements and schedules included in the financial section of this report, Boulder Valley continues to meet its responsibility for sound financial management.

Cash Management

The cash management and investment practices of the Boulder Valley School District follow the Board of Education Investment Policy and state law. The District's investments are managed in a manner that optimizes the return on investments and minimizes risk while providing needed liquidity. The Board of Education receives a quarterly investment portfolio report as a part of the regular quarterly financial reports. Investment earnings for all funds for the year ended June 30, 2002, totaled \$1,012,088.

Risk Management

The District participates in two self-insurance pools, one for property/liability insurance and one for workers' compensation. The property/liability insurance for the District is provided through the Colorado School Districts Self-Insurance Pool, which is comprised of over 100 school districts. The workers' compensation coverage for the District is provided through the Joint School Districts Pool for Workers' Compensation. This pool is comprised of four large Denver-metro school districts: Aurora, Boulder Valley, Cherry Creek, and Littleton. The pools rely upon actuarial reviews to determine appropriate

funding and reserve levels. Excess insurance is in place for amounts above the retention. Detailed insurance in force information is provided in the Statistical Section, Table XVI.

Other Information

Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Swanhorst & Cutler LLC was appointed by the District's Board of Education to perform the June 30, 2002 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit is also designed to meet the requirements of the Single Audit Act of 1984 and related OMB Circular A-133. The auditor's report on the basic financial statements is included in the Financial Section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit Section.

Recognition for Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Boulder Valley School District RE-2 for its Comprehensive Annual Financial Report for fiscal year ended June 30, 2001. This is the eleventh year the District has received this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government reporting.

In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report. The financial report must satisfy both generally accepted accounting principles, applicable legal requirements, and conform to GFOA program standards.

A Certificate of Achievement is valid for a period of one year only. We believe the current report continues to conform to the Certificate of Achievement program requirements.

Acknowledgments

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance and Accounting Department. We would like to express our sincere appreciation to all members of the department for the contributions made in the preparation of this report. We also thank the District's independent auditors, Swanhorst & Cutler LLC, for the professional manner in which they accomplished the audit and for their work to publish this Comprehensive Annual Financial Report. We would also like to thank Dr. George Garcia, Superintendent, Robert Hammond, Chief Operations Officer, Pam Rifkin, Chief Financial Officer and the Board of Education for their interest in and support of the finance and accounting operations of the Boulder Valley School District.

Respectfully Submitted,



Jan Harkins
Finance and Accounting Director



Leslie Stafford, CPA
Accounting Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Boulder Valley School
District RE-2, Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Timothy A. Howe
President

Jeffrey L. Esser
Executive Director

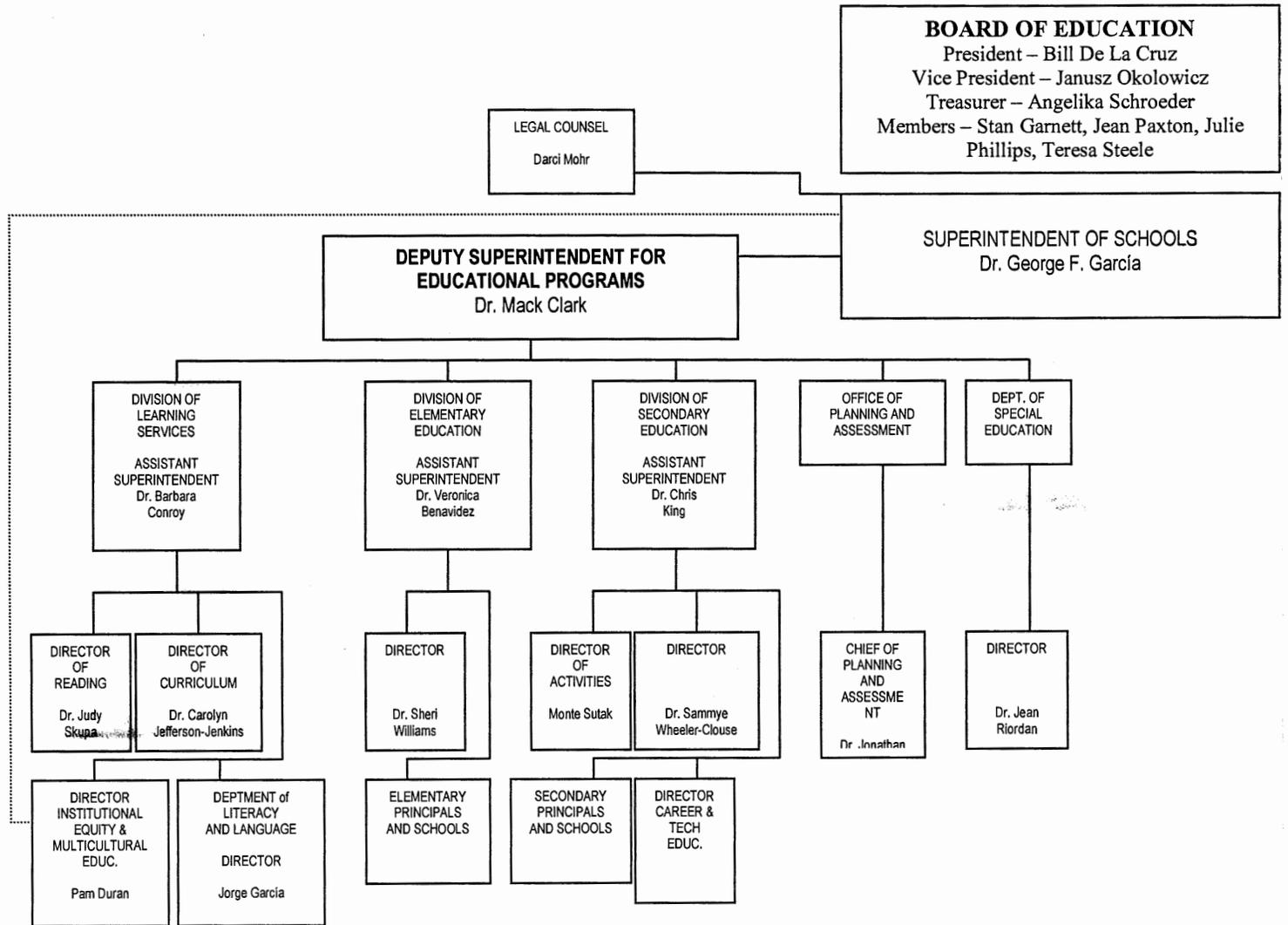
BOULDER VALLEY SCHOOL DISTRICT RE-2

BOARD OF EDUCATION MEMBERS

The registered electors of the District elect the seven members of the Board at successive biennial elections to staggered four-year terms of office. The Board is a policy-making body whose primary functions are to establish policies for the District; provide for the general operation and personnel of the district; and oversee the property, facilities, and financial affairs of the District. Members of the Board serve without compensation. The present Board members, their office on the Board, lengths of service, and terms of office are as follows:

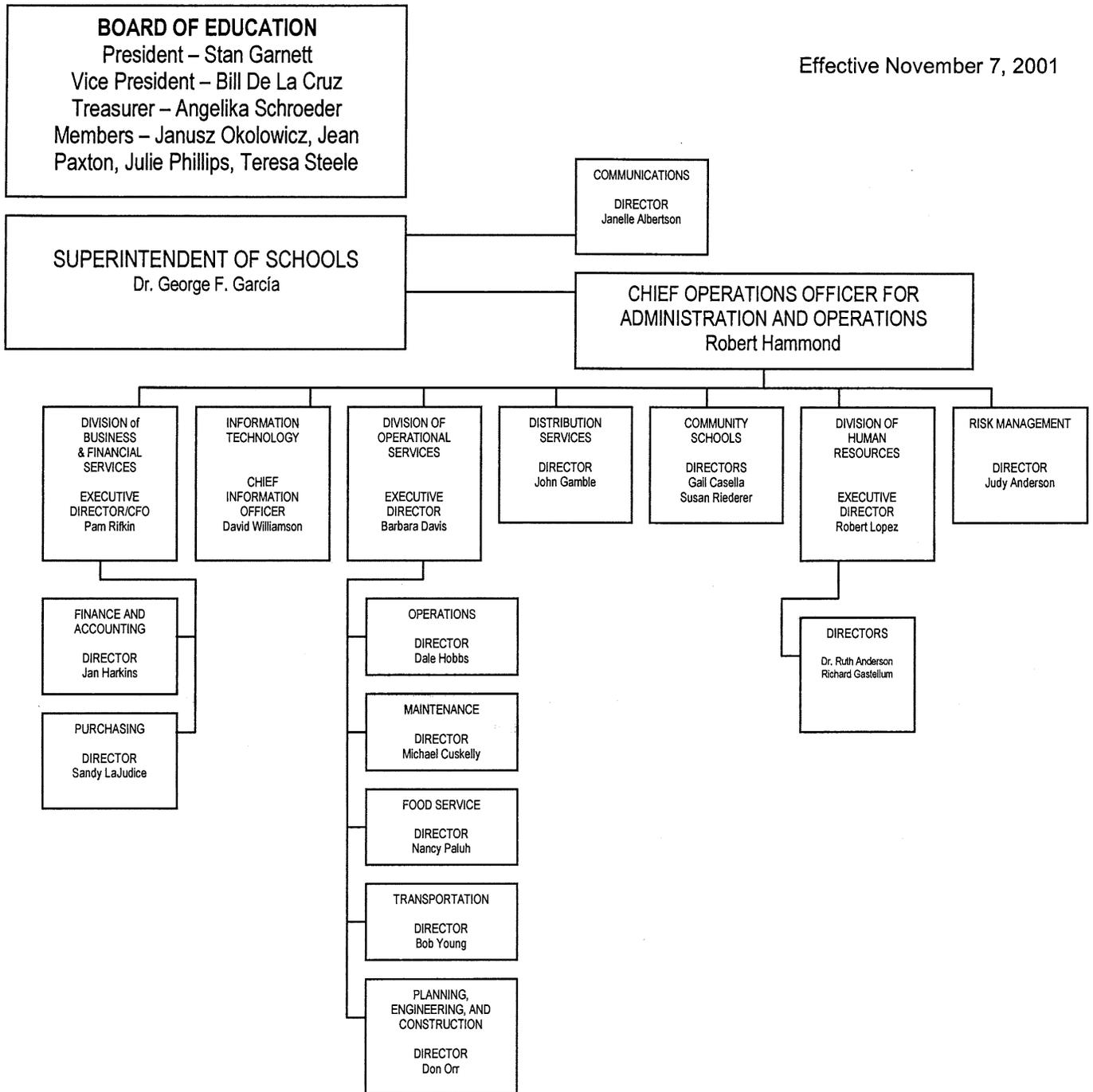
<u>Name</u>	<u>Office</u>	<u>Years of Service</u>	<u>Term Expires</u>
Bill De La Cruz	President	4	2003
Janusz Okolowicz	Vice President	6	2003
Angelika Schroeder	Treasurer	2	2003
Jean Paxton	Director	1	2005
Stan Garnett	Director	4	2005
Julie Phillips	Director	4	2005
Teresa Steele	Director	2	2003

Boulder Valley School District



Boulder Valley School District

Effective November 7, 2001



BOULDER VALLEY SCHOOL DISTRICT RE-2

LIST OF PRINCIPAL OFFICIALS

The Board is empowered to employ a chief executive officer, the Superintendent, who is responsible to the Board for the daily operations of the District. Other principal administrative officers of the District include a Deputy Superintendent for Educational Programs and a Chief Operations Officer for Administration and Operations. In the absence of the Superintendent, the Deputy Superintendent serves as the Superintendent.

George F. Garcia, Ed.D., Superintendent

Dr. Garcia was appointed Superintendent for the district in August 2000, after serving as Superintendent for Tucson Unified School District since 1991. Dr. Garcia received a Bachelor of Science degree in secondary education from Northwest Missouri State University; a Master's Degree in history from University of Iowa; and a Doctorate in educational administration from Drake University, Des Moines Iowa.

Dr. Garcia has won numerous national and state honors for excellence in leadership. He was selected 1998 Arizona Superintendent of the Year by the American Association of School Administrators. In 1998, he received the University of Arizona Distinguished Service Award and the League of United Latin American Citizen (LULAC) National Presidential Award of Outstanding Leadership in Education. In 1997, he received the prestigious American-Israel Friendship League Partners for Democracy Award. In 1996, Dr. Garcia received the Distinguished Administrator Award from the Arizona School Administrators. In 1994, he received the Dr. Martin Luther King Distinguished Leadership Award. In 1993, *Executive Educator* magazine identified Dr. Garcia as one of the 100 best educational administrators in North America – similar to the *Fortune 500* listing for business and industry. He has been president of the Large City School Superintendents organization and served on the executive committee of the Council of Great City Schools.

H. Mack Clark, Ed.D., Deputy Superintendent

Dr. Clark has served as Deputy Superintendent of Educational Programs in Boulder Valley since December 1997. He previously functioned as assistant superintendent in Beaverton, Oregon, and Colorado Springs, Colorado. Dr. Clark received a Doctorate of Education from the University of Northern Colorado, Greeley, Colorado, in June 1978 with a major in curriculum and instruction and a minor in social studies. Dr. Clark received his Master of Education degree in May 1972 from Central Missouri State University, Warrensburg, Missouri, with a major in social studies and a minor in educational administration.

Robert Hammond, Chief Operations Officer

Mr. Hammond joined Boulder Valley School District as Chief Operations Officer for Administration and Operations in January 2001, after serving as Associate Superintendent for Administration and Operations with the Wichita Public School District in Wichita, Kansas for many years. Mr. Hammond also held positions as Senior Vice President of Farm Credit Services, Assistant City Manager of Norman, Oklahoma, and City Manager of Oskaloosa, Iowa before joining the public education arena. He received a Bachelor of Arts in psychology and sociology at Baker University, Baldwin, Kansas, in 1972. Mr. Hammond also holds a Master's Degree in Public Administration, Urban Management from the University of Kansas, Lawrence, Kansas, 1977.

Strategic Plan Guides District Decision-Making

Nearly a decade ago, Boulder Valley School District hosted a community-wide discussion about its future. That was the first strategic planning process. Its purpose was to, in a deliberate way, reach agreement and commit to paper the beliefs and priorities that should drive educational decisions in Boulder Valley.

The current School Board returned to the strategic plan as a vehicle to re-emphasize key priorities in Boulder Valley. The Board wanted to create a roadmap to meet present-day demands for increased performance and accountability.

Drawing largely on the existing plan, the Board focused the priorities into six areas and developed belief statements related to each priority.

Below and on the following pages, you will find the adopted priorities and beliefs of the Boulder Valley School District, which were approved February 11, 1999, and revised to include the sixth priority in 2001. The district published the Report of Progress in March 2000, which includes strategies and indicators for each of the five priorities in the strategic plan.

The BVSD Mission:

The Boulder Valley School District challenges students to achieve their academic, creative and physical potential in order to become, responsible, contributing citizens.

The Priorities

1. Maximize Student Learning and Achievement
2. Foster Collaboration and Partnerships
3. Value Diversity and Promote Understanding
4. Provide a High-Quality, Committed Staff
5. Manage Assets Responsibly
6. Plan and Assess for Continuous Improvement

Definitions:

- Boulder Valley School District:** Includes a large part of Boulder County, and small portions Broomfield and Gilpin Counties. The cities of Erie, Gold Hill, Jamestown, Lafayette, Louisville, Nederland, Superior, Ward and unincorporated South Boulder County.
- Beliefs:** An expression of value or ideal to be achieved.
- Strategy:** A statement, which commits to a set of actions over time in order to gain an advantage or improvement.
- Action Plan:** Statements of specific actions to be taken to make progress in strategic priority areas.
- Performance Indicators:** Selected data that, individually and as a body of evidence, measure performance and achievement.
- Parent(s):** Parent, guardian or other people responsible for making educational decisions for children.
- Academic Areas:** Math, science, social studies, language arts, physical education, foreign language, music and art.
- Diversity:** Encompasses the individual and group differences that contribute to the uniqueness of every human being. These differences include but are not limited to race, ethnicity, gender, sexual orientation, age, disability and religion.

Priority 1: Maximize Student Learning and Achievement

Definition: All children will achieve academic success through high quality, challenges programs, research-based practices, supportive policies and committed people working together in a safe and nurturing environment

1a Beliefs:

- All students can learn when they are provided with resources and support.
- Different student needs require different resources.
- High, achievable expectations are essential for the success of all students.
- Staff has a critical responsibility for student success.
- Parents who have high expectations for their children's success maximize student achievement.
- A program that coordinates services and resources best meets students' educational needs.
- Learning is a continual, cooperative process among students, parents, the community and teachers.
- Diverse student characteristics are accommodated through a variety of learning options and classroom environments.
- Knowledge and skills must be combined with creative thinking and problem solving so that students can apply what they have learned and succeed in a changing, technologically advanced society.
- Students must be prepared for lifelong learning and citizenship in a free, democratic society.

1b 2000-01 Results:

- The 2000-2001 results of the Colorado Student Assessment Program (CSAP) tests showed that Boulder Valley schools continued to perform among the best in the state with scores above the state average in all grades tested and in all subjects. CSAP was designed to measure student achievement through a series of snapshots - tests in reading, writing, math and science.
- The District's educational programs area developed a "Gap Attack" plan in 2000-2001 to include the following programs: English as a Second Language (ESL); Bilingual Education; Language Enriched Schools; Newcomer Pathways; ESL Summer Academy; Refugee Education and Assistance; Title IX Indian Education; Title I's SOAR to Success and Taller Intensivo for Spanish Literacy; Title I Family Literacy; Study Skills for Second Language Learners; and Alternative High School programs called Connections, Chinook, Passages, Teen Parent, Sunset Learning, Combined Diploma, GED and School to Work.

1c Customer Satisfaction:

- 93% of BVSD parents surveyed either agreed or strongly agreed that BVSD students feel safe at school and that the schools have clear rules for student behavior.
- 91% of BVSD parents surveyed either agreed or strongly agreed that their school set high and realistic expectations for their students and that classes provide a solid foundation for their student's future. Also, the same percentage of parents felt that their students had a positive attitude about his or her school.
- 82% of BVSD parents surveyed either agree or strongly agree that their student is learning at or above the level they expect.

1d Relationship to 2001-02 Budget:

- Efforts to improve student achievement are supported through the budgets in Learning Services, Planning and Assessment, Elementary and Secondary Instruction, and the schools.
- The 1998 referendum funding incorporated in this budget is tied to promises to improve student achievement.

Priority 2: Foster Collaboration and Partnerships

Definition: As part of a community that recognizes the importance of quality education for all students to the well-being of our neighborhoods, our economy, and the quality of life for our citizens, the district and its schools, the home, and the community collaborate to meet the educational and social needs of students and their families.

2a Beliefs:

- Schools welcome community members and encourage them to volunteer their time.
- Boulder Valley School District staff is accountable to the community for student progress toward established goals.
- The district and schools make decisions in partnership with parents, community members, teachers, administrators and School Board members.
- Community members - from parents, students and staff to business executives, elected officials and neighbors who no longer have children in school - contribute significantly to the success of Boulder Valley schools and should be involved in school activities.
- Parent involvement in activities that support the instructional program enhances their children's school performance.

2b 2000-01 Results:

- During 2000-2001, the Boulder Task Force on City Schools moved forward with a Memorandum of Understanding between the District and the City of Boulder.
- The District increased grant funding from \$5 million in 1999-2000 to more than \$8 million during the current year.
- Boulder Valley formed a new partnership with Front Range Community College and the University of Colorado.
- The District also partnered with the cities of Lafayette, Nederland and Boulder to explore the possibility of developing subsidized housing for District employees.

2c Customer Satisfaction:

- 94% of the parents surveyed either agreed or strongly agreed that they felt welcome at BVSD schools.
- 92% of the parents surveyed either agreed or strongly agreed that they have been encouraged to participate in school activities.
- 89% of the parents surveyed agreed or strongly agreed that they receive regular reports about their student's academic progress.

2d Relationship to 2001-02 Budget:

- Efforts to support collaboration and partnerships are supported through the budgets in Communications, Superintendent, and the schools.

