



**Boulder Valley** School District  
*Excellence and Equity*



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING JUNE 30, 2014

Boulder, Colorado ▪ Boulder ▪ Broomfield ▪ Gilpin Counties





## COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For the fiscal year ending June 30, 2014 ■ Boulder, Colorado*

PREPARED BY: BUSINESS SERVICES DIVISION

**Leslie A. Stafford, CPA**  
*Chief Operations Officer*

**William A. Sutter, SFO**  
*Chief Financial Officer*

# BOULDER VALLEY SCHOOL DISTRICT RE-2

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