Priority 3: Value Diversity and Promote Understanding

Definition: The district ensures that staff and students work and learn in an environment where all people protect and respect the rights of all individuals.

3a: Beliefs

- All human beings have inherent worth.
- All students, regardless of race, ethnicity, gender, sexual orientation, age, disability or religion, deserve a quality education.
- BVSD will not tolerate discrimination, intimidation, harassment or violence based on race, ethnicity, gender, sexual orientation, age, disability or religion.
- Healthy school communities respect differences, welcome diversity and promote cultural plurality.
- Racial, ethnic and cultural diversity should be evident across all employee groups and central administration.

3b 2000-01 Results:

- Boulder Valley continued to work through the Multi-Ethnic Action Committee, the Safe Schools Coalition and the Special Education Action Committee to address diversity issues and to advocate within the District and throughout the community.
- The District attained its affirmative action goals during 2001. The Learning Services Division focused on multiculturalizing the curriculum. The District continued to work with the Lafayette and Boulder Latino Parent Organizations. Various professional development activities provided training in equity.

3c Customer Satisfaction:

- 93% of the parents surveyed either agreed or strongly agreed that their students feel safe at BVSD schools. Of this percentage:
 - 93% of the Latino parents surveyed either agreed or strongly agreed that their students feel safe at BVSD schools.
 - 91% of the African American parents surveyed either agreed or strongly agreed that their students feel safe at BVSD schools.
 - 91% of the Native American parents surveyed either agreed or strongly agreed that their students feel safe at BVSD schools.
 - 94% of the Asian parents surveyed either agreed or strongly agreed that their students feel safe at BVSD schools.
 - 93% of the White parents surveyed either agreed or strongly agreed that their students feel safe at BVSD schools.

3d Relationship to 2001-02 Budget:

- Efforts to focus attention and resources toward eliminating racism and developing an appreciation for cultural diversity are supported through the budgets for the schools, Superintendent and Learning Services through the Director of Cultural Diversity. 1998 referendum funding is also directed toward this priority.

Priority 4: Provide a High-Quality, Committed Staff

Definition: A highly qualified, caring, committed, and diverse staff is recruited, supported, retained, supervised and evaluated using strategies that focus on continuous improvement resulting in high levels of organizational performance.

4a: Beliefs

- Boulder Valley School District values all employees.
- A highly qualified, committed staff:
 - Maximizes student learning and achievement.
 - Fosters collaboration and partnerships.
 - Values diversity and promotes understanding.
 - Manages assets responsibly.

4b 2000-01 Results:

- Boulder Valley employed 1,958 full and part-time teachers during 2000-2001. The District employed 124 full and part-time principals, assistant principals and program directors. The average teaching experience of BVSD teachers during the current year was 11.5 years. The average annual salary for a BVSD teacher was \$44,067. The minimum teacher's salary was \$26,753 while the maximum teacher's salary was \$61,459. Total District staff during the 2000-01 school year was over 3,800.
- Numerous professional development opportunities were available for certified and classified staff during the year. Tuition reimbursement, credit for outside service, a teacher assistant program, a Partners in Education program and a Teachers as Scholars program were provided by the District.

4c Customer Satisfaction:

- 92% of the BVSD parents surveyed either agreed or strongly agreed that teachers at school encouraged children to do their best as well as, the school principal or administrator have demonstrated personal and professional commitment to school improvement.
- 89% of the parents surveyed either agreed or strongly agreed that BVSD teachers are committed to maximizing student achievement.

4d Relationship to 2001-02 Budget:

- Efforts to provide a high-quality, committed staff are supported in the budget of Human Resources, and staff development funds in the departmental and school budgets.

Priority 5: Manage Assets Responsibly

Definition: All district fiscal and facility resources are maximized to provide equitable, quality learning environments, while maintaining public confidence in management practices and results.

5a: Beliefs

- Student achievement is the first priority in making budget decisions.
- Facilities should be maintained to provide environments that promote learning and protect the health and safety of students.
- The district is obligated to the taxpayers to spend money effectively and prudently.
- The district must address needs of individual students and maintain equitable resource allocations.

5b 2000-01 Results:

- The District's 2001-2002 Budget was based on initiatives set forth in the strategic plan. A cross-functional team from the Administration and Operations area and the Curriculum and Instruction Division was formed to develop and implement a District-wide technology plan.
- A 401(k) MatchMaker Program was implemented in January 2001.
- The District continued to complete bond projects from the 1998 bond issue approved by community voters.
- A District Facilities Planning Committee consisting of community members and representatives from Boulder Valley's various cities was established.
- A new facilities rental rate structure was developed and adopted by the Board of Education in June 2001.
- The District instituted the use of procurement cards, completed a physical inventory of fixed assets and fully implemented a bar-coding system during 2000-2001.

5c Customer Satisfaction:

- 92% of the parents surveyed agreed or strongly agreed that resources at the school are used effectively.
- 91% of the parents surveyed agreed or strongly agreed that BVSD schools provide the materials and resources necessary for students to learn.

5d Relationship to 2001-02 Budget:

- Efforts to promote responsible management of resources are supported by budgets in the Division of Business and Financial Services, Operations and Maintenance, and all program budgets.

Priority 6: Plan and Assess for Continuous Improvement

Definition: The district commits itself to continuous improvement and enhanced organizational effectiveness through comprehensive planning based on data-driven decision making, which is focused on the district's mission and strategic initiatives

6a: Beliefs

- The district and its schools must regularly examine the effectiveness of practices, programs, procedures and policies.
- Continuous improvement occurs through planned change.
- The continuous improvement process is a cycle that includes data analysis, determination of needs, planning for improvement, implementation of the plan and analysis of results.
- School organizations are complex and variable.
- The district and its schools must be responsive to changing needs and expectations of its clients and the community.
- Cooperation, teamwork, and partnering are the norm.

6b 2000-01 Results:

- The District began training in continuous quality improvement during 2000-2001. Mission statements based on a systems framework were developed at the division level. A continuous growth plan model was implemented in the Administration and Operations area.
- Future areas of focus for 2001-2002 and beyond include:
 - continued K-3 literacy efforts, accountability in all programs and all classrooms
 - continued strengthening of the sense of District unity while respecting diversity
 - continued curriculum renewal efforts to support the achievement of high academic standards
 - continued support of educational choices
 - continued encouragement of community involvement
 - increased emphasis on communication
 - the ongoing challenges of providing quality public education with limited resources

6c Customer Satisfaction:

- 89% of the parents surveyed agreed or strongly agreed that they know how to become involved in school decision-making, if they chose.
- 84% of the parents surveyed agreed or strongly agreed that they have been informed about the school's improvement goals.

6d Relationship to 2001-02 Budget:

- Support for data driven decision making was provided through additional staff for information services to enhance data management capabilities as well as one time funding of \$1,000,000 for systems and plan development.
- Efforts toward continuous improvement are also supported through budgets in Planning and Assessment and the Chief Operations Officer.

FINANCIAL
SECTION



Board of Education
Boulder Valley School District RE-2
Boulder, Colorado

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying basic financial statements of the Boulder Valley School District RE-2, as of and for the year ended June 30, 2002, as listed in the table of contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these basic 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2002, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 11 to the basic financial statements, the District adopted the standards of Governmental Accounting Standards Board Statement No. 34 for the year ended June 30, 2002.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 4, 2002, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of District, taken as a whole. The combining and individual fund statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The statistical information included in the comprehensive annual financial report was not audited by us, and accordingly, we do not express an opinion on it.

October 4, 2002



Management's Discussion and Analysis

As management of the Boulder Valley School District, we offer readers of the District's Comprehensive Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2002. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letter of transmittal on pages i – v of this report.

Financial Highlights

- The primary government has government-wide net assets totaling over \$65 million at the end of the current fiscal year.
- Governmental activities have an unrestricted net assets surplus of over \$255 thousand.
- Business-type activities have an unrestricted net assets surplus of \$442 thousand.
- Fund balance of the District's governmental funds decreased by \$8.8 million resulting in an ending fund balance of \$19 million. The \$4.6 million decrease in the combined General Fund ending balance from \$4.5 million last year to a deficit of \$104,267 at June 30, 2002 is a result of spending down accumulated beginning balance resources in the General Operating Fund and the current year operating deficit in the Community Schools Fund. The remaining \$4.2 million decrease is due to projects that were completed during the year in the Building Fund and spending down beginning balance resources in the Capital Reserve Fund.
- The District's long-term general obligation debt decreased by \$5.625 million to \$159.5 million as a result of current year principal and interest payments on the outstanding debt.

In September 2001, the District refunded \$24.2 million in general obligation bonds, lowering the interest rate from 6.18 percent to 3.40 percent, which will save district taxpayers \$2.6 million. Moody's Investors Service upgraded the District's rating to Aa3 from A1. The rating reflected the District's below-average debt levels, consistently sound financial operations, and Boulder Valley's sizable, diverse and affluent tax base.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is normally provided in this document. Since this is the first presentation of management's discussion and analysis, no comparison data is provided. The Boulder Valley School 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 Boulder Valley's financial activities in a manner similar to a private sector business.

The statement of net assets presents information on all of the District's assets and liabilities. The difference between assets and liabilities is reported as net assets. Over time, changes in net assets 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 assets of the District changed during the current fiscal year. Changes in net assets 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 consolidate governmental and internal service activities that are principally supported by taxes and intergovernmental revenues from business-type activities that are intended to recover all or most of their costs through user fees and charges. Governmental activities consolidate all of the following Boulder Valley School District funds: general fund, summer school fund, athletics fund, community schools fund, tuition-based preschool fund, Colorado preschool fund, governmental designated-purpose grants fund, capital reserve fund, energy conservation fund, building fund and bond redemption fund. Business-type activities include only the food service fund.

The government-wide financial statements include not only the Boulder Valley School District itself (known as the primary government), but also information about the District's five charter schools (known as component units). Financial information for the charter schools is presented separately from the primary government because the charter schools are legally separate from the District but are financially accountable to the District and provide service to the District's students.

The government-wide financial statements can be found on pages 1-2 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 Boulder Valley School District, like other governments, uses fund accounting to ensure and demonstrate compliance. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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.

Boulder Valley School District maintains 2 different governmental funds called major funds: the general fund (which combines that District's general operating fund, summer school fund, athletics funds, community schools fund, tuition preschool fund and the Colorado preschool fund) and the bond redemption fund. They are presented separately in the fund financial statements with the remaining governmental funds (combined into a single aggregated presentation labeled other governmental funds). Other governmental funds, called non-major funds, include the District's grants fund, capital reserve fund, energy conservation fund and the building fund. Individual fund information for the non-major funds is presented as other supplemental information after the notes section of this report.

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the general fund is included in the fund financial statements to demonstrate compliance with the adopted budget. The remaining governmental funds budgetary comparisons are reported as other supplemental information and can be found after the notes section of this report.

Proprietary Funds

Boulder Valley maintains two types of proprietary funds. One of the proprietary fund types is called enterprise funds. Enterprise funds are used to present the same functions as the business-type activities presented in the government-wide financial statements. The District uses an enterprise fund to account for its food service operation.

The other type of proprietary fund is an internal service fund. Internal service funds are used to accumulate and allocate costs internally among the Boulder Valley School District's various functions. Boulder Valley uses an internal service fund type to account for the insurance reserve fund activities related to the District's liability, property and workers' compensation insurance needs and the overall risk management activities of the District.

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

In addition to the financial statements and accompanying notes, this report also contains other supplemental information concerning the District's non-major governmental funds. The combining statements of the non-major governmental funds are presented after the notes to the financial statements.

Government-wide Financial Analysis

Government-wide Net Assets

The assets of the Boulder Valley School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenditures are current assets. These assets are available to provide resources for the near-term operations of the District. The majority of current assets are the result of the property tax collection process: Boulder Valley receives over 60% of the annual property tax assessment in May and June. Capital assets are used in the operations of the District. These assets include land, buildings, equipment and vehicles.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The assets of the primary government exceed liabilities by almost \$64 million with an unrestricted balance of over \$697 thousand. A net investment of \$45 million in land, buildings, equipment and vehicles represents 69% of the District's net assets.

Boulder Valley School District Net Assets

	Governmental Activities <u>2001-2002</u>	Business-type Activities <u>2001-2002</u>	<u>Total</u>
Current and other assets	\$ 46,543,125	\$ 735,141	\$ 47,278,266
Capital assets	<u>210,722,744</u>	<u>491,286</u>	<u>211,214,030</u>
Total Assets	\$ 257,265,869	\$1,226,427	\$ 258,492,296
Long-term liabilities outstanding	\$ 167,298,659	\$ -	\$ 167,298,659
Other liabilities	<u>25,879,060</u>	<u>141,145</u>	<u>26,020,205</u>
Total Liabilities	193,177,719	141,145	193,318,864
Net assets			
Investment in capital assets, net of related debt	44,667,102	491,286	45,158,388
Restricted for:			
Debt Service	14,973,430	-	14,973,430
Capital Projects	4,000,873	-	4,000,873
Emergencies	191,684	151,437	343,121
Unrestricted	<u>255,061</u>	<u>442,559</u>	<u>697,620</u>
Total Net Assets	64,088,150	1,085,282	65,173,432
Total Liabilities and Net Assets	\$ 257,265,869	\$1,226,427	\$ 258,492,296

Government-wide Activities

Governmental activities decreased the net assets of the District by \$3,424,318 during the current fiscal year ended June 30, 2002.

**Boulder Valley School District
Changes in Net Assets**

	Governmental Activities <u>2001-2002</u>	Business- type Activities <u>2001-2002</u>	Government-wide <u>Total</u>
Revenues			
Charges For Services	\$ 4,515,968	\$ 3,666,920	\$ 8,182,888
Operating Grants and Contributions	17,238,877	1,380,737	18,619,614
Capital Grants and Contributions	-	-	-
General Revenues:			
Taxes:			
Local Property Taxes	132,987,761	-	132,987,761
Specific Ownership Taxes	12,221,725	-	12,221,725
School Finance Act	35,352,777	-	35,352,777
Other Revenues	2,148,195	-	2,148,195
Earnings on Investments	1,012,088	-	1,012,088
Total Revenue	205,477,391	5,047,657	210,525,048
Expenses			
Instruction	128,103,261	-	128,103,261
Supporting Services	64,674,994	-	64,674,994
Depreciation, Unallocated	7,571,955	-	7,571,955
Interest Expense	8,551,499	-	8,551,499
Food Services	-	5,123,170	5,123,170
Total Expenses	208,901,709	5,123,170	214,024,879
Change in net assets	(3,424,318)	(75,513)	(3,499,831)
Net Assets - July 1, 2001	67,512,468	1,160,795	68,673,263
Net Assets - June 30, 2002	<u>\$ 64,088,150</u>	<u>\$ 1,085,282</u>	<u>\$ 65,173,432</u>

Business-type Activities

Business-type activities decreased the District's net assets by \$75,513 from food service fund nutrition services.

Financial Analysis of the Government's Funds

Boulder Valley School District uses fund accounting to ensure and demonstrate compliance with finance-related legal, federal and state 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, unreserved fund balance may serve as a useful measure of Boulder Valley's net resources available for spending at the end of the fiscal year.

The combined general fund is the major governmental fund of Boulder Valley School District. The combined general fund under GASB 34 reporting requirements includes the general operating fund, summer school fund, athletics fund, community schools fund, tuition preschool fund and the Colorado preschool fund. As of June 30, 2002, the combined general fund shows a negative ending fund balance of \$104,267, down from the combined fund balance of \$4,511,340 for the prior year.

The general operating fund is the core of operations for the Boulder Valley School District. At the end of the fiscal year, the fund balance had decreased by \$4,520,134 to a negative balance of \$199,947. The capital projects funds (which include the capital reserve fund, energy conservation fund and building fund) also had a decrease in fund balance at the end of the year from \$8,370,121 to \$4,192,557 due to the completion of projects funded from the 1998 bond issue. The debt service fund ended the fiscal year with a balance of \$14,973,430 which will carry forward into 2002-2003 to fund the District's long-term debt principal and interest payments.

General Fund Budgetary Highlights

Boulder Valley began budget development for the 2001-2002 fiscal year in November 2000 with discussions related to teacher negotiations as well as the impact of the passage of Amendment 23. A budget development calendar was presented to the Board of Education in January 2001 and comprehensive budget hearings were conducted in February 2001 to identify District needs.

A 2000-2001 mid-year analysis completed in February 2001 established the base of expenditure assumptions for 2001-2002. After reviewing enrollment projections and the most current revenue assumptions, the Superintendent and his senior staff prepared a preliminary budget by prioritizing the needs expressed in the February hearings' process. The preliminary budget was presented to the Board of Education in April. The Boulder Valley School District Budget Committee, representing citizens, chambers of commerce, District standing committees and District organization met during April to review the preliminary budget. Their input was included in the Proposed Budget presented to the Board of Education on May 8, 2001. During all May and June Board meeting, the Board engaged in budget discussions. Adoption of the 2001-2002 District budget occurred on June 26, 2001.

The final phase of budget development was the modification of the June budget based on prior year financial information and updated enrollment information gained from the first month of school in the fall.

The Revised 2001-2002 Budget was presented to the Board on September 25, 2001 and was adopted on October 9, 2001.

Boulder Valley's budget development process is consistent with current Colorado statutes that require a proposed budget be presented to Boards of Education by June 1, with budget adoption by June 30. The law provides for school boards to adjust revenues and expenditures through October 15th of each fiscal year.

The 2001-2002 Revised Budget included the following:

- Increased most employee salaries by 4 percent
- Funded steps on employee salary schedules
- Funded five charter schools
- Provided staffing for schools at 100% of projected enrollment
- Reduced general elementary teacher staffing due to a declining enrollment and the opening of the Peak to Peak charter school

- Increased funding for general classroom teachers at the secondary level and for vocational education and English as a Second Language programs due to increased enrollment
- Used \$1.1 million of the \$1.3 million of new Amendment 23 funding to reduce class size
- Expanded special literacy programs to middle level schools
- Added support for diversity training and multicultural programs

Capital Assets and Debt Administration

The District's investment in capital assets for its governmental and business-type activities as of June 30, 2002 amounts to \$211,214,030.

Boulder Valley School District Capital Assets (net of accumulated depreciation)

	Government Activities June 30, 2002	Business-type Activities June 30, 2002	Total June 30, 2002
Land	\$ 2,802,833	\$ -	\$ 2,802,833
Land Improvements	1,641,961	-	1,641,961
Buildings	201,698,120	-	201,698,120
Equipment	997,286	491,286	1,488,572
Vehicles	<u>3,582,544</u>	<u>-</u>	<u>3,582,544</u>
TOTAL ASSETS	\$ 210,722,744	\$ 491,286	\$ 211,214,030

Additional information on the District's capital assets can be found in note 4 of this report.

At June 30, 2002, Boulder Valley had total bonded debt outstanding of \$159,500,000 backed by the full faith and credit of the District. Additionally, the District had long-term debt obligations for certificates of participation, compensated absences and capital leases in the amount of \$7,637,801 still outstanding at the end of the current fiscal year. Certificates of participation in the amount of \$6,255,000 are collateralized by specific buildings owned by the District.

Boulder Valley School District issued \$24,230,000 in general obligation refunding bonds in September 2001 to refinance the outstanding 1992 debt. The District lowered the rate on its bonds from 6.18 % to 3.40% which will provide savings of over \$2.6 million to District taxpayers between 2002 and 2008. Boulder Valley received the following credit rating for the 2001 refunding bonds: Moody's Investors Services, Inc Aa3, Standard and Poor's Rating Services AA and Fitch, Inc AA.

Boulder Valley School District
Long-Term Debt

	Governmental Activities	
	June 30, 2002	June 30, 2001
General Obligation Bonds And Bond Premium	\$ 159,660,858	\$ 165,070,000
Certificates of Participation	6,255,000	7,115,000
Compensated Absences	1,243,017	1,248,933
Capital Lease Obligations	139,784	271,922
Total	\$ 167,298,659	\$ 173,705,855

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

Economic Factors and Next Year's Budgets

In November 2000, voters in Colorado approved a provision to the Colorado constitution providing that K-12 education funding would increase at pupil growth plus inflation plus one percent for 10 years and thereafter, growth plus inflation. This provision stabilizes funding and is the single most important factor in projecting District revenues for the future.

The Boulder Valley School District Revised Adopted Budget for 2002-2003 is based on inflation of 4.7% plus and additional 1% for a total of 5.7%. Current projections for the 2003-2004 fiscal year are inflation of 1.9% plus an additional 1% for a total of 2.9%.

Actual and projected student enrollment counts also influence the District's current and future operating budgets due to their impact on the funding and resource allocation process. Enrollments for 2002-2003 are estimated at 326 pupils below the projections used to develop the original budget. The original budget was based on 26,961 funded pupils. However, current estimates are that the funded pupil count for 2002-2003 will be 26,635. This decrease in students will result in a decrease in school finance act funding of approximately \$1.87 million. Reductions in expenditures for variable cost savings associated with fewer students and a moratorium on hiring have been implemented to balance the current 2002-2003 year budget.

Requests for Information

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

Jan Harkins, Finance Director
Boulder Valley School District
6500 East Arapahoe
Boulder, Colorado 80301

BASIC FINANCIAL STATEMENTS



BOULDER VALLEY SCHOOL DISTRICT RE-2

STATEMENT OF NET ASSETS

June 30, 2002

	PRIMARY GOVERNMENT			COMPONENT
	GOVERNMENTAL	BUSINESS-TYPE	TOTAL	UNITS
	ACTIVITIES	ACTIVITIES		CHARTER
				SCHOOLS
ASSETS				
Cash and Investments	\$ 32,236,243	\$ 444,617	\$ 32,680,860	\$ 9,308,779
Restricted Cash	5,520,625	-	5,520,625	-
Taxes Receivable	4,926,539	-	4,926,539	-
Grants Receivable	2,241,977	-	2,241,977	800
Accounts Receivable	468,231	159,016	627,247	-
Inventories	442,616	131,508	574,124	-
Prepaid Items and Deposits	515,912	-	515,912	-
Bond Issuance Costs	190,982	-	190,982	-
Capital Assets, Net of Accumulated Depreciation	210,722,744	491,286	211,214,030	11,655,712
TOTAL ASSETS	257,265,869	1,226,427	258,492,296	20,965,291
LIABILITIES				
Accounts Payable	7,435,196	4,806	7,440,002	489
Accrued Liabilities	313,423	-	313,423	131,650
Retainage Payable	838,390	-	838,390	-
Accrued Salaries and Benefits	16,429,922	96,558	16,526,480	360,770
Deferred Revenues	862,129	39,781	901,910	177,307
Non-current Liabilities				
Due Within One Year	7,029,784	-	7,029,784	-
Due in More Than One Year	160,268,875	-	160,268,875	18,800,000
TOTAL LIABILITIES	193,177,719	141,145	193,318,864	19,470,216
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	44,667,102	491,286	45,158,388	726,681
Restricted for				
Debt Service	14,973,430	-	14,973,430	-
Capital Projects	4,000,873	-	4,000,873	-
Emergencies	191,684	151,437	343,121	225,000
Unrestricted	255,061	442,559	697,620	543,394
TOTAL NET ASSETS	\$ 64,088,150	\$ 1,085,282	\$ 65,173,432	\$ 1,495,075

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2002

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>	
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>
PRIMARY GOVERNMENT			
Governmental Activities			
Instruction	\$ 128,103,261	\$ 3,524,697	\$ 17,238,877
Supporting Services	64,674,994	991,271	-
Depreciation, Unallocated	7,571,955	-	-
Interest Expense	8,551,499	-	-
Total Governmental Activities	<u>208,901,709</u>	<u>4,515,968</u>	<u>17,238,877</u>
Business-type Activities			
Food Service	5,123,170	3,666,920	1,380,737
Total Business-type Activities	<u>5,123,170</u>	<u>3,666,920</u>	<u>1,380,737</u>
TOTAL PRIMARY GOVERNMENT	<u>214,024,879</u>	<u>8,182,888</u>	<u>18,619,614</u>
COMPONENT UNITS			
Charter Schools	7,268,087	103,199	928,845
TOTAL COMPONENT UNITS	<u>\$ 7,268,087</u>	<u>\$ 103,199</u>	<u>\$ 928,845</u>

GENERAL REVENUES
 Local Property Taxes
 Specific Ownership Taxes
 State Equalization
 Other Revenues
 Investment Earnings

TOTAL GENERAL REVENUES

CHANGE IN NET ASSETS

NET ASSETS, BEGINNING

NET ASSETS, ENDING

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

NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS

PRIMARY GOVERNMENT			COMPONENT
GOVERNMENTAL	BUSINESS-TYPE	TOTAL	UNITS
ACTIVITIES	ACTIVITIES		CHARTER
			SCHOOLS
\$ (107,339,687)	\$ -	\$ (107,339,687)	\$ -
(63,683,723)	-	(63,683,723)	-
(7,571,955)	-	(7,571,955)	-
(8,551,499)	-	(8,551,499)	-
<u>(187,146,864)</u>	<u>-</u>	<u>(187,146,864)</u>	<u>-</u>
-	(75,513)	(75,513)	-
-	(75,513)	(75,513)	-
<u>(187,146,864)</u>	<u>(75,513)</u>	<u>(187,222,377)</u>	<u>-</u>
-	-	-	(6,236,043)
-	-	-	(6,236,043)
132,987,761	-	132,987,761	-
12,221,725	-	12,221,725	-
35,352,777	-	35,352,777	-
2,148,195	-	2,148,195	7,312,730
1,012,088	-	1,012,088	-
183,722,546	-	183,722,546	7,312,730
(3,424,318)	(75,513)	(3,499,831)	1,076,687
<u>67,512,468</u>	<u>1,160,795</u>	<u>68,673,263</u>	<u>418,388</u>
\$ <u>64,088,150</u>	\$ <u>1,085,282</u>	\$ <u>65,173,432</u>	\$ <u>1,495,075</u>

BOULDER VALLEY SCHOOL DISTRICT RE-2

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2002**

	<u>GENERAL</u>	<u>BOND REDEMPTION</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Cash and Investments	\$ 11,708,376	\$ 14,657,061	\$ 5,669,470	\$ 32,034,907
Restricted Cash and Investments	5,520,625	-	-	5,520,625
Taxes Receivable	4,531,553	394,986	-	4,926,539
Accounts Receivable	377,348	-	90,883	468,231
Grants Receivable	-	-	2,241,977	2,241,977
Due from Other Funds	496,713	-	-	496,713
Inventories	442,616	-	-	442,616
Prepaid Items and Deposits	40,014	-	-	40,014
TOTAL ASSETS	<u>\$ 23,117,245</u>	<u>\$ 15,052,047</u>	<u>\$ 8,002,330</u>	<u>\$ 46,171,622</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts Payable	\$ 6,809,223	\$ -	\$ 590,197	\$ 7,399,420
Accrued Salaries and Benefits	15,610,934	-	818,988	16,429,922
Arbitrage Payable	-	-	313,423	313,423
Retainage Payable	-	-	838,390	838,390
Due to Other Funds	-	-	496,713	496,713
Deferred Revenues	110,067	-	752,062	862,129
Deferred Property Tax	691,288	78,617	-	769,905
TOTAL LIABILITIES	<u>23,221,512</u>	<u>78,617</u>	<u>3,809,773</u>	<u>27,109,902</u>
FUND EQUITY				
Fund Balance				
Reserved for Inventories	442,616	-	-	442,616
Reserved for Prepaid Items	40,014	-	-	40,014
Reserved for Emergencies	-	-	191,684	191,684
Unreserved, reported in:				
General Fund	(586,897)	-	-	(586,897)
Debt Service Fund	-	14,973,430	-	14,973,430
Capital Projects Funds	-	-	4,000,873	4,000,873
TOTAL FUND EQUITY	<u>(104,267)</u>	<u>14,973,430</u>	<u>4,192,557</u>	<u>19,061,720</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 23,117,245</u>	<u>\$ 15,052,047</u>	<u>\$ 8,002,330</u>	

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	210,722,744
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	769,905
The internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	641,458
Long-term liabilities, including bonds payable (\$159,500,000), bond premium (\$160,858), certificates of participation (\$6,255,000), capital leases (\$139,784), compensated absences (\$1,243,017), and bond issuance costs \$190,982 are not due and payable in the current period and therefore are not reported in the funds.	<u>(167,107,677)</u>
Net assets of governmental activities	<u>\$ 64,088,150</u>

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2002**

	<u>GENERAL</u>	<u>BOND REDEMPTION</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES				
Local Sources	\$ 136,863,682	\$ 13,771,451	\$ 2,106,725	\$ 152,741,858
State Sources	42,202,474	-	1,905,909	44,108,383
Federal Sources	-	-	7,845,668	7,845,668
 TOTAL REVENUES	 <u>179,066,156</u>	 <u>13,771,451</u>	 <u>11,858,302</u>	 <u>204,695,909</u>
EXPENDITURES				
Current				
Instruction	119,303,595	-	8,805,582	128,109,177
Supporting Services	59,048,865	-	1,583,024	60,631,889
Capital Outlay	285	-	9,714,331	9,714,616
Bond Issuance Costs	-	190,982	-	190,982
Debt Service				
Principal	860,000	5,625,000	-	6,485,000
Interest and Fiscal Charges	401,373	8,150,126	-	8,551,499
 TOTAL EXPENDITURES	 <u>179,614,118</u>	 <u>13,966,108</u>	 <u>20,102,937</u>	 <u>213,683,163</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 <u>(547,962)</u>	 <u>(194,657)</u>	 <u>(8,244,635)</u>	 <u>(8,987,254)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Debt Issuance	-	24,230,000	-	24,230,000
Bond Premium	-	160,858	-	160,858
Payment to Escrow Agent	-	(24,175,000)	-	(24,175,000)
Transfers In	-	-	4,067,645	4,067,645
Transfers Out	(4,067,645)	-	-	(4,067,645)
 TOTAL OTHER FINANCING SOURCES (USES)	 <u>(4,067,645)</u>	 <u>215,858</u>	 <u>4,067,645</u>	 <u>215,858</u>
 EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 <u>(4,615,607)</u>	 <u>21,201</u>	 <u>(4,176,990)</u>	 <u>(8,771,396)</u>
 FUND BALANCES, BEGINNING	 <u>4,511,340</u>	 <u>14,952,229</u>	 <u>8,369,547</u>	 <u>27,833,116</u>
 FUND BALANCES (DEFICITS), ENDING	 <u>\$ (104,267)</u>	 <u>\$ 14,973,430</u>	 <u>\$ 4,192,557</u>	 <u>\$ 19,061,720</u>

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**
Year Ended June 30, 2002

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

Net change in fund balances - total governmental funds	\$ (8,771,396)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation \$7,571,955, exceeded capital outlays (\$5,693,765).	(1,878,190)
Deferred property tax revenue - Revenues that do not provide current financial resources are deferred on the governmental fund financial statements but are recognized on the government-wide financial statements.	769,905
Repayments of bond principal of \$30,660,000, capital lease payments of \$132,138 and compensated absences of \$5,916 are expenditures in the governmental funds, but they reduced long-term liabilities in the statement of net assets and do not affect the statement of activities.	30,798,054
Proceeds from the issuance of bonds and related costs are revenues and expenses in the governmental funds, but long-term liabilities and assets in the statement of net assets and do not affect the statement of activities. This is the amount by which proceeds (\$24,390,858) exceeded bond issuance costs \$190,982.	(24,199,876)
An internal service fund is used by the District's management to charge the costs of liability and property insurance to the individual funds. The net revenue of the internal service fund is reported with governmental activities.	(142,815)
Change in net assets of governmental activities	\$ <u>(3,424,318)</u>

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

**GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2002**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Taxes	\$ 130,477,501	\$ 130,477,501	\$ 131,004,198	\$ 526,697
Tuition	3,489,957	3,624,420	3,524,697	(99,723)
Earnings on Investments	550,000	550,000	252,916	(297,084)
Other Local Revenue	2,236,871	2,239,333	2,081,871	(157,462)
State Equalization	35,700,316	35,700,316	35,352,777	(347,539)
State Reimbursement Programs	3,981,164	3,981,164	3,307,180	(673,984)
Special Education	3,366,804	3,366,804	3,430,473	63,669
English Language Proficiency Act	130,291	130,291	112,044	(18,247)
TOTAL REVENUES	<u>179,932,904</u>	<u>180,069,829</u>	<u>179,066,156</u>	<u>(1,003,673)</u>
EXPENDITURES				
Instruction - Regular Programs	82,043,107	81,712,485	86,645,887	(4,933,402)
Instruction - Special Programs	30,981,964	30,890,695	31,524,843	(634,148)
Student Support Services	4,340,347	4,297,882	4,455,489	(157,607)
Instructional Staff Services	7,202,724	7,216,382	6,855,362	361,020
General Administration	2,322,541	2,365,555	2,647,979	(282,424)
School Administration	12,118,652	12,161,006	12,525,790	(364,784)
Business Services	1,878,979	1,852,952	1,764,119	88,833
Operations and Maintenance	14,470,315	14,474,289	13,768,236	706,053
Pupil Transportation	5,273,372	5,191,915	6,007,417	(815,502)
Central Support Services	5,563,930	5,573,884	4,963,425	610,459
Other Support Service	17,515	17,515	46,601	(29,086)
Enterprise Operations	19,718	42,395	71,857	(29,462)
Community Services	3,485,424	3,739,419	3,442,403	297,016
Adult Education	31,877	31,877	38,758	(6,881)
Capital Outlay	-	-	285	(285)
Reserves	8,635,940	8,455,845	-	8,455,845
Debt Service				
Principal	860,000	860,000	860,000	-
Interest	397,773	397,773	401,373	(3,600)
TOTAL EXPENDITURES	<u>179,644,178</u>	<u>179,281,869</u>	<u>176,019,824</u>	<u>3,262,045</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>288,726</u>	<u>787,960</u>	<u>3,046,332</u>	<u>2,258,372</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(11,966,878)	(13,268,364)	(6,529,074)	6,739,290
TOTAL OTHER FINANCING SOURCES (USES)	<u>(11,966,878)</u>	<u>(13,268,364)</u>	<u>(6,529,074)</u>	<u>6,739,290</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(11,678,152)</u>	<u>(12,480,404)</u>	<u>(3,482,742)</u>	<u>8,997,662</u>
Salaries and Benefits Earned but Unpaid:				
Beginning	-	-	14,478,069	14,478,069
Ending	-	-	(15,610,934)	(15,610,934)
FUND BALANCE, BEGINNING	<u>17,858,566</u>	<u>18,524,846</u>	<u>4,511,340</u>	<u>(14,013,506)</u>
FUND BALANCE, ENDING	<u>\$ 6,180,414</u>	<u>\$ 6,044,442</u>	<u>\$ (104,267)</u>	<u>\$ (6,148,709)</u>

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

BALANCE SHEET
PROPRIETARY FUNDS

June 30, 2002

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS</u>	<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</u>
ASSETS		
Current Assets		
Cash and Investments	\$ 444,617	\$ 201,336
Accounts Receivable	159,016	-
Inventories	131,508	-
	<hr/>	<hr/>
Total Current Assets	735,141	201,336
	<hr/>	<hr/>
Noncurrent Assets		
Equipment	1,362,976	-
Accumulated Depreciation	(871,690)	-
Prepaid Items and Deposits	-	475,898
	<hr/>	<hr/>
Total Noncurrent Assets	491,286	475,898
	<hr/>	<hr/>
TOTAL ASSETS	1,226,427	677,234
	<hr/>	<hr/>
LIABILITIES		
Current Liabilities		
Accounts Payable	4,806	35,776
Accrued Salaries and Benefits	96,558	-
Deferred Revenues	39,781	-
	<hr/>	<hr/>
Total Current Liabilities	141,145	35,776
	<hr/>	<hr/>
NET ASSETS		
Invested in Capital Assets	491,286	-
Reserved for Emergencies	151,437	83,735
Unreserved	442,559	557,723
	<hr/>	<hr/>
TOTAL NET ASSETS	\$ 1,085,282	\$ 641,458
	<hr/>	<hr/>

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

BOULDER VALLEY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

Year Ended June 30, 2002

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND</u>	<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND</u>
OPERATING REVENUES		
Regular School Lunch	\$ 1,708,282	\$ -
Sandwich Line	1,896,807	-
Premiums and Services	-	2,461,429
Other Revenue	<u>61,831</u>	<u>11,577</u>
TOTAL OPERATING REVENUES	<u>3,666,920</u>	<u>2,473,006</u>
OPERATING EXPENSES		
Salaries	1,913,950	871,512
Benefits	469,290	195,323
Purchased Food	2,142,557	-
USDA Donated Commodities	138,403	-
Nonfood Supplies	132,221	-
Purchased Services	114,372	1,458,980
Depreciation	98,607	-
Other	<u>113,770</u>	<u>90,006</u>
TOTAL OPERATING EXPENSES	<u>5,123,170</u>	<u>2,615,821</u>
OPERATING INCOME (LOSS)	<u>(1,456,250)</u>	<u>(142,815)</u>
NONOPERATING REVENUES		
USDA Donated Commodities	203,137	-
Federal Reimbursement	1,125,372	-
State Matching Funds	<u>52,228</u>	<u>-</u>
TOTAL NONOPERATING REVENUES	<u>1,380,737</u>	<u>-</u>
NET INCOME (LOSS)	<u>(75,513)</u>	<u>(142,815)</u>
NET ASSETS, BEGINNING	<u>1,160,795</u>	<u>784,273</u>
NET ASSETS, ENDING	\$ <u><u>1,085,282</u></u>	\$ <u><u>641,458</u></u>

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

Increase (Decrease) in Cash

Year Ended June 30, 2002

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
Cash Flows From Operating Activities		
Contributions	\$ -	\$ 2,461,429
Cash Received from Operations	3,712,589	-
Other Operating Receipts	61,831	11,591
Cash Payments for Premiums and Claims	-	(1,189,100)
Cash Paid to Employees	(2,370,164)	(1,064,085)
Cash Paid to Suppliers	<u>(2,632,093)</u>	<u>(90,006)</u>
Net Cash Provided (Used) by Operating Activities	<u>(1,227,837)</u>	<u>129,829</u>
Cash Flows From Noncapital Financing Activities		
Cash Received from National School Lunch Program	1,125,372	-
Cash Received from State Matching Funds	<u>52,228</u>	<u>-</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,177,600</u>	<u>-</u>
Cash Flows From Capital Financing Activities		
Purchase of Equipment	<u>(68,733)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(118,970)	129,829
CASH, BEGINNING	<u>563,587</u>	<u>71,507</u>
CASH, ENDING	\$ <u>444,617</u>	\$ <u>201,336</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	(1,456,250)	(142,815)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Depreciation	98,607	-
Donated Commodities	203,137	-
Changes in Assets and Liabilities Related to Operations		
Accounts Receivable	(88,822)	14
Inventories	7,085	-
Prepaid Items	-	278,338
Accounts Payable	2,145	(8,458)
Accrued Salaries and Benefits	13,076	2,750
Deferred Revenues	<u>(6,815)</u>	<u>-</u>
Total Adjustments	<u>228,413</u>	<u>272,644</u>
Net Cash Provided (Used) by Operating Activities	\$ <u>(1,227,837)</u>	\$ <u>129,829</u>
Non-cash Transactions		
Commodities Received	\$ <u>203,137</u>	\$ <u>-</u>

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

June 30, 2002

	<u>SCHOLARSHIP FUND</u>	<u>TRUST FUND</u>	<u>AGENCY FUND</u>
ASSETS			
Cash and Investments	\$ 49,887	\$ 146,386	\$ 2,637,493
TOTAL ASSETS	<u>49,887</u>	<u>146,386</u>	<u>2,637,493</u>
LIABILITIES			
Accounts Payable	-	-	-
Due to Student Groups	-	-	2,637,493
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>2,637,493</u>
NET ASSETS			
Reserved for Scholarships	<u>49,887</u>	<u>146,386</u>	<u>-</u>
TOTAL NET ASSETS	<u>\$ 49,887</u>	<u>\$ 146,386</u>	<u>\$ 2,637,493</u>

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

June 30, 2002

	<u>SCHOLARSHIP FUND</u>	<u>TRUST FUND</u>
ADDITIONS		
Contributions	\$ 17,161	\$ -
Earnings on Investments	<u>-</u>	<u>3,517</u>
TOTAL ADDITIONS	<u>17,161</u>	<u>3,517</u>
DEDUCTIONS		
Scholarships and Awards	<u>2,657</u>	<u>11,204</u>
CHANGE IN NET ASSETS	14,504	(7,687)
NET ASSETS, BEGINNING	<u>35,383</u>	<u>154,073</u>
NET ASSETS, ENDING	<u>\$ 49,887</u>	<u>\$ 146,386</u>

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Boulder Valley School District RE-2 (the "District") conform to generally accepted accounting principles as applicable to governmental units. Following is a summary of the more significant policies.

Reporting Entity

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. In addition, any legally separate organizations for which the District is financially accountable are 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 provided benefits to, or imposes financial burdens on the District.

Based upon the application of this criteria, the District includes five charter schools within its reporting entity. The charter schools are public schools authorized by the State of Colorado to provide alternatives for parents, pupils and teachers. The Schools have separate governing boards but are fiscally dependent on the District for the majority of funding. The charter schools are considered non-major component units for external financial reporting purposes. Separate financial statements for each of the individual component units are not available.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the District and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the District is financially accountable.

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

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary 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.

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*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when the 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.

In the fund financial statements, the District reports the following major governmental funds:

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

The *Bond Redemption Fund* accounts for resources accumulated and payments made on long-term debt obligations of the District.

Additionally, the District reports the following funds:

The *Food Services Enterprise Fund* accounts for the financial activities associated with the District's school lunch program.

The *Insurance Reserve Internal Service Fund* accounts for the resources used for the District's liability, property, and workers' compensation insurance needs, and for providing overall risk management activities for the District.

The *Private-Purpose Trust Funds* account for the activities of various scholarship accounts.

The *Agency Fund* is used to account for resources used to support each school's student and fundraising activities. The District holds all resources in a purely custodial capacity.

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. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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 cash is received by the District.

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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary (enterprise and internal service) fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Budgets and Legal Compliance

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

- In March, the Superintendent submits to the Board of Education a preliminary proposed budget for the period commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted at regular Board of Education meetings to obtain taxpayer comments.
- In June, the budget is legally adopted by the Board of Education.
- In October, a revised budget is legally adopted by the Board of Education.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Legal Compliance (Continued)

Colorado Budget Law requires that all funds have legally adopted budgets and appropriations. Total expenditures for each fund may not exceed the amount appropriated. Appropriations for a fund may be increased provided they are offset by unanticipated revenue. All appropriations lapse at the end of each fiscal year. Authorization to transfer budget amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent of Schools. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

The budget is used in the integrated financial management system as a management control device for all funds. Budgets for all funds were adopted on a basis consistent with Generally Accepted Accounting Principles ("GAAP") except as follows:

- Expenditures for budgetary purposes exclude amounts for salaries and benefits earned but unpaid at year end.
- Payments from the General Fund to the Insurance Reserve Fund are treated as a transfer for budgetary purposes and as an expenditure and revenue for GAAP purposes.

Assets, Liabilities and Fund Equity

Cash and Investments -- The District utilizes the pooled cash concept whereby cash balances of each of the District's funds and component units are pooled and invested by the District in short-term certificates of deposit, repurchase agreements, money market deposit accounts, government pools, and U.S. Treasury obligations. All investments are recorded at fair value. It is the intention of the investment pool to maximize interest income, and securities are selected according to their risk, marketability, and diversification.

For purposes of the statement of cash flows, the District considers all highly liquid investments with maturities of three months or less from date of purchase to be cash and cash equivalents.

Restricted Cash and Investments -- The District has restricted cash and investments in the General Fund for emergency reserves as required by Article X Section 20 of the Colorado constitution.

Receivables -- All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied in the current year but not received at year end, are identified as property taxes receivable and are presented net of an allowance for uncollectible taxes of .5% of the total levy. Any taxes not collected within sixty days after year end are recorded as deferred revenue in the fund financial statements.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Fund Equity (Continued)

Inventories -- Materials and supplies inventories are stated at average cost. Food Service Fund inventories consist of purchased and donated commodities. Purchased inventories are stated at average cost. Donated inventories, received at no cost under a program supported by the federal government, are valued based upon the cost furnished by the federal government.

Inventory is recorded as an asset when individual items are purchased and as an expenditure when consumed.

Prepaid Items -- Payments made to vendors for services that will benefit periods beyond June 30, 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.

Capital Assets -- Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Property and equipment of the District and its component units is depreciated using the straight line method over the following estimated useful lives.

Land Improvements	25 years
Buildings	50 years
Equipment	5 to 20 years

Compensated Absences -- District policy allows unlimited accumulation of sick time and accumulation of vacation time to a maximum of 40 days for certain personnel classifications. Accrued vacation is paid to those eligible employees upon termination of employment. Payment for unused sick days is made upon an employee's retirement at varying rates based upon longevity and classification. The payment of unused sick leave at the time of retirement is made in a lump sum or over a period of up to five years.

These compensated absences are recognized as current salary costs when accrued in the proprietary fund types and when paid in the governmental fund types. A long-term liability has been recorded in the government-wide financial statements for the accrued compensated absences.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Fund Equity (Continued)

Deferred Revenues -- Deferred revenues include grant funds that have been collected but the corresponding expenditures have not been incurred.

Long-Term Debt -- In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund types. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Assets/Fund Equity -- In the government-wide financial statements, net assets are restricted when constraints placed on the net assets are externally imposed. In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Revenues and Expenditures/Expenses

Property Taxes -- Under Colorado law, all property taxes become due and payable on January 1 in the year following that in which they are levied. Payments are due in full on April 30, or in two installments on February 28 and June 15. When taxes become delinquent, the property is sold on the tax sale date of September 30.

Interest Income -- The General Fund functions as a cash pool and paying agent for all District funds except the Building Fund and certain Agency Fund accounts. The interest income from the District's investments is recorded in the General Fund as earned and is distributed quarterly to other funds in amounts based upon the average investment throughout the quarter. Interest income from the Building Fund and certain Agency Fund accounts is recorded as earned in the related fund.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary information in the budgetary comparison schedules has been prepared on a basis of accounting which differs from GAAP, as follows.

Salaries of teachers and certain other employees are paid over a 12 month period ending August 31. However, most salaries are earned over the school year of August through June. For salaries and benefits earned prior to June 30 but not paid until July and August of the following year, the District has consistently followed a practice of budgeting and appropriating these expenditures in the period paid.

Payments from the General Fund to the Insurance Reserve Fund are treated as a transfer for budgetary purposes and as an expenditure and revenue for GAAP purposes. Budget to GAAP differences for these funds are as follows.

	<u>General Fund</u>	<u>Grants Fund</u>
Expenditures		
Total Expenditures, GAAP Basis	\$ 179,614,118	\$ 10,388,606
Change in Salaries Earned but Unpaid	(1,132,865)	(275,508)
Transfers to Insurance Reserve Fund	<u>(2,461,429)</u>	<u>-</u>
 Expenditures, Budgetary Basis	 <u>\$ 176,019,824</u>	 <u>\$ 10,113,098</u>
		Internal
	<u>Grants Fund</u>	<u>Service Fund</u>
Revenues		
Revenues, GAAP Basis	\$ 10,389,180	\$ 2,473,006
Change in Salaries Earned but Unpaid	(818,988)	-
Premiums and Services	<u>-</u>	<u>(2,461,429)</u>
 Revenues, Budgetary Basis	 <u>\$ 9,570,192</u>	 <u>\$ 11,577</u>
		Internal
	<u>General Fund</u>	<u>Service Fund</u>
Operating Transfers		
Operating Transfers, GAAP Basis	\$ (4,067,645)	\$ -
Premiums and Services	<u>(2,461,429)</u>	<u>2,461,429</u>
 Operating Transfers, Budgetary Basis	 <u>\$ (6,529,074)</u>	 <u>\$ 2,461,429</u>

For the year ended June 30, 2002, the Bond Redemption Fund expenditures exceeded the budgeted amounts by \$53,445, because of unanticipated issuance costs related to the refunding general obligation bonds.

The General Fund had a negative fund balance at June 30, 2002, of \$104,267. The District expects to recover this deficit through future operations.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 3: CASH AND INVESTMENTS

At June 30, 2002, the District and Charter Schools had the following cash and investments.

	<u>District</u>	<u>Charter Schools</u>
Cash on Hand	\$ 37,040	\$ -
Deposits	3,015,336	3,019,362
Investments	<u>37,982,875</u>	<u>6,289,417</u>
Total	<u>\$ 41,035,251</u>	<u>\$ 9,308,779</u>

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. Deposits are categorized by type of credit risk: (1) Insured or collateralized with securities held by the District or by its agent in the District's name. (2) Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name. (3) Uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the District's name.

At June 30, 2002, the District's and Charter School's deposits had a carrying balance of \$3,015,336 and \$3,019,362 respectively, and a corresponding bank balance as follows:

	<u>District</u>	<u>Charter Schools</u>
Insured (Category 1)	\$ 381,954	\$ 321,819
Deposits Collateralized in Trust Department or with Agent (Category 2)	<u>6,201,353</u>	<u>2,701,617</u>
Total Deposits	<u>\$ 6,583,307</u>	<u>\$ 3,023,436</u>

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 3: CASH AND INVESTMENTS (Continued)

Investments (Continued)

- 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

The District's investments are categorized as follows: (1) Investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. (2) Uninsured and unregistered investments for which the securities are held by a counterparty's trust department or agent in the District's name. (3) Uninsured and unregistered investments for which the securities are held by a counterparty's trust department or agent, but not in the District's name.

The District and Charter Schools had the following investments reported at fair value as of June 30, 2002.

	<u>District</u>	<u>Charter Schools</u>
Repurchase Agreements, collateralized by securities with fair values totaling \$1,009,467 (Category 1)	\$ 826,237	\$ -
US Agency Securities (Category 1)	449,308	23,898
Guaranteed Investment Contract (Category 1)	-	1,617,150
Local Government Investment Pools (Colotrust, CSAFE)	<u>36,707,330</u>	<u>4,648,369</u>
Total Investments	<u>\$ 37,982,875</u>	<u>\$ 6,289,417</u>

During the year ended June 30, 2002, the District and Charter Schools invested funds in the Colorado Government Liquid Asset Trust (Colotrust) and the Colorado Surplus Asset Fund Trust (CSAFE). These are investment trusts established for local government entities in Colorado to pool surplus funds, which are regulated by the State Securities Commissioner. They operate similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services to the funds in connection with the direct investment and withdrawal functions of the trusts. Substantially all securities owned by funds are held by the Federal Reserve Bank in the account maintained for the custodial banks. The custodians' internal records identify the investments owned by the District and the Charter Schools.

The investments in these funds are not categorized because they are not evidenced by specific securities.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 4: CAPITAL ASSETS

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

	<u>Balances</u> <u>7-1-01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>6-30-02</u>
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 2,802,833	\$ -	\$ -	\$ 2,802,833
Construction in Progress	<u>61,567,448</u>	<u>3,974,473</u>	<u>65,541,921</u>	<u>-</u>
Total Capital Assets, Not Being Depreciated	<u>64,370,281</u>	<u>3,974,473</u>	<u>65,541,921</u>	<u>2,802,833</u>
Capital Assets, Being Depreciated				
Land Improvements	1,756,335	-	-	1,756,335
Buildings	196,845,647	65,541,921	-	262,387,568
Equipment	3,345,669	320,557	51,931	3,614,295
Vehicles	<u>10,800,178</u>	<u>1,665,894</u>	<u>215,228</u>	<u>12,250,844</u>
Total Capital Assets, Being Depreciated	<u>212,747,829</u>	<u>67,528,372</u>	<u>267,159</u>	<u>280,009,042</u>
Less Accumulated Depreciation For				
Land Improvements	96,811	17,563	-	114,374
Buildings	54,213,184	6,476,264	-	60,689,448
Equipment	2,325,835	291,174	-	2,617,009
Vehicles	<u>7,881,346</u>	<u>786,954</u>	<u>-</u>	<u>8,668,300</u>
Total Accumulated Depreciation	<u>64,517,176</u>	<u>7,571,955</u>	<u>-</u>	<u>72,089,131</u>
Total Capital Assets, Being Depreciated, Net	<u>148,230,653</u>	<u>59,956,417</u>	<u>267,159</u>	<u>207,919,911</u>
Governmental Activities Capital Assets, Net	<u>\$ 212,600,934</u>	<u>\$ 63,930,890</u>	<u>\$ 65,809,080</u>	<u>\$ 210,722,744</u>
Business-Type Activities				
Capital Assets, Being Depreciated				
Equipment	\$ 1,294,243	\$ 74,633	\$ 5,900	\$ 1,362,976
Less Accumulated Depreciation For				
Equipment	<u>773,083</u>	<u>98,607</u>	<u>-</u>	<u>871,690</u>
Business-Type Activities Capital Assets, Net	<u>\$ 521,160</u>	<u>\$ (23,974)</u>	<u>\$ 5,900</u>	<u>\$ 491,286</u>

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

Governmental activities	
Unallocated	<u>\$ 7,571,955</u>
Business-Type Activities	
Food Services	<u>\$ 98,607</u>
Total	<u>\$ 7,670,562</u>

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 4: CAPITAL ASSETS (Continued)

At June 30, 2002, the Peak to Peak Charter School had Construction in Progress of \$11,655,712. No depreciation has been recorded for these assets for the year ended June 30, 2002.

NOTE 5: ACCRUED SALARIES AND BENEFITS

Salaries and benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2002, were \$16,429,922 and \$360,770 for the District and Charter Schools, respectively. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements.

NOTE 6: LONG-TERM DEBT

The following is a summary of long-term debt transactions of the District for the year ended June 30, 2002.

	<u>Balances</u> <u>7-1-01</u>	<u>Additions</u>	<u>Payments</u>	<u>Balances</u> <u>6-30-02</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities					
General Obligation Bonds	\$ 165,070,000	\$ 24,230,000	\$ 29,800,000	\$ 159,500,000	\$ 5,985,000
Bond Premium	-	160,858	-	160,858	-
Certificates of Participation	7,115,000	-	860,000	6,255,000	905,000
Compensated Absences	1,248,933	-	5,916	1,243,017	-
Capital Lease Obligations	<u>271,922</u>	<u>-</u>	<u>132,138</u>	<u>139,784</u>	<u>139,784</u>
Total	<u>\$ 173,705,855</u>	<u>\$ 24,390,858</u>	<u>\$ 30,798,054</u>	<u>\$ 167,298,659</u>	<u>\$ 7,029,784</u>

General Obligation Bonds

General Obligation Bonds payable at June 30, 2002 are comprised of the following issues.

\$24,230,000 General Obligation Bonds, Series 2001.
 Issued to refund certain general obligation bonds.
 Principal payments due on December 1 and
 interest payments due on December 1 and June 1,
 through 2008. Interest accrues at rates ranging from
 3% to 3.75%. \$ 24,230,000

\$63,655,000 General Obligation Bonds, Series 1999.
 Issued to implement a District-wide capital improvement
 program. Principal payments due on December 1 and
 interest payments due on December 1 and June 1,
 through 2018. Interest accrues at rates ranging from
 4% to 5.125%. 61,285,000

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 6: LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

\$68,810,000 General Obligation Bonds, Series 1997.

Issued to refund certain general obligation bonds.

Principal payments due on December 1 and interest payments due on December 1 and June 1, through 2014. Interest accrues at rates ranging from 3.75% to 5.00%.

67,770,000

\$11,260,000 General Obligation Bonds, Series 1994A.

Issued to implement a District capital improvement program.

Principal payments due on December 1 and interest payments due on December 1 and June 1, through 2004. Interest accrues at rates ranging from 5.1% to 5.65%.

6,215,000

Total

\$ 159,500,000

Bond payments, to maturity, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 5,985,000	\$ 7,598,996	\$ 13,583,996
2004	6,450,000	7,177,814	13,627,814
2005	6,755,000	6,888,333	13,643,333
2006	7,060,000	6,582,040	13,642,040
2007	7,375,000	6,286,461	13,661,461
2008 - 2012	43,395,000	25,843,175	69,238,175
2013 - 2017	55,975,000	13,701,303	69,676,303
2018 - 2019	<u>26,505,000</u>	<u>1,298,550</u>	<u>27,803,550</u>
Total	<u>\$ 159,500,000</u>	<u>\$ 75,376,672</u>	<u>\$ 234,876,672</u>

Certificates of Participation

The District issued certificates of participation in 1992 and 1995 for energy conservation projects and to refinance a telecommunication lease. The terms are 15 and 12 years with interest rates ranging from 5.9% to 6.22%. The District's obligation will terminate December 1, 2006.

Certificates of Participation maturities for future payments are as follows:

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 6: LONG-TERM DEBT (Continued)

Certificates of Participation (Continued)

Year Ended June 30,

2003	\$ 1,252,497
2004	1,252,927
2005	1,249,162
2006	1,251,407
2007	2,364,474
Less Interest	<u>(1,115,467)</u>
 Total	 <u>\$ 6,255,000</u>

Amounts were appropriated in the General Fund to meet the debt service requirements of the Certificates of Participation due in the fiscal year ending June 30, 2002.

Capital Lease Obligations

Lease obligations and transactions for the year ended June 30, 2002 are comprised of the following:

	<u>Balances</u> <u>07-01-01</u>	<u>Additions</u>	<u>Payments</u>	<u>Balances</u> <u>06-30-02</u>
Capital Lease, SASI software. Lease term of 5 years with an interest rate of 4.92%; monthly payments of \$11,876; terminating in 2003.	<u>\$ 271,922</u>	<u>\$ -</u>	<u>\$ 132,138</u>	<u>\$ 139,784</u>

Minimum annual lease payments for this lease are as follows:

Year Ended June 30,

2003	\$ 142,508
Less Interest	<u>(2,724)</u>
 Total	 <u>\$ 139,784</u>

Refunded Bonds

On September 15, 2001, the District issued \$24,230,000 General Obligation Refunding Bonds. Proceeds of the Bonds were used to refund the District's outstanding General Obligation Refunding Bonds, Series 1992A. The refunded bonds were called and paid in full on October 15, 2001. This current refunding was undertaken to reduce future debt service payments over the next six years by approximately \$2.6 million.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 6: LONG-TERM DEBT (Continued)

Refunded Bonds (Continued)

The proceeds of the General Obligation Refunding Bonds, Series 1997A have been placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the General Obligation Building Bonds, Series 1994 (“refunded bonds”). As a result, the refunded bonds are considered defeased and the liability has been removed from the statement of net assets. The outstanding balance of the refunded bonds at June 30, 2002 was \$60,295,000.

Component Unit Debt

The Peak to Peak Charter School has entered into a capital lease agreement with Prairie View, Inc. to construct facilities. The Colorado Educational and Cultural Facilities Authority has issued Charter School Revenue Bonds on behalf of Prairie View, Inc. The School makes monthly payments to Prairie View, Inc., and Prairie View, Inc. makes semi-annual bond payments. Bond payments, to maturity, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ -	\$ 1,424,750	\$ 1,424,750
2004	90,000	1,421,375	1,511,375
2005	195,000	1,410,688	1,605,688
2006	205,000	1,395,687	1,600,687
2007	225,000	1,379,563	1,604,563
2008 - 2012	1,395,000	6,609,062	8,004,062
2013 - 2017	2,005,000	5,978,313	7,983,313
2018 - 2022	2,885,000	5,071,187	7,956,187
2023 - 2027	4,165,000	3,751,309	7,916,309
2028 - 2032	<u>7,635,000</u>	<u>1,769,572</u>	<u>9,404,572</u>
Total	<u>\$ 18,800,000</u>	<u>\$ 30,211,506</u>	<u>\$ 49,011,506</u>

NOTE 7: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; natural disasters; and health and dental claims of its employees. The District plans to provide for or restore the economic damages of those losses through risk retention and risk transfer.

Joint School District Workers’ Compensation Self-Insurance Pool

The District, along with Aurora, Cherry Creek, and Littleton School Districts, combined to form the Joint School District Pool for Workers’ Compensation (the JSD Pool) which is a public entity risk pool currently operating as a common risk management and insurance program for the school district members noted above. The JSD Pool is administered by a Board of Directors consisting of one individual from each of the four school districts, generally the District’s chief financial officer.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 7: RISK MANAGEMENT (Continued)

Joint School District Workers' Compensation Self-Insurance Pool (Continued)

The Board exercises control over the Pool and has contracted the management of the Pool operations to third parties. The participating districts make annual contributions to the JSD Pool based on the size of their respective payrolls. The contributions are retroactively adjusted based on the districts' actual loss experience.

Each member of the JSD Pool is responsible for the first \$100,000 of each loss. Losses between \$100,000 and \$300,000 are pooled between the member districts, and losses in excess of \$300,000 are reinsured for up to \$5,000,000 per occurrence.

There is no current or long-term debt associated with the JSD Pool. The contributions are determined on an actuarial basis and are sufficient to provide for the estimated claims and losses as determined by the actuarial computation. There were no significant reductions in insurance coverage in the prior year. No settlements exceeded insurance coverage for each of the past three fiscal years.

At June 30, 2002, the District had prepaid its premiums to the pool by \$475,898. This amount is recorded as a prepaid asset in the Insurance Reserve Internal Service Fund.

Colorado School Districts Self-Insurance Pool

The Colorado School Districts Self-Insurance Pool (CSDSIP), sponsored by the Colorado Association of School Boards, operates as a self-insurance pool comprised of various school districts and other related public educational entities within the State of Colorado. The CSDSIP is administered by the Pool Board which is comprised of eight members. The eight members include the president, vice president, and executive director of the Colorado Association of School Boards (CASB), with the remaining five members being appointed by the Board of Directors of CASB. The District pays an annual premium to the CSDSIP for various types of property and liability insurance coverage. The Pool Agreement provides that the CSDSIP will be self-sustaining through member premiums and will reinsure through a duly authorized insurer. The reinsurance covers claims against the CSDSIP in excess of specific claim amounts and in the aggregate in an amount and at limits determined by the CSDSIP to be adequate to protect the solvency of the CSDSIP.

NOTE 8: DEFINED BENEFIT PENSION PLAN

Plan Description - The District contributes to the Combined State and School Division Trust Fund (CSSDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). CSSDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees of the District are members of the CSSDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature.

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for CSSDTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy - Plan members and the District are required to contribute at a rate set by statute. The contribution requirements of plan members and the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% and for the District is between 6.9% and 9.9% of covered salary, depending on the employee contributions to a 401K plan. The District matches the 401K contribution and contributes the remaining percentage to the Plan. A portion of the District's contribution (1.42% of covered salary from July 1, 2001 through December 31, 2001, and 1.64% of covered salary from January 1, 2002 through June 30, 2002) is allocated for the Health Care Trust Fund (See Note 9). The District's contributions to CSSDTF for the years ending June 30, 2002, 2001, and 2000, were \$10,681,898, \$11,516,305, and \$12,155,378, respectively, equal to their required contributions for each year.

NOTE 9: POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description - The District contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer postemployment healthcare plan administered by the PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy - The District was required to contribute at a rate of 1.42% of covered salary from July 1, 2001 through December 31, 2001, and 1.64% from January 1, 2002 through June 30, 2002, for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contributions of the health care fund is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The District's contributions to HCF for the years ending June 30, 2002, 2001, and 2000 were \$2,043,162, \$1,536,554, and \$1,172,866, respectively, equal to their required contributions for each year.

NOTE 10: COMMITMENTS AND CONTINGENCIES

Claims and Judgments -- The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are

BOULDER VALLEY SCHOOL DISTRICT RE-2

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE 10: COMMITMENTS AND CONTINGENCIES (Continued)

disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2002, significant amounts of grant expenditures have not been audited by the grantor agency, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

Litigation – Several claims are presently pending against the District, but District management believes the final settlements of these matters will not have a materially adverse effect on the financial statements of the District.

Tabor Amendment – In November 1992, Colorado voters passed Article X, Section 20 (Tabor Amendment) to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the Tabor Amendment.

Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and assessed valuation. In November, 1999, voters within the District authorized the District to collect, retain, and expend all excess revenues and other funds received from every source, without limitation, in the 1999-2000 budget year and each subsequent budget year thereafter without future voter approval, notwithstanding the limitations of the Tabor Amendment. The Tabor Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment.

The Tabor Amendment requires the District to establish a reserve for emergencies. At June 30, 2002, cash and investments, fund balance and retained earnings in the amount of \$5,450,000, \$191,684 and \$235,172, respectively, were restricted in the appropriate funds, to satisfy this reserve requirement. In addition, the Charter Schools had emergency reserves of \$225,000.

Operating Leases – The Boulder Preparatory and Sojourner Charter Schools have entered into operating leases for instructional facilities. The leases are payable from operating revenues of the Schools.

NOTE 11: CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2002, the District adopted the standards of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. The Statement requires the District to record certain financial information on a full-accrual basis, as displayed in the statement of net assets and the statement of activities.



COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



GENERAL FUND

BOULDER VALLEY SCHOOL DISTRICT RE-2

GENERAL FUND
COMBINING BALANCE SHEET
 June 30, 2002

	<u>GENERAL FUND</u>	<u>SUMMER SCHOOL FUND</u>	<u>ATHLETICS FUND</u>	<u>COMMUNITY SCHOOLS FUND</u>
ASSETS				
Cash and Investments	\$ 11,420,959	\$ 89,836	\$ 107,023	\$ (2,812)
Restricted Cash and Investments	5,520,625	-	-	-
Taxes Receivable	4,531,553	-	-	-
Accounts Receivable	362,479	5,649	9,220	-
Due from Other Funds	496,713	-	-	-
Inventories	442,616	-	-	-
Prepaid Items and Deposits	39,085	-	-	929
TOTAL ASSETS	<u>\$ 22,814,030</u>	<u>\$ 95,485</u>	<u>\$ 116,243</u>	<u>\$ (1,883)</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 6,711,755	\$ 57,420	\$ 617	\$ 37,823
Accrued Salaries and Benefits	15,610,934	-	-	-
Deferred Revenue	-	45,055	-	65,012
Deferred Property Tax	691,288	-	-	-
TOTAL LIABILITIES	<u>23,013,977</u>	<u>102,475</u>	<u>617</u>	<u>102,835</u>
FUND BALANCES				
Reserved for Inventories	442,616	-	-	-
Reserved for Prepaid Items	39,085	-	-	929
Unreserved	<u>(681,648)</u>	<u>(6,990)</u>	<u>115,626</u>	<u>(105,647)</u>
TOTAL FUND BALANCES	<u>(199,947)</u>	<u>(6,990)</u>	<u>115,626</u>	<u>(104,718)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 22,814,030</u>	<u>\$ 95,485</u>	<u>\$ 116,243</u>	<u>\$ (1,883)</u>

See the accompanying Independent Auditors' Report.

<u>TUITION PRESCHOOL FUND</u>	<u>COLORADO PRESCHOOL FUND</u>	<u>TOTAL GENERAL FUND</u>
\$ 63,745	\$ 29,625	\$ 11,708,376
-	-	5,520,625
-	-	4,531,553
-	-	377,348
-	-	496,713
-	-	442,616
-	-	40,014
<u>63,745</u>	<u>29,625</u>	<u>23,117,245</u>
\$ 905	\$ 703	\$ 6,809,223
-	-	15,610,934
-	-	110,067
-	-	691,288
<u>905</u>	<u>703</u>	<u>23,221,512</u>
-	-	442,616
-	-	40,014
<u>62,840</u>	<u>28,922</u>	<u>(586,897)</u>
<u>62,840</u>	<u>28,922</u>	<u>(104,267)</u>
<u>\$ 63,745</u>	<u>\$ 29,625</u>	<u>\$ 23,117,245</u>

BOULDER VALLEY SCHOOL DISTRICT RE-2

GENERAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

June 30, 2002

	<u>GENERAL FUND</u>	<u>SUMMER SCHOOL FUND</u>	<u>ATHLETICS FUND</u>	<u>COMMUNITY SCHOOLS FUND</u>
REVENUES				
Local Sources	\$ 132,140,690	\$ 110,331	\$ 789,977	\$ 3,652,650
State Sources	<u>42,202,474</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>174,343,164</u>	<u>110,331</u>	<u>789,977</u>	<u>3,652,650</u>
EXPENDITURES				
Current				
Instruction - Regular Programs	87,522,484	92,993	-	(105)
Instruction - Special Programs	29,100,954	-	2,066,496	-
Supporting Services	4,455,489	-	-	-
Instructional Staff Services	6,855,362	-	-	-
General Administration	2,647,979	-	-	-
School Administration	12,494,699	15,363	242	15,486
Business Services	1,764,119	-	-	-
Operations and Maintenance	13,768,250	-	76	(90)
Pupil Transportation	6,007,417	-	-	-
Central Support Services	7,424,854	-	-	-
Other Support Service	46,601	-	-	-
Facility Acquisition	71,857	-	-	-
Community Services	11,529	-	-	3,430,874
Adult Education	38,758	-	-	-
Capital Outlay	-	-	285	-
Debt Service				
Principal	860,000	-	-	-
Interest and Fiscal Charges	<u>401,373</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>173,471,725</u>	<u>108,356</u>	<u>2,067,099</u>	<u>3,446,165</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>871,439</u>	<u>1,975</u>	<u>(1,277,122)</u>	<u>206,485</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	1,235,151	-
Transfers Out	<u>(5,391,573)</u>	<u>-</u>	<u>-</u>	<u>(300,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(5,391,573)</u>	<u>-</u>	<u>1,235,151</u>	<u>(300,000)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(4,520,134)</u>	<u>1,975</u>	<u>(41,971)</u>	<u>(93,515)</u>
FUND BALANCES (DEFICITS), BEGINNING	<u>4,320,187</u>	<u>(8,965)</u>	<u>157,597</u>	<u>(11,203)</u>
FUND BALANCES (DEFICITS), ENDING	<u>\$ (199,947)</u>	<u>\$ (6,990)</u>	<u>\$ 115,626</u>	<u>\$ (104,718)</u>

See the accompanying Independent Auditors' Report.

<u>TUITION PRESCHOOL FUND</u>	<u>COLORADO PRESCHOOL FUND</u>	<u>TOTAL GENERAL FUND</u>
\$ 170,034	\$ -	\$ 136,863,682
-	-	42,202,474
<u>170,034</u>	<u>-</u>	<u>179,066,156</u>
163,380	-	87,778,752
-	357,393	31,524,843
-	-	4,455,489
-	-	6,855,362
-	-	2,647,979
-	-	12,525,790
-	-	1,764,119
-	-	13,768,236
-	-	6,007,417
-	-	7,424,854
-	-	46,601
-	-	71,857
-	-	3,442,403
-	-	38,758
-	-	285
-	-	860,000
-	-	401,373
<u>163,380</u>	<u>357,393</u>	<u>179,614,118</u>
<u>6,654</u>	<u>(357,393)</u>	<u>(547,962)</u>
2,462	386,315	1,623,928
-	-	(5,691,573)
<u>2,462</u>	<u>386,315</u>	<u>(4,067,645)</u>
9,116	28,922	(4,615,607)
<u>53,724</u>	<u>-</u>	<u>4,511,340</u>
\$ <u>62,840</u>	\$ <u>28,922</u>	\$ <u>(104,267)</u>



NON MAJOR FUNDS

Special Revenue Fund

Governmental Designated-Purpose Grants Fund

This fund is provided to account for monies received from various federal, state and local grant programs.

Capital Projects Funds

Capital Reserve Fund

This fund is authorized by Colorado School Law and is used to fund ongoing capital needs such as site acquisition, building additions, and equipment purchases.

Energy Conservation Fund

This fund is provided for capital construction projects related to energy conservation programs funded by certificates of participation.

Building Fund

This fund is provided to account for specific capital construction projects funded by the sale of Series 1994A, Series 1994B, and Series 1999 general obligation bonds.

BOULDER VALLEY SCHOOL DISTRICT RE-2

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2002

	<u>SPECIAL REVENUE</u>	<u>CAPITAL PROJECTS</u>			<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
	<u>GRANTS FUND</u>	<u>CAPITAL RESERVE FUND</u>	<u>ENERGY CONSERVATION FUND</u>	<u>BUILDING FUND</u>	
ASSETS					
Cash and Investments	\$ -	\$ 1,428,940	\$ 1,331,533	\$ 2,908,997	\$ 5,669,470
Accounts Receivable	18,984	67,135	-	4,764	90,883
Grants Receivable	<u>2,241,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,241,977</u>
TOTAL ASSETS	<u>\$ 2,260,961</u>	<u>\$ 1,496,075</u>	<u>\$ 1,331,533</u>	<u>\$ 2,913,761</u>	<u>\$ 8,002,330</u>
LIABILITIES AND FUND EQUITY					
LIABILITIES					
Accounts Payable	\$ 193,198	\$ 303,155	\$ -	\$ 93,844	\$ 590,197
Accrued Salaries and Benefits	818,988	-	-	-	818,988
Arbitrage Payable	-	-	-	313,423	313,423
Retainage Payable	-	-	-	838,390	838,390
Due to Other Funds	496,713	-	-	-	496,713
Deferred Revenues	<u>752,062</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>752,062</u>
TOTAL LIABILITIES	<u>2,260,961</u>	<u>303,155</u>	<u>-</u>	<u>1,245,657</u>	<u>3,809,773</u>
FUND EQUITY					
Fund Balance					
Reserved for Emergencies	-	187,317	4,367	-	191,684
Unreserved	<u>-</u>	<u>1,005,603</u>	<u>1,327,166</u>	<u>1,668,104</u>	<u>4,000,873</u>
TOTAL FUND EQUITY	<u>-</u>	<u>1,192,920</u>	<u>1,331,533</u>	<u>1,668,104</u>	<u>4,192,557</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 2,260,961</u>	<u>\$ 1,496,075</u>	<u>\$ 1,331,533</u>	<u>\$ 2,913,761</u>	<u>\$ 8,002,330</u>

See the accompanying Independent Auditors' Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2002**

	<u>SPECIAL REVENUE</u>	<u>CAPITAL PROJECTS</u>			<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
	<u>GRANTS FUND</u>	<u>CAPITAL RESERVE FUND</u>	<u>ENERGY CONSERVATION FUND</u>	<u>BUILDING FUND</u>	
REVENUES					
Local Sources	\$ 637,603	\$ 488,754	\$ 104,280	\$ 876,088	\$ 2,106,725
State Sources	1,905,909	-	-	-	1,905,909
Federal Sources	<u>7,845,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,845,668</u>
TOTAL REVENUES	<u>10,389,180</u>	<u>488,754</u>	<u>104,280</u>	<u>876,088</u>	<u>11,858,302</u>
EXPENDITURES					
Current					
Instruction - Regular Programs	3,956,149	-	-	-	3,956,149
Instruction - Special Programs	4,849,433	-	-	-	4,849,433
Student Support Services	245,907	-	-	-	245,907
Instructional Staff Services	761,233	-	-	-	761,233
General Administration	53,618	-	-	-	53,618
School Administration	383,584	-	-	-	383,584
Operations and Maintenance	20,236	-	-	-	20,236
Pupil Transportation	43,414	-	-	-	43,414
Central Support Services	8,160	-	-	-	8,160
Community Services	66,872	-	-	-	66,872
Capital Outlay	<u>-</u>	<u>5,033,520</u>	<u>92,938</u>	<u>4,587,873</u>	<u>9,714,331</u>
TOTAL EXPENDITURES	<u>10,388,606</u>	<u>5,033,520</u>	<u>92,938</u>	<u>4,587,873</u>	<u>20,102,937</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>574</u>	<u>(4,544,766)</u>	<u>11,342</u>	<u>(3,711,785)</u>	<u>(8,244,635)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	<u>-</u>	<u>4,067,645</u>	<u>-</u>	<u>-</u>	<u>4,067,645</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>4,067,645</u>	<u>-</u>	<u>-</u>	<u>4,067,645</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	574	(477,121)	11,342	(3,711,785)	(4,176,990)
FUND BALANCES, BEGINNING	<u>(574)</u>	<u>1,670,041</u>	<u>1,320,191</u>	<u>5,379,889</u>	<u>8,369,547</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ 1,192,920</u>	<u>\$ 1,331,533</u>	<u>\$ 1,668,104</u>	<u>\$ 4,192,557</u>

See the accompanying Independent Auditors' Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

**GRANTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2002**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Local Revenue	\$ -	\$ -	\$ 637,603	\$ 637,603
State Revenue	-	-	1,905,909	1,905,909
Federal Revenue	<u>10,500,000</u>	<u>12,500,000</u>	<u>7,026,680</u>	<u>(5,473,320)</u>
 TOTAL REVENUES	 <u>10,500,000</u>	 <u>12,500,000</u>	 <u>9,570,192</u>	 <u>(2,929,808)</u>
EXPENDITURES				
Current				
Instruction - Regular Programs	10,500,000	12,500,000	3,956,149	8,543,851
Instruction - Special Programs	-	-	4,573,925	(4,573,925)
Student Support Services	-	-	245,907	(245,907)
Instructional Staff Services	-	-	761,233	(761,233)
General Administration	-	-	53,618	(53,618)
School Administration	-	-	383,584	(383,584)
Operations and Maintenance	-	-	20,236	(20,236)
Pupil Transportation	-	-	43,414	(43,414)
Central Support Services	-	-	8,160	(8,160)
Community Services	<u>-</u>	<u>-</u>	<u>66,872</u>	<u>(66,872)</u>
 TOTAL EXPENDITURES	 <u>10,500,000</u>	 <u>12,500,000</u>	 <u>10,113,098</u>	 <u>2,386,902</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 -	 -	 (542,906)	 (542,906)
Salaries and Benefits Earned but Unpaid:				
Beginning	-	-	543,480	543,480
Ending	-	-	(818,988)	(818,988)
Revenues Accrued Due to Salaries and Benefits Earned but Unpaid	-	-	818,988	818,988
 FUND BALANCE (DEFICIT), BEGINNING	 <u>-</u>	 <u>-</u>	 <u>(574)</u>	 <u>(574)</u>
 FUND BALANCE (DEFICIT), ENDING	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

See the accompanying Independent Auditor's Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

BOND REDEMPTION FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended June 30, 2002

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Taxes	\$ 13,282,502	\$ 13,282,502	\$ 13,435,383	\$ 152,881
Earnings on Investments	698,250	698,250	336,068	(362,182)
TOTAL REVENUES	<u>13,980,752</u>	<u>13,980,752</u>	<u>13,771,451</u>	<u>(209,301)</u>
EXPENDITURES				
Bond Issuance Costs	-	116,323	190,982	(74,659)
Debt Service				
Principal	5,625,000	5,625,000	5,625,000	-
Interest	8,321,286	8,171,340	8,150,126	21,214
TOTAL EXPENDITURES	<u>13,946,286</u>	<u>13,912,663</u>	<u>13,966,108</u>	<u>(53,445)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>34,466</u>	<u>68,089</u>	<u>(194,657)</u>	<u>(262,746)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Debt Issuance	-	24,230,000	24,230,000	-
Bond Premium	-	61,323	160,858	99,535
Payment to Escrow Agent	-	(27,668,818)	(24,175,000)	3,493,818
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(3,377,495)</u>	<u>215,858</u>	<u>3,593,353</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	34,466	(3,309,406)	21,201	3,330,607
FUND BALANCES, BEGINNING	<u>14,734,952</u>	<u>14,952,227</u>	<u>14,952,229</u>	<u>2</u>
FUND BALANCES, ENDING	<u>\$ 14,769,418</u>	<u>\$ 11,642,821</u>	<u>\$ 14,973,430</u>	<u>\$ 3,330,609</u>

See the accompanying Independent Auditor's Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

CAPITAL RESERVE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2002

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Other Local Sources	\$ 392,780	\$ 493,872	\$ 488,754	\$ (5,118)
EXPENDITURES				
Capital Outlay				
Facilities Acquisition	411,288	411,290	338,000	73,290
Building Improvements	1,122,000	1,154,270	1,036,400	117,870
Instructional Technology	100,236	100,236	97,086	3,150
Operating Departments	2,469,779	2,683,639	2,115,615	568,024
School Projects	1,218,335	1,844,444	1,446,419	398,025
Reserves	211,150	237,317	-	237,317
TOTAL EXPENDITURES	<u>5,532,788</u>	<u>6,431,196</u>	<u>5,033,520</u>	<u>1,397,676</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,140,008)</u>	<u>(5,937,324)</u>	<u>(4,544,766)</u>	<u>1,392,558</u>
OTHER FINANCING SOURCES				
Transfers In	3,861,176	4,178,523	4,067,645	(110,878)
TOTAL OTHER FINANCING SOURCES	<u>3,861,176</u>	<u>4,178,523</u>	<u>4,067,645</u>	<u>(110,878)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	<u>(1,278,832)</u>	<u>(1,758,801)</u>	<u>(477,121)</u>	<u>1,281,680</u>
FUND BALANCES, BEGINNING	<u>1,278,832</u>	<u>1,758,801</u>	<u>1,670,041</u>	<u>(88,760)</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,192,920</u>	<u>\$ 1,192,920</u>

See the accompanying Independent Auditor's Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

ENERGY CONSERVATION FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended June 30, 2002

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Earnings on Investments	\$ 85,793	\$ 85,793	\$ 104,280	\$ 18,487
TOTAL REVENUES	<u>85,793</u>	<u>85,793</u>	<u>104,280</u>	<u>18,487</u>
EXPENDITURES				
Capital Outlay				
Operating Departments	131,621	145,555	92,938	52,617
Reserves	<u>3,949</u>	<u>4,367</u>	<u>-</u>	<u>4,367</u>
TOTAL EXPENDITURES	<u>135,570</u>	<u>149,922</u>	<u>92,938</u>	<u>56,984</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(49,777)	(64,129)	11,342	75,471
FUND BALANCES, BEGINNING	<u>1,280,014</u>	<u>1,294,366</u>	<u>1,320,191</u>	<u>25,825</u>
FUND BALANCES, ENDING	\$ <u><u>1,230,237</u></u>	\$ <u><u>1,230,237</u></u>	\$ <u><u>1,331,533</u></u>	\$ <u><u>101,296</u></u>

See the accompanying Independent Auditor's Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

BUILDING FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2002

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Earnings on Investments	\$ 41,686	\$ 60,000	\$ 307,247	\$ 247,247
Other Local Sources	<u>-</u>	<u>-</u>	<u>568,841</u>	<u>568,841</u>
 TOTAL REVENUES	 <u>41,686</u>	 <u>60,000</u>	 <u>876,088</u>	 <u>816,088</u>
 EXPENDITURES				
Capital Outlay				
Facilities Acquisition	<u>4,021,973</u>	<u>5,439,888</u>	<u>4,587,873</u>	<u>852,015</u>
 TOTAL EXPENDITURES	 <u>4,021,973</u>	 <u>5,439,888</u>	 <u>4,587,873</u>	 <u>852,015</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 (3,980,287)	 (5,379,888)	 (3,711,785)	 1,668,103
 FUND BALANCES, BEGINNING	 <u>3,980,287</u>	 <u>5,379,888</u>	 <u>5,379,889</u>	 <u>1</u>
 FUND BALANCES, ENDING	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 1,668,104</u>	 <u>\$ 1,668,104</u>

See the accompanying Independent Auditor's Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

FOOD SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2002

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
OPERATING REVENUES				
Regular School Lunch	\$ 1,704,588	\$ 1,704,588	\$ 1,708,282	\$ 3,694
Sandwich Line	1,967,960	1,967,960	1,896,807	(71,153)
Other Revenue	<u>70,955</u>	<u>70,955</u>	<u>61,831</u>	<u>(9,124)</u>
 TOTAL OPERATING REVENUES	 <u>3,743,503</u>	 <u>3,743,503</u>	 <u>3,666,920</u>	 <u>(76,583)</u>
OPERATING EXPENSES				
Salaries	1,972,437	1,972,437	1,913,950	58,487
Benefits	242,665	405,455	469,290	(63,835)
Purchased Food	2,034,514	2,034,514	2,142,557	(108,043)
USDA Donated Commodities	168,261	168,261	138,403	29,858
Nonfood Supplies	119,152	119,152	132,221	(13,069)
Purchased Services	123,500	123,500	114,372	9,128
Depreciation	50,000	50,000	98,607	(48,607)
Other	174,597	174,597	113,770	60,827
Reserves	<u>146,554</u>	<u>151,437</u>	<u>-</u>	<u>151,437</u>
 TOTAL OPERATING EXPENSES	 <u>5,031,680</u>	 <u>5,199,353</u>	 <u>5,123,170</u>	 <u>76,183</u>
 OPERATING INCOME (LOSS)	 <u>(1,288,177)</u>	 <u>(1,455,850)</u>	 <u>(1,456,250)</u>	 <u>(400)</u>
NONOPERATING REVENUES				
USDA Donated Commodities	236,998	236,998	203,137	(33,861)
Federal Reimbursement	1,010,198	1,010,198	1,125,372	115,174
State Matching Funds	<u>-</u>	<u>52,357</u>	<u>52,228</u>	<u>(129)</u>
 TOTAL NONOPERATING REVENUES	 <u>1,247,196</u>	 <u>1,299,553</u>	 <u>1,380,737</u>	 <u>81,184</u>
 NET INCOME (LOSS)	 <u>(40,981)</u>	 <u>(156,297)</u>	 <u>(75,513)</u>	 <u>80,784</u>
 RETAINED EARNINGS, BEGINNING	 <u>567,838</u>	 <u>326,378</u>	 <u>1,160,795</u>	 <u>834,417</u>
 RETAINED EARNINGS, ENDING	 <u>\$ 526,857</u>	 <u>\$ 170,081</u>	 <u>\$ 1,085,282</u>	 <u>\$ 915,201</u>

See the accompanying Independent Auditors' Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

INSURANCE RESERVE FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended June 30, 2002

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
OPERATING REVENUES				
Other Revenue	\$ 65,000	\$ 65,000	\$ 11,577	\$ (53,423)
OPERATING EXPENSES				
Salaries	939,607	863,196	871,512	(8,316)
Benefits	225,554	230,494	195,323	35,171
Other Expenses	226,807	226,503	90,006	136,497
Insurance Premiums and Claims	600,000	600,000	539,680	60,320
Workers Compensation Insurance	720,975	720,975	778,179	(57,204)
Capital Outlay	150,000	150,000	141,121	8,879
Emergency Reserve	85,888	83,735	-	83,735
TOTAL OPERATING EXPENSES	<u>2,948,831</u>	<u>2,874,903</u>	<u>2,615,821</u>	<u>259,082</u>
OPERATING INCOME (LOSS)	(2,883,831)	(2,809,903)	(2,604,244)	205,659
OPERATING TRANSFER IN				
General Fund	<u>2,775,056</u>	<u>2,461,429</u>	<u>2,461,429</u>	<u>-</u>
NET INCOME (LOSS)	(108,775)	(348,474)	(142,815)	205,659
RETAINED EARNINGS, BEGINNING	<u>598,419</u>	<u>858,202</u>	<u>784,273</u>	<u>(73,929)</u>
RETAINED EARNINGS, ENDING	<u>\$ 489,644</u>	<u>\$ 509,728</u>	<u>\$ 641,458</u>	<u>\$ 131,730</u>

See the accompanying Independent Auditors' Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

PRIVATE PURPOSE TRUSTS
SCHEDULE OF ADDITIONS, DEDUCTIONS AND BALANCE AVAILABLE FOR SCHOLARSHIPS
Year Ended June 30, 2002

	<u>Fund Balance July 1, 2001</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance June 30, 2002</u>
SCHOLARSHIP FUND				
Metcalf Scholarship	\$ (448)	\$ 955	\$ 507	\$ -
Parmerlee Greiner Scholarship	3,819	2,180	500	5,499
Hoelscher Scholarship	1,761	35	50	1,746
TEC Scholarships	1,653	536	500	1,689
CASB Scholarship Hilty Award	640	14	-	654
Cameron Memorial Fund	59	1	-	60
Jerry Buck Scholarship	2,971	66	-	3,037
Armijo Memorial Fund	278	509	500	287
Hamilton Scholarship Fund	11,186	142	500	10,828
Banman Memorial Scholarship	130	2	-	132
Armstrong Tech Theater Award	5,807	127	-	5,934
Urquidez Scholarship	1,595	35	-	1,630
CASB Scholarship Sandstead Award	1,620	35	-	1,655
Baldwin Memorial Scholarship	35	1	-	36
Taylor Memorial Scholarship	4,124	2,493	100	6,517
CASB Scholarship Young Award	153	4	-	157
Monarch HS Class of 2001	-	10,026	-	10,026
	<u>\$ 35,383</u>	<u>\$ 17,161</u>	<u>\$ 2,657</u>	<u>\$ 49,887</u>
TOTALS				
TRUST FUND				
Carlson Scholarship	\$ 14,096	\$ 307	\$ -	\$ 14,403
Japanese Exchange	139,977	3,210	11,204	131,983
	<u>\$ 154,073</u>	<u>\$ 3,517</u>	<u>\$ 11,204</u>	<u>\$ 146,386</u>
TOTALS				

See the accompanying Independent Auditors' Report.

BOULDER VALLEY SCHOOL DISTRICT RE-2

AGENCY FUND
SCHEDULE OF ADDITIONS, DEDUCTIONS AND BALANCE DUE TO STUDENT GROUPS
Year Ended June 30, 2002

	Available Balance July 1, 2001	Additions	Deductions	Available Balance June 30, 2002
Base Line Middle Student Activities	\$ 41,920	\$ 127,144	\$ 124,674	\$ 44,390
Boulder High Student Activities	185,567	927,329	913,048	199,848
Boulder TEC Student Activities	13,883	41,412	39,386	15,909
Broomfield Heights Middle Student Activities	33,645	131,799	111,788	53,656
Broomfield High Student Activities	60,870	709,658	665,447	105,081
Burbank Middle Student Activities	23,631	84,749	78,423	29,957
Casey Middle Student Activities	45,265	107,092	115,875	36,482
Centaurus High Student Activities	199,550	591,206	583,983	206,773
Centennial Middle Student Activities	35,137	171,801	173,157	33,781
Fairview High Student Activities	414,384	1,072,163	1,217,787	268,760
Foothills Elementary Student Activities	-	86,799	74,863	11,936
Heatherwood Elementary Student Activities	-	7,144	4,404	2,740
Angevine Middle Student Activities	37,960	119,796	134,585	23,171
Nederland Middle/Sr. Student Activities	35,256	224,213	223,992	35,477
Louisville Middle Student Activities	96,233	165,100	153,564	107,769
Nevin Platt Middle Student Activities	31,705	110,936	117,736	24,905
Monarch K-8 Student Activities	42,487	186,854	191,780	37,561
Monarch High Student Activities	166,133	847,379	820,179	193,333
Southern Hills Middle Student Activities	18,184	97,859	96,610	19,433
Mesa Elementary Student Activities	46,179	97,659	98,848	44,990
New Vista High Student Activities	39,909	171,555	172,437	39,027
Arapahoe Ridge High Student Activities	9,839	27,100	26,385	10,554
Aspen Creek K-8 Student Activities	15,476	95,064	92,794	17,746
Eldorado K-8 Student Activities	17,991	105,249	98,125	25,115
Boulder High School	12,956	43,927	53,959	2,924
Broomfield Heights Middle School	(214)	-	-	(214)
Broomfield High School	10,388	28,806	24,990	14,204
Centaurus High School	(3,128)	3,696	(338)	906
Casey Middle School	1,286	3,500	3,171	1,615
Centennial Middle School	201	18,717	13,671	5,247
Angevine Middle School	(1,131)	15,308	4,039	10,138
Fairview High School	3,759	2,498	2,063	4,194
Louisville Middle School	(421)	30,100	6,562	23,117
Southern Hills Middle School	-	4,554	4,666	(112)
New Vista High School	15,204	1,200	2,950	13,454
Bear Creek Elementary School	5,579	20,551	19,330	6,800
Boulder Community School of Integrated Studies	4,691	2,410	5,524	1,577
Birch Elementary School	599	9,471	7,830	2,240
Aspen Creek K-8 School	-	505	505	-
Columbine Elementary School	11,893	14,941	18,451	8,383

See the accompanying Independent Auditor's Report.

	Available Balance July 1, 2001	Additions	Deductions	Available Balance June 30, 2002
Nederland Middle/High School	14,229	2,073	14,911	1,391
Crest View Elementary School	3,461	14,685	11,362	6,784
Nevin Platt Middle School	8,315	7,083	15,376	22
Douglass Elementary School	3,217	127,262	121,880	8,599
Sanchez Elementary School	15,775	22,492	17,311	20,956
Eisenhower Elementary School	21,074	37,748	41,397	17,425
Emerald Elementary School	11,293	33,534	38,251	6,576
Fireside Elementary School	13,404	20,115	22,631	10,888
Flatirons Elementary School	4,480	37,653	25,940	16,193
Foothill Elementary School	4,500	(227)	(4,942)	9,215
Heatherwood Elementary School	7,520	25,995	23,727	9,788
Jamestown Elementary School	300	-	300	-
Kohl Elementary School	25,555	14,503	27,542	12,516
Lafayette Elementary School	33,668	69,605	43,806	59,467
Ryan Elementary School	(11,473)	37,030	22,727	2,830
Louisville Elementary School	2,189	5,031	9,923	(2,703)
Coal Creek Elementary School	10,377	20,000	25,404	4,973
Arapahoe Ridge High School	1,990	6,359	8,016	333
Mapleton Elementary School	8,429	2,949	8,213	3,165
Creekside at Martin Park Elementary School	14,839	16,937	24,819	6,957
Mesa Elementary School	(648)	3,902	2,223	1,031
Nederland Elementary School	9,635	16,797	7,551	18,881
Pioneer Elementary School	1,423	11,179	1,550	11,052
Superior Elementary School	19,943	66,693	63,964	22,672
University Hill Elementary School	20,365	11,734	19,499	12,600
Washington Bilingual Elementary School	6,601	9,875	2,455	14,021
Whittier Elementary School	16,957	26,198	32,165	10,990
Monarch K-8 School	1,123	-	1,750	(627)
Monarch High School	250	-	-	250
High Peaks Elementary School	5,115	2,621	1,292	6,444
Baseline Middle School	704	11,522	2,120	10,106
Community Montessori School	23,948	22,614	22,305	24,257
Halcyon	147	512	604	55
Burbank Elementary School	-	8,754	-	8,754
Eldorado K-8 School	10,203	-	9,435	768
Other Departments	604,478	384,127	370,608	617,997
TOTALS	\$ 2,586,252	\$ 7,584,599	\$ 7,533,358	\$ 2,637,493

BOULDER VALLEY SCHOOL DISTRICT RE-2

COMPONENT UNITS
COMBINING BALANCE SHEET
June 30, 2002

	<u>BOULDER PREP</u>	<u>HORIZONS</u>	<u>PEAK TO PEAK</u>
ASSETS			
Cash and Investments	\$ 120,956	\$ 433,881	\$ 8,605,267
Accounts Receivable	-	-	-
Construction in Progress	-	-	11,655,712
Amount to be Provided for the Retirement of Long-Term Debt	-	-	18,800,000
TOTAL ASSETS	<u>\$ 120,956</u>	<u>\$ 433,881</u>	<u>\$ 39,060,979</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ 479
Accrued Salaries and Benefits	-	151,533	117,481
Accrued Liabilities	-	-	131,650
Deferred Revenues	4,222	10,000	154,794
Bonds Payable	-	-	18,800,000
TOTAL LIABILITIES	<u>4,222</u>	<u>161,533</u>	<u>19,204,404</u>
FUND BALANCES			
Investment in General Fixed Assets	-	-	11,655,712
Reserved for Emergencies	17,000	50,000	118,000
Reserved for Capital Projects	-	-	7,870,969
Unreserved	99,734	222,348	211,894
TOTAL FUND BALANCES	<u>116,734</u>	<u>272,348</u>	<u>19,856,575</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 120,956</u>	<u>\$ 433,881</u>	<u>\$ 39,060,979</u>

See the accompanying Independent Auditors' Report.

<u>SOJOURNER</u>	<u>SUMMIT</u>	<u>TOTAL COMPONENT UNITS</u>
\$ (3,593)	\$ 152,268	\$ 9,308,779
800	-	800
-	-	11,655,712
-	-	18,800,000
<u>\$ (2,793)</u>	<u>\$ 152,268</u>	<u>\$ 39,765,291</u>
\$ -	\$ 10	\$ 489
13,862	77,894	360,770
-	-	131,650
-	8,291	177,307
-	-	18,800,000
<u>13,862</u>	<u>86,195</u>	<u>19,470,216</u>
-	-	11,655,712
-	40,000	225,000
-	-	7,870,969
<u>(16,655)</u>	<u>26,073</u>	<u>543,394</u>
<u>(16,655)</u>	<u>66,073</u>	<u>20,295,075</u>
<u>\$ (2,793)</u>	<u>\$ 152,268</u>	<u>\$ 39,765,291</u>

Amounts reported in the statement of net assets are different because:

Fund Equity, June 30, 2002	\$ 20,295,075
Amount to be Provided	<u>(18,800,000)</u>
Net Assets, June 30, 2002	<u>\$ 1,495,075</u>

BOULDER VALLEY SCHOOL DISTRICT RE-2

COMPONENT UNITS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
June 30, 2002

	<u>BOULDER PREP</u>	<u>HORIZONS</u>	<u>PEAK TO PEAK</u>
REVENUES			
Local Sources	\$ 341,169	\$ 1,651,256	\$ 3,720,845
State Sources	227,630	15,910	211,228
Federal Sources	2,922	21,164	406,626
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	571,721	1,688,330	4,338,699
EXPENDITURES			
Current			
Instruction - Regular Programs	249,688	1,111,398	1,793,171
Instruction - Special Programs	23,649	208,585	6,615
Student Support Services	143,968	-	19,091
Instructional Staff Services	-	-	2,202
General Administration	-	-	27,430
School Administration	17,816	292,590	387,084
Operations and Maintenance	57,681	51,711	907,886
Central Support Services	-	-	7,794
Other Support Service	-	-	129,211
Community Services	-	-	73,199
Capital Outlay	-	-	11,655,712
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	492,802	1,664,284	15,009,395
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<hr/>	<hr/>	<hr/>
	78,919	24,046	(10,670,696)
OTHER FINANCING SOURCES (USES)			
Proceeds from Debt Issuance	-	-	18,800,000
	<hr/>	<hr/>	<hr/>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	78,919	24,046	8,129,304
FUND BALANCES, BEGINNING	<hr/>	<hr/>	<hr/>
	37,815	248,302	71,559
FUND BALANCES (DEFICITS), ENDING	<hr/>	<hr/>	<hr/>
	\$ 116,734	\$ 272,348	\$ 8,200,863

See the accompanying Independent Auditors' Report.

<u>SOJOURNER</u>	<u>SUMMIT</u>	<u>TOTAL COMPONENT UNITS</u>
\$ 376,597	\$ 1,326,062	\$ 7,415,929
18,144	5,568	478,480
<u>19,653</u>	<u>-</u>	<u>450,365</u>
<u>414,394</u>	<u>1,331,630</u>	<u>8,344,774</u>
233,537	852,107	4,239,901
33,088	34,442	306,379
-	72,418	235,477
36	53,336	55,574
-	2,329	29,759
77,091	226,920	1,001,501
51,534	2,607	1,071,419
-	12,757	20,551
-	-	129,211
39,149	59,267	171,615
<u>-</u>	<u>6,700</u>	<u>11,662,412</u>
<u>434,435</u>	<u>1,322,883</u>	<u>18,923,799</u>
<u>(20,041)</u>	<u>8,747</u>	<u>(10,579,025)</u>
<u>-</u>	<u>-</u>	<u>18,800,000</u>
(20,041)	8,747	8,220,975
<u>3,386</u>	<u>57,326</u>	<u>418,388</u>
\$ <u>(16,655)</u>	\$ <u>66,073</u>	\$ <u>8,639,363</u>

Amounts reported in the statement of activities are different because:

Net Change in Fund Balance	\$ 8,220,975
Proceeds from Debt Issuance	(18,800,000)
Capital Outlay	<u>11,655,712</u>
Change in Net Assets	\$ <u>1,076,687</u>



STATISTICAL
SECTION



BOULDER VALLEY SCHOOL DISTRICT RE-2

GENERAL FUND EXPENDITURES BY OBJECT

Last Ten Years

(Unaudited)

	<u>Actual 1992/93</u>	<u>Actual 1993/94</u>	<u>Actual 1994/95</u>	<u>Actual 1995/96</u>
Salaries	\$ 77,677,522	\$ 82,011,642	\$ 82,682,838	\$ 81,531,594
Percent Change From Prior Year	96.74	5.58	0.82	(1.39)
Employee Benefits	14,195,940	15,061,303	15,847,341	14,702,980
Percent Change From Prior Year	99.93	6.10	5.22	(7.22)
Purchased Services	7,829,225	7,870,194	7,773,026	11,695,375
Percent Change From Prior Year	109.36	0.52	(1.23)	50.46
Supplies and Materials	3,746,061	3,781,714	5,206,476	2,660,743
Percent Change From Prior Year	73.67	0.95	37.67	(48.90)
Capital Outlay	500,052	610,205	261,044	362,504
Percent Change From Prior Year	(18.62)	22.00	(57.22)	38.87
Other	193,236	827,920	466,230	376,343
Percent Change From Prior Year	(82.73)	328.50	(43.69)	(19.28)
Net allocations to charter schools	-	-	-	-
Percent change from prior year	n/a	n/a	n/a	n/a
Pre-PERA Retirement	32,724	33,480	21,962	11,436
Percent Change From Prior Year	57.84	2.31	(34.40)	(47.93)
County Fees for Tax Collection	351,984	389,888	400,367	420,420
Percent Change From Prior Year	4.21	9.92	2.69	5.01
Retirement Payoffs	711,587	749,010	686,798	762,836
Percent Change From Prior Year	7.81	5.26	(8.31)	11.70
TOTAL GENERAL FUND EXPENDITURES	<u>\$ 105,238,331</u>	<u>\$ 111,335,356</u>	<u>\$ 113,346,082</u>	<u>\$ 112,524,231</u>
PERCENT CHANGE FROM PRIOR YEAR	<u>(42.22)</u>	<u>90.54</u>	<u>5.79</u>	<u>1.81</u>

(a) As of 1996/97, the District eliminated the General Fund Subsidy Accounts. The balances represent total General Fund expenditures from 1996/97 and thereafter.

Source: Boulder Valley School District RE-2 Audited Financial Statements 1992/93-2001/02.

TABLE I

<u>Actual 1996/97 (a)</u>	<u>Actual 1997/98</u>	<u>Actual 1998/99</u>	<u>Actual 1999/00</u>	<u>Actual 2000/01</u>	<u>Actual 2001/02</u>
\$ 91,353,222 12.05	\$ 97,385,100 6.60	\$ 104,732,608 7.54	\$ 114,512,943 9.34	\$ 119,789,541 4.61	\$ 123,794,477 3.34
16,030,722 9.03	16,642,275 3.81	17,843,964 7.22	20,286,097 13.69	21,410,503 5.54	22,611,621 5.61
11,057,256 (5.46)	7,187,545 (35.00)	8,955,449 24.60	7,468,825 (16.60)	7,568,103 1.33	6,612,818 (12.62)
4,817,209 81.05	7,277,785 51.08	8,054,703 10.68	9,209,969 14.34	9,846,458 6.91	8,550,185 (13.16)
496,083 36.85	435,089 (12.30)	628,495 44.45	1,432,177 127.87	1,452,045 1.39	1,813,620 24.90
1,579,599 319.72	802,476 (49.20)	1,244,665 55.10	3,177,706 155.31	2,754,619 (13.31)	3,397,436 23.34
- n/a	- n/a	- n/a	- n/a	- n/a	5,844,475 n/a
12,238 7.01	13,000 6.23	3,281 (74.76)	- (100.00)	- -	- -
432,080 2.77	466,996 8.08	525,629 12.56	276,694 (47.36)	281,337 1.68	295,412 5.00
406,504 (46.71)	849,607 109.00	764,660 (10.00)	914,668 19.62	1,024,725 12.03	551,681 (46.16)
<u>\$ 126,184,913</u>	<u>\$ 131,059,873</u>	<u>\$ 142,753,454</u>	<u>\$ 157,279,079</u>	<u>\$ 164,127,331</u>	<u>\$ 173,471,725</u>
<u>12.14</u>	<u>3.86</u>	<u>8.92</u>	<u>10.18</u>	<u>4.35</u>	<u>5.69</u>

BOULDER VALLEY SCHOOL DISTRICT RE-2

GENERAL FUND REVENUE BY SOURCE

Last Ten Years

(Unaudited)

	<u>Actual</u> <u>1992/93</u>	<u>Actual</u> <u>1993/94</u>	<u>Actual</u> <u>1994/95</u>	<u>Actual</u> <u>1995/96</u>
Local Revenue				
Current Property Taxes	\$ 87,296,892	\$ 77,855,009	\$ 80,001,057	\$ 83,979,637
Specific Ownership Taxes	5,278,523	5,893,608	6,363,965	6,776,864
Delinquent Taxes and Penalties	567,366	280,631	201,426	167,769
Tuition	197,737	268,831	226,105	191,701
Interest Income	735,668	378,071	282,185	478,482
Miscellaneous	439,141	2,266,256	504,741	1,923,444
Total Local Revenue	<u>94,515,327</u>	<u>86,942,406</u>	<u>87,579,479</u>	<u>93,517,897</u>
State Revenue				
State Equalization	11,659,745	21,402,261	21,714,750	21,199,877
Special Education	1,920,349	2,229,552	2,714,409	2,772,541
Transportation	1,482,458	1,457,390	1,544,589	1,613,185
Vocational Education	639,560	867,108	843,431	805,146
Miscellaneous	1,811,773	751,572	196,045	149,950
Total State Revenue	<u>17,513,885</u>	<u>26,707,883</u>	<u>27,013,224</u>	<u>26,540,699</u>
Federal Revenue	<u>93,538</u>	<u>107,194</u>	<u>28,149</u>	<u>24,273</u>
TOTAL GENERAL FUND REVENUE	<u>\$ 112,122,750</u>	<u>\$ 113,757,483</u>	<u>\$ 114,620,852</u>	<u>\$ 120,082,869</u>
PERCENT CHANGE FROM PRIOR YEAR	<u>89.43</u>	<u>1.46</u>	<u>0.76</u>	<u>4.74</u>

(a) As of 1996/97, the District eliminated the General Fund Subsidy Accounts. The balances represent total General Fund expenditures from 1996/97 and thereafter.

Source: Boulder Valley School District RE-2 Audited Financial Statements 1992/93-2001/02.

TABLE II

<u>Actual 1996/97 (a)</u>	<u>Actual 1997/98</u>	<u>Actual 1998/99</u>	<u>Actual 1999/00</u>	<u>Actual 2000/01</u>	<u>Actual 2001/02</u>
\$ 85,885,284	\$ 92,650,365	\$ 105,206,316	\$ 108,575,064	\$ 111,867,694	\$ 117,861,142
7,205,038	7,746,082	9,961,118	11,324,836	11,936,063	12,221,725
117,529	194,816	93,653	322,645	837,968	921,330
2,499,455	3,304,518	3,408,518	3,191,887	3,110,424	170,581
421,706	418,924	499,766	507,953	802,566	252,916
<u>2,157,342</u>	<u>1,149,519</u>	<u>3,780,598</u>	<u>1,310,833</u>	<u>2,013,252</u>	<u>712,996</u>
<u>98,286,354</u>	<u>105,464,224</u>	<u>122,949,969</u>	<u>125,233,218</u>	<u>130,567,967</u>	<u>132,140,690</u>
23,664,149	24,506,373	27,821,878	29,110,241	31,174,893	35,352,777
2,771,485	2,939,892	2,956,640	3,005,528	3,076,734	3,253,442
1,562,182	1,448,265	1,353,305	1,534,018	1,605,018	1,641,720
782,306	927,638	697,546	729,487	997,821	1,093,446
<u>251,213</u>	<u>330,697</u>	<u>340,482</u>	<u>149,359</u>	<u>127,057</u>	<u>861,089</u>
<u>29,031,335</u>	<u>30,152,865</u>	<u>33,169,851</u>	<u>34,528,633</u>	<u>36,981,523</u>	<u>42,202,474</u>
<u>-</u>	<u>6,075</u>	<u>17,086</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 127,317,689</u>	<u>\$ 135,623,164</u>	<u>\$ 156,136,906</u>	<u>\$ 159,761,851</u>	<u>\$ 167,549,490</u>	<u>\$ 174,343,164</u>
<u>3.66</u>	<u>6.52</u>	<u>15.13</u>	<u>2.32</u>	<u>4.87</u>	<u>4.05</u>

BOULDER VALLEY SCHOOL DISTRICT RE-2
PROPERTY TAX LEVIES AND COLLECTIONS - ALL FUNDS

Last Ten Years

(Unaudited)

<u>Levy Year</u>	<u>Collection Year</u>	<u>Total Tax Levied</u>	<u>Total Current Tax Collections</u>	<u>Total Current Tax Collections as a Percentage of Total Tax Levied</u>	<u>Delinquent Tax Collections</u>	<u>Delinquent Tax Collections as a Percentage of Total Tax Levied</u>
1991	1992	\$ 79,106,167	\$ 78,262,678	98.43	\$ 370,322	0.47
1992	1993	84,498,380	84,264,160	99.72	419,277	0.50
1993	1994	86,388,187	86,049,635	99.60	225,966	0.26
1994	1995	91,670,259	92,168,033	99.45	187,108	0.20
1995	1996	95,233,893	94,791,270	99.54	171,986	0.18
1996	1997	101,016,769	100,124,058	99.12	194,816	0.19
1997	1998	106,247,007	103,162,683	97.10	93,653	0.09
1998	1999	120,618,953	119,967,464	99.46	142,920	0.12
1999	2000	123,278,175	123,084,710	99.84	356,068	0.29
2000	2001	127,106,029	126,382,188	99.43	71,953	0.06

Source: Boulder County, Broomfield County and Gilpin County Assessor's Offices and Boulder Valley School District RE-2.

BOULDER VALLEY SCHOOL DISTRICT RE-2

ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY

Last Ten Years

(Unaudited)

Levy Year	Property Values				Estimated Actual Value
	Amount Assessed in Boulder County	Amount Assessed in Broomfield County	Amount Assessed in Gilpin County	Total Assessed Valuation Amount	
1992	\$ 1,622,634,150	\$ -	\$ 14,772,700	\$ 1,637,406,850	\$ 866,111,292
1993	1,749,967,840	-	15,939,500	1,765,907,340	10,110,335,788
1994	1,804,103,330	-	16,593,400	1,820,696,730	10,491,766,469
1995	2,070,225,420	-	16,406,770	2,086,632,190	13,416,773,470
1996	2,143,943,580	-	17,166,510	2,161,110,090	14,815,570,254
1997	2,281,778,250	-	19,381,190	2,301,159,440	15,207,498,800
1998	2,375,324,790	-	19,999,560	2,395,324,350	15,879,878,955
1999	2,776,736,100	-	25,040,610	2,801,776,710	18,407,178,810
2000	2,937,953,310	-	25,582,000	2,963,535,310	20,616,439,773
2001	3,215,728,800	537,935,180	29,627,610	3,783,288,590	26,157,867,737

Source: Boulder County, Broomfield County and Gilpin County Assessor's Office.

BOULDER VALLEY SCHOOL DISTRICT RE-2

**RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**

Last Ten Years

(Unaudited)

	<u>June 1993</u>	<u>June 1994</u>	<u>June 1995</u>	<u>June 1996</u>
Gross Bonded Debt	\$ 50,600,000	\$ 44,375,000	\$ 128,960,000	\$ 124,795,000
Debt Service Moneys Available	7,651,345	7,738,553	10,150,420	10,223,940
Net Bonded Debt Outstanding	42,602,163	36,398,062	118,809,580	114,571,060
District's Estimated Population	170,758	Not available	Not available	Not available
Boulder County Per Capita Income	23,567	Not available	Not available	Not available
District's Total Assessed Valuation*	1,637,406,850	1,765,907,340	1,820,696,730	2,086,632,190
Net Bonded Debt Per Capita	249.49	Not available	Not available	Not available
Net Bonded Debt as a Percent of Assessed Valuation	2.54	2.06	6.53	5.49
Total Per Capital Income as a Percent of Net Bonded Debt	0.06	Not available	Not available	Not available

* Assessed valuation as of December 31 of the previous year.

Source: Boulder Valley District RE-2 Audited Financial Statements 1992/93 to 2001/02.

TABLE V

<u>June 1997</u>	<u>June 1998</u>	<u>June 1999</u>	<u>June 2000</u>	<u>June 2001</u>	<u>June 2002</u>
\$ 119,515,000	\$ 119,015,000	\$ 176,270,000	\$ 170,405,000	\$ 165,070,000	\$ 159,500,000
12,464,494	13,211,548	14,467,115	14,172,985	14,952,229	14,973,430
107,050,506	105,803,452	161,802,885	156,232,015	150,117,771	144,526,570
Not available	Not available	Not available	Not available	189,000	202,000
Not available	Not available	Not available	Not available	37,523	39,347
2,161,110,090	2,301,159,440	2,395,324,350	2,801,776,710	2,963,535,310	3,783,288,590
Not available	Not available	Not available	Not available	794.27	715.48
4.95	4.60	6.75	5.58	5.07	3.82
Not available	Not available	Not available	Not available	0.02	0.03

BOULDER VALLEY SCHOOL DISTRICT RE-2

COMPUTATION OF LEGAL DEBT MARGIN

(Unaudited)

2001 Taxable Assessed Valuation	\$ 3,783,288,590
Debt Limit Percentage (1)	<u>20%</u>
Legal Debt Limit	756,657,718
Amount of Debt Applicable to Debt Limit - Total Bonded Debt as of June 30, 2002	<u>159,500,000</u>
LEGAL DEBT MARGIN	\$ <u>597,157,718</u>

- (1) Colorado Statute No. 22-42-104: Each school district shall have a limit of bonded indebtedness of 20% of the latest valuation for assessment of the taxable property in such district, as certified by the assessor to the Board of County Commissioners, or 25% if enrollment has increased by 3% or more over each preceding year in the last three years, or 6% of actual value.

Source: Boulder Valley School District RE-2.

BOULDER VALLEY SCHOOL DISTRICT RE-2

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES**

Last Ten Years

(Unaudited)

Fiscal Year	Principal	Interest and Other Expenditures	Total Debt Service	Total General Fund Expenditures (b)	Ratio of Debt Service to Total General Fund Expenditures
1992/93	\$ 6,715,000	\$ 3,726,930	\$ 10,441,930	\$ 105,238,331	9.45
1993/94	6,225,000	2,979,356	9,204,356	111,335,356	8.27
1994/95	4,415,000	5,754,887	10,169,887	113,346,082	8.97
1995/96	4,165,000	7,589,905	11,754,905	112,524,231	10.46
1996/97	5,280,000	7,310,668	12,590,668	126,184,193	9.98
1997/98	69,310,000 (a)	11,206,571	80,516,571	131,059,823	61.43
1998/99	6,400,000	7,065,854	13,465,854	142,753,454	9.43
1999/00	5,865,000	8,886,603	14,751,603	157,279,079	9.38
2000/01	5,335,000	8,601,250	13,936,250	164,127,331	8.49
2001/02	5,625,000	8,341,108	13,966,108	173,471,725	8.05

(a) Refunding of debt occurred.

(b) As of 1996/97, the District eliminated the General Fund Subsidy Accounts. The balances represent total General Fund expenditures from 1996/97 and thereafter.

Source: Boulder Valley District RE-2 Audited Financial Statements 1992/93 to 2001/02.

BOULDER VALLEY SCHOOL DISTRICT RE-2

DISTRICT MILL LEVY HISTORY

Last Ten Years

(Unaudited)

<u>Levy Year</u> <u>Collection Year</u>	<u>1992</u> <u>1993</u>	<u>1993</u> <u>1994</u>	<u>1994</u> <u>1995</u>	<u>1995</u> <u>1996</u>	<u>1996</u> <u>1997</u>	<u>1997</u> <u>1998</u>	<u>1998</u> <u>1999</u>	<u>1999</u> <u>2000</u>	<u>2000</u> <u>2001</u>	<u>2001</u> <u>2002</u>
General Fund	46.605	44.149	44.049	40.640	40.437	40.525	44.356	38.978	38.191	31.274
Bond Redemption Fund	5.000	4.771	6.300	5.000	6.306	4.819	6.000	5.022	4.699	3.533
TOTAL LEVY	<u>51.605</u>	<u>48.920</u>	<u>50.349</u>	<u>45.640</u>	<u>46.743</u>	<u>45.344</u>	<u>50.356</u>	<u>44.000</u>	<u>42.890</u>	<u>34.807</u>

Source: Boulder, Broomfield and Gilpin Counties Abstracts of Assessment and Summary of Tax Levies, 1992-2001

BOULDER VALLEY SCHOOL DISTRICT RE-2

PROPERTY TAX RATES (MILLS)*
DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Years

(Unaudited)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Boulder Valley School District RE-2	51.605	48.920	50.349	45.640	46.743	46.743	45.344	44.000	42.890	34.807
Boulder County	22.245	22.245	22.245	22.245	21.447	21.143	21.762	19.382	19.835	17.621
City of Boulder	9.981	9.981	9.981	9.981	9.981	11.428	11.438	10.502	10.908	9.301
Northern Colorado Water Conservancy District	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Urban Drainage and Flood Control District	<u>0.696</u>	<u>0.696</u>	<u>0.696</u>	<u>0.696</u>	<u>0.696</u>	<u>0.668</u>	<u>0.676</u>	<u>0.583</u>	<u>0.594</u>	<u>0.521</u>
TOTAL	<u>85.527</u>	<u>82.842</u>	<u>84.271</u>	<u>79.562</u>	<u>79.867</u>	<u>80.982</u>	<u>80.220</u>	<u>75.467</u>	<u>75.227</u>	<u>63.250</u>

* Does not include all Special Districts.

Source: Boulder County Abstract of Assessment and Summary of Tax Levies, 1992-2001.

BOULDER VALLEY SCHOOL DISTRICT RE-2

COMPUTATION OF OVERLAPPING BONDED
GENERAL OBLIGATION DEBT

June 30, 2002

(Unaudited)

	Gross Outstanding General Obligation Debt (1)	Net Outstanding General Obligation Debt (1)	Net Outstanding General Obligation Debt Chargeable to Properties Within the District	
			Percent	Amount
Baseline Water District	\$ 2,794	\$ -	100.00 %	\$ -
Boulder Central General Improvement District	19,165,000	19,165,000	100.00	19,165,000
Boulder Rural Fire Protection District	-	-	100.00	-
Brownsville Water & Sanitation District	-	-	34.90	-
Cherryvale Fire Protection District	-	-	100.00	-
City of Boulder	100,965,000 (2)	99,615,000	74.80	74,512,020
City of Broomfield	20,340,421	5,220,000	100.00	5,220,000
City of Lafayette	11,693,903	5,208,903	100.00	5,208,903
City of Louisville	2,580,000	2,580,000	100.00	2,580,000
Coal Creek Canyon Fire Protection District	-	-	10.80	-
Colorado Tech Center Metropolitan District	5,415,085	5,415,085	87.20	4,721,954
Four Mile Canyon Fire District	10,700	10,700	100.00	10,700
Gilpin County Library District	-	-	100.00	-
Gold Hill Fire Protection District	-	-	100.00	-
Gunbarrel Improvement District	-	-	100.00	-
High Country Fire Protection District	-	-	88.80	-
Interlocken Consolidated Metropolitan District	72,215,869	72,215,869	100.00	72,215,869
Louisville Fire Protection District	-	-	100.00	-
Mountain View Fire Protection District	1,510,000	1,510,000	6.50	98,150
Northern Colorado Water Conservancy District	466,000 (3)	-	100.00	-
Pine Brook Water District	690,000	-	42.20	-
Pine Brook Hills Fire District	-	-	100.00	-
Superior Metropolitan District No. 1	-	-	100.00	-
Superior Metropolitan District No. 2	8,435,000	8,435,000	100.00	8,435,000
Superior Metropolitan District No. 3	6,500,000	6,500,000	100.00	6,500,000
Town of Nederland	-	-	100.00	-
University Hills General Improvement District	-	-	100.00	-
West Adams County Fire District No. 1	360,000	360,000	42.70	153,720
			Total	\$ 198,821,316

(1) "Gross outstanding general obligation debt" includes general obligation debt historically paid from system revenues ("self-supporting general obligation debt"). "Net outstanding general obligation debt" is gross outstanding general obligation debt minus self-supporting general obligation debt.

(2) This amount reflects the City's outstanding general obligation debt based on the present value of its capital appreciation bonds which are term bonds which bear no stated interest and which were sold by the City at a substantial original issue discount.

(3) This amount constitutes a contractual obligation of the District.

Sources: Boulder County Assessor's Office, and information obtained from individual entities.

BOULDER VALLEY SCHOOL DISTRICT RE-2

BOULDER COUNTY POPULATION ESTIMATES

(Unaudited)

	1960	1970	1980	1990	2000	Percent Increase (Decrease)	
						1980- 1990	1990- 2000
Boulder	37,718	66,870	76,685	83,312	94,673	8.64 %	13.64 %
Broomfield (1)	-	7,261	14,514	16,458	21,474	13.39	30.48
Erie (1)	-	7	25	21	4,282	(4.50)	20,290.48
Longmont	11,489	23,209	42,942	51,555	71,069	20.05	37.85
Louisville	2,073	2,409	5,593	12,361	18,937	121.01	53.20
Lafayette	2,612	3,498	8,985	14,548	23,197	61.91	59.45
Lyons	706	958	1,137	1,227	1,585	7.92	29.18
Nederland	272	492	1,212	1,099	1,394	(9.32)	25.02
Jamestown	107	185	223	251	205	12.56	(18.33)
Superior	173	171	208	255	9,008	22.59	3,432.55
Ward	9	32	129	159	169	23.25	6.29
Unincorporated							
Boulder County	17,900	26,797	37,974	34,676	45,295	(8.68)	30.62
Estimated Boulder County Total (2)	74,254	131,889	189,625	215,922	291,288	13.87	34.90

(1) Population includes only that portion located in Boulder County. As of 2000, approximately 56% of the 38,272 residents of Broomfield (approximately 21,474 persons) and approximately 68% of the 6,291 residents of Erie (approximately 4,282 persons) resided in Boulder County.

(2) The estimated Boulder County total reflects an unduplicated count.

Source: Colorado Department of Local Affairs; United States Bureau of the Census. 1950, 1960, 1970 and 1980 are Census figures; 1990 and 2000 figures are estimates from the Colorado Department of Local Affairs.

BOULDER VALLEY SCHOOL DISTRICT RE-2

CHARACTERISTICS OF EMPLOYMENT IN BOULDER COUNTY

(Unaudited)

<u>Industry</u>	<u>As of December 31, 2000</u>		<u>As of December 31, 2001</u>	
	<u>Estimated Average Monthly Employment</u>	<u>Percent of Total Employment</u>	<u>Estimated Average Monthly Employment</u>	<u>Percent of Total Employment</u>
Mining and Construction	9,179	5.09 %	8,524	4.61 %
Manufacturing	31,700	17.59	28,681	15.52
Transportation	7,316	4.06	1,664	0.90
Wholesale and Retail Trade	40,575	22.51	27,440	14.85
Information	-	-	15,159	8.20
Finance, Insurance and Real Estate	6,719	3.73	7,975	4.32
Services	62,324	34.58	71,873	38.90
Government	22,418	12.44	23,439	12.69
TOTAL	<u>180,231</u>	<u>100.00 %</u>	<u>184,755</u>	<u>100.00 %</u>

Source: State Department of Labor and Employment, Division of Employment and Training.

BOULDER VALLEY SCHOOL DISTRICT RE-2

MAJOR EMPLOYERS IN BOULDER COUNTY

(Unaudited)

<u>Company</u>	<u>Activity</u>	<u>Estimated Number of Employees</u>
University of Colorado	Four-year college and graduate school	6,550
International Business Machines	Software development, custom information systems	5,000
Boulder Valley School District	One of two public school districts in Boulder County	4,500
Sun Microsystems, Inc.	Software development and custom information systems	3,250
Storage Technology Corporation	Manufacturer of tape-based computer storage devices	3,000
Level 3 Communications, Inc.	Communications and information services	2,350
Boulder Community Hospital	Medical facility	2,102
Electronic Data Systems	Global information technology services	2,000
Ball Aerospace	Electronic space exploration systems and defense products	1,925
Longmont Foods	Poultry processing	1,200
Maxtor	Information storage	1,200

Source: Boulder County Business Report, April 19-May 2, 2002

BOULDER VALLEY SCHOOL DISTRICT RE-2

PROPERTY VALUES, CONSTRUCTION AND BANK DEPOSITS

Last Ten Years

(Unaudited)

Tax Year	Property Values		Construction	
	Assessed Valuation	Estimated Actual Value	Residential Permits	Value
1992	\$ 1,637,406,850	\$ 8,666,111,292	3,297	\$ 166,415,474
1993	1,765,907,340	10,110,335,788 (2)	3,688	210,062,993
1994	1,820,696,730	10,491,766,469	3,453	161,227,873
1995	2,086,632,190	13,416,773,470	3,247	250,505,183
1996	2,161,110,090	14,815,570,254	3,237	133,160,668
1997	2,301,159,440	15,207,498,800	3,030	154,316,806
1998	2,395,324,350	15,879,878,955	n/a	n/a
1999	2,801,776,710	18,407,178,810	3,965	193,159,717
2000	2,963,535,310	20,616,439,773	3,602	166,897,609
2001	3,783,288,590	26,157,867,737 (3)	n/a	n/a

(2) The method of calculating estimated actual value has changed to provide more accurate values.

(3) The Assessor's office changed it's accounting system and is, at this time, not able to provide data in this format.

Source: Boulder County Assessor's Office.

TABLE XIV

Construction			
Nonresidential		Total	Total
Permits	Value	Permits	Value
226	\$ 25,845,191	3,432	\$ 192,260,665
173	25,899,023	3,470	235,962,016
256	23,973,619	3,944	185,201,492
395	56,317,925	3,848	306,823,108
472	77,131,744	3,709	210,292,412
450	77,360,518	3,480	231,677,324
n/a	n/a	n/a	n/a
316	84,328,680	4,281	277,488,397
212	87,399,041	3,814	254,296,650
n/a	n/a	n/a	n/a



BOULDER VALLEY SCHOOL DISTRICT RE-2

PRINCIPAL TAXPAYERS OVER A SPECIFIED
AMOUNT OF ASSESSED VALUATION

December 31, 2001

(Unaudited)

<u>Name</u>	<u>Type of Business</u>	<u>2000 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Public Service Company of Colorado	Supplier of electricity and natural gas to consumers	\$ 56,364,440	1.49 %
International Business Machines Corporation	Manufacturer of computer software and hardware	52,736,136	1.39
Storage Technology Corporation	Manufacturer of peripheral equipment	38,513,010	1.02
U.S. West Communications	Communication services	32,025,400	0.85
Roche Colorado Corporation	Processing of pharmaceuticals	14,982,880	0.4
Ball Corporation	Aerospace and technology	13,544,320	0.36
Amgen Boulder Inc.	Applications service provider	13,400,650	0.35
Macerich Partnership	Shopping center rental	11,140,280	0.29
Tierra Buildings, LLC	Real-estate division of Southern Ute growth fund	6,635,270	0.18
Stephen D Tebo	Real-estate developer	6,580,360	0.17
		245,922,746	6.50
Taxpayers under \$6,580,360		3,537,365,844	93.50
TOTAL		\$ 3,783,288,590	100.00 %

Source: Boulder County Assessor's Office.

**BOULDER VALLEY SCHOOL DISTRICT RE-2
INSURANCE IN FORCE
June 30, 2002**

(Unaudited)

As of June 30, 2002, the District maintained the types and amounts of insurance coverage summarized below. Moneys for payment of the District's insurance are accounted for in the Insurance Reserve Internal Service Fund. Funding is provided for the Insurance Reserve Internal Service Fund primarily from the General fund. In addition to the insurance coverage described below, the Colorado Governmental Immunity Act provides the District with substantial protection from liability.

<u>Type</u>	<u>Coverage</u>
Property Damage	\$419,876,922 annual property limit, inclusive of contents; \$100,000 deductible per occurrence. (This is inclusive of "equipment breakdown", previously broken out as separate coverage.) \$65,000,000 flood/earthquake limits per occurrence and aggregate; \$50,000 limit for non-owned property per occurrence; \$1,000 deductible inland marine; \$100,000 computer equipment limits; \$250,000 hazardous substance limits; all coverages subject to appropriate deductible and designated peril(s).
School Entity Liability	\$2,000,000 per occurrence; \$5,000,000 annual aggregate; \$1,000 medical expense any one person; \$10,000 medical expense each accident; \$10,000 deductible per occurrence. Pollution annual aggregate \$25,000; AHERA annual aggregate \$25,000.
Automobile Liability	Covers bodily injury and property damage caused by the District's vehicles, including \$1,000,000 limit per accident; \$1,000,000 combined single limit for bodily injury caused by uninsured motorist and statutory coverage for personal injury protection; \$10,000 deductible per occurrence; \$1,000 medical payment allowable.
Garagekeepers Physical Damage	\$45,000 annual limit on collision/comprehensive; \$500 deductible.
Terminal Coverage	Catastrophic Coverage – Specified Perils; \$12,912,658 limit; \$1000 deductible/\$10,000 aggregate.
Crime	Public Employee Dishonesty \$100,000; Public Official Dishonesty \$25,000; Board Treasurer and Secretary each \$25,000; \$100,000 each for Chief Operations Officer, Chief Financial Officer and Director Finance/Accounting; \$500 deductible or \$100 deductible; Theft inside/outside as well as computer fraud \$5,000 with \$100 deductible, depending on levels of disappearance/destruction.

Source: Boulder Valley School District RE-2.

BOULDER VALLEY SCHOOL DISTRICT RE-2

DISTRICT ENROLLMENT

June 30, 2002

(Unaudited)

Boulder Valley School District RE-2's total enrollment for the school years 1992-93 through 2001-02 is as follows:

<u>School Year</u> *	<u>Enrollment</u>
1992-93	23,761
1993-94	24,303
1994-95	24,871
1995-96	25,359
1996-97	25,695
1997-98	26,210
1998-99	26,918
1999-00	27,040
2000-01	27,531
2001-02	27,953

* Data from the audited pupil count on October 1 of each school year.

Source: Boulder Valley School District RE-2.



SINGLE AUDIT
SECTION

Board of Education
Boulder Valley School District RE-2
Boulder, Colorado

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

We have audited the basic financial statements of the Boulder Valley School District RE-2 as of and for the year ended June 30, 2002, and have issued our report thereon dated October 4, 2002. 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.

Compliance

As part of obtaining reasonable assurance about whether the Boulder Valley School District RE-2's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Boulder Valley School District RE-2's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Boulder Valley School District RE-2 in a separate letter dated October 4, 2002.

This report is intended solely for the information and use of the Board of Education, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



October 4, 2002





Board of Education
Boulder Valley School District RE-2
Boulder, Colorado

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Compliance

We have audited the compliance of the Boulder Valley School District RE-2 with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. The Boulder Valley School District RE-2's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Boulder Valley School District RE-2's management. Our responsibility is to express an opinion on the Boulder Valley School District RE-2's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Boulder Valley School District RE-2'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. In our opinion, the Boulder Valley School District RE-2 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

Internal Control Over Compliance

The management of the Boulder Valley School District RE-2 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Boulder Valley School District RE-2's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Education, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "S. Anderson & Carter LLC".

October 4, 2002

Boulder Valley School District RE-2

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2002

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unqualified

Internal control over financial reporting:

• Material weaknesses identified? _____ yes no

• Reportable conditions identified that are not considered to be material weaknesses? _____ yes none reported

Noncompliance material to financial statements noted? _____ yes no

Federal Awards

Internal control over major programs:

• Material weaknesses identified? _____ yes no

• Reportable conditions identified that are not considered to be material weaknesses? _____ yes none reported

Type of auditors' report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? _____ yes no

Identification of major programs:

84.027 Special Education

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? yes _____ no

Findings Related to Financial Statements

The audit of the financial statements did not disclose any reportable conditions in internal controls that would be considered a material weakness, and did not disclose any instances of noncompliance with requirements of certain provisions of laws, regulations, and grants that were material to those basic financial statements.

Findings and Questioned Costs for Federal Awards

The audit of federal awards did not disclose any reportable conditions in internal controls that would be considered a material weakness, and did not disclose any instances of noncompliance with requirements of certain provisions of laws, regulations, and grants that were material to those federal awards.





Board of Education
Boulder Valley School District RE-2
Boulder, Colorado

**INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

We have audited the basic financial statements of the Boulder Valley School District RE-2, as of and for the year ended June 30, 2002, and have issued our report thereon dated October 4, 2002. These basic financial statements are the responsibility of the Boulder Valley School District RE-2's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Boulder Valley School District RE-2, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Swanhorst & Cutler LLC

October 4, 2002

BOULDER VALLEY SCHOOL DISTRICT RE-2

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2002

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Accrued (Deferred) Revenue 6/30/01	Receipts	Disburse- ments	Accrued (Deferred) Revenue 6/30/02
U.S. Department of Education					
Direct Programs:					
Title IX	84.060A	\$ 3,038	\$ 21,447	\$ 24,972	\$ 6,563
Title VII	84.290	80,751	258,351	254,395	76,795
Gear Up	84.334A	-	35,160	46,898	11,738
Passed Through State Department of Education:					
Title I	84.010	425,274	1,497,724	1,589,350	516,900
Adult Literacy	84.002	-	55,301	80,913	25,612
Deaf and Hard of Hearing	84.025	-	4,637	6,348	1,711
IDEA Part C	84.181	96	5,000	4,889	(15)
Title I Part D	84.013	882	-	(882)	-
IDEA Part B	84.027	442,776	2,465,436	2,875,391	852,731
Emergency Immigrant Education	84.162	79,302	261,743	222,349	39,908
Special Education-Preschool	84.173	12,741	141,358	162,177	33,560
Drug Free Schools	84.186	15,411	114,211	117,752	18,952
Even Start Family Literacy	84.213	-	120,209	151,083	30,874
Goals 2000	84.276	517	19,045	18,528	-
Title II Eisenhower	84.281	28,945	143,318	145,332	30,959
Charter Schools Grant	84.282	(27,277)	617,398	422,015	(222,660)
Title VII - Bilingual Education	84.290	-	89,029	122,544	33,515
Title VI	84.298	29,265	157,112	161,672	33,825
Comprehensive School Reform	84.332	17,405	62,767	51,987	6,625
Title VI-D Class Size Reduction	84.340	128,661	457,392	492,212	163,481
Reading Excellence Act	84.338	233	123,209	179,223	56,247
Passed Through State Department of Human Services:					
School to Work Alliance Program	84.126A	12,249	120,912	160,693	52,030
Passed Through State Community Colleges & Occupational Education System:					
Carl Perkins	84.048A	37,234	131,910	122,433	27,757
TOTAL U.S. DEPARTMENT OF EDUCATION		<u>1,287,503</u>	<u>6,902,669</u>	<u>7,412,274</u>	<u>1,797,108</u>
U.S. Department of Agriculture					
Passed Through State Department of Human Services:					
Food Distribution	10.550	(46,596)	255,587	262,402	(39,781)
Passed Through State Department of Education:					
National School Lunch	10.555	65,689	1,116,514	1,198,133	147,308
School Breakfast Program	10.553	3,734	78,281	85,329	10,782
TOTAL U.S. DEPARTMENT OF AGRICULTURE		<u>22,827</u>	<u>1,450,382</u>	<u>1,545,864</u>	<u>118,309</u>
U.S. Department of Health and Human Services					
Passed Through State Department of Education:					
Refugee Impact	93.576	7,320	26,425	42,433	23,328
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		<u>7,320</u>	<u>26,425</u>	<u>42,433</u>	<u>23,328</u>
Corporation for National and Community Service					
Passed Through State Department of Education:					
Learn & Serve	94.004	(5,209)	12,000	14,083	(3,126)
Passed Through State Community Colleges & Occupational Education System:					
Colorado Literacy Corps	94.006	43,542	208,099	230,661	66,104
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE		<u>38,333</u>	<u>220,099</u>	<u>244,744</u>	<u>62,978</u>
National Endowment for the Humanities					
Passed Through Central Colorado Library System:					
Library Grant	45.310	(3,016)	2,500	5,516	-
TOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES		<u>(3,016)</u>	<u>2,500</u>	<u>5,516</u>	<u>-</u>
National Science Foundation					
Direct Program:					
Education and Human Resources	47.076	3,003	-	(3,003)	-
TOTAL NATIONAL SCIENCE FOUNDATION		<u>3,003</u>	<u>-</u>	<u>(3,003)</u>	<u>-</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u>\$ 1,355,970</u>	<u>\$ 8,602,075</u>	<u>\$ 9,247,828</u>	<u>\$ 2,001,723</u>

See the accompanying Independent Auditors' Report.

STATE COMPLIANCE

This report includes information required by the Colorado Department of Education.





Board of Education
Boulder Valley School District RE-2
Boulder, Colorado

**INDEPENDENT AUDITORS' REPORT ON ELECTRONIC FINANCIAL
DATA INTEGRITY CHECK FIGURES**

We have audited the basic financial statements of the Boulder Valley School District RE-2, as of and for the year ended June 30, 2002, and have issued our report thereon dated October 4, 2002. These basic financial statements are the responsibility of the Boulder Valley School District RE-2 management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Boulder Valley School District RE-2, taken as a whole. The accompanying electronic financial data integrity check figures are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Swanhorst & Cutler LLC

October 4, 2002

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Colorado Department of Education
Fiscal Year 2001-2002
Colorado School District/BOCES

BOULDER BOULDER VALLEY RE 2
District Code: 0480

Auditor's Electronic Financial Data Integrity Check Figures

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 Ending Fund Balance
Governmental				
10 General Fund	4,876,004	195,778,670	192,211,340	8,443,334
19 Colorado Preschool Program Fund	1	386,315	357,393	28,922
20 Special Revenue Fund	53,725	1,72,496	163,380	62,840
21 Capital Reserve Spec Revenue Fund	0	0	0	0
22 Govt Designated-Purpose Grants Fund	-574	10,389,180	10,388,606	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Insurance Reserve Spec Revenue Fund	0	0	0	0
25 Transportation Fund	0	0	0	0
30 Debt Service Fund	0	0	0	0
31 Bond Redemption Fund	14,952,230	38,162,308	38,141,108	14,973,430
41 Building Fund	6,700,080	980,368	4,680,811	2,999,637
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	1,670,041	4,556,399	5,033,520	1,192,920
TOTALS	28,251,506	250,425,736	250,976,159	27,701,083
Proprietary				
51 Food Service Fund	326,377	5,047,658	5,123,170	250,865
50 Other Enterprise Funds	0	0	0	0
64 Risk-Related Activity Fund	784,273	2,473,006	2,615,820	641,458
60,65-69 Other Internal Service Funds	0	0	0	0
TOTALS	1,110,650	7,520,664	7,738,990	892,323
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
71 Expendable Trust Fund	35,383	17,161	2,657	49,887
72 Non-Expendable Trust Fund	154,073	3,517	11,204	146,386
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	2,586,252	7,584,600	7,533,359	2,637,493
TOTALS	2,775,708	7,605,279	7,547,220	2,833,766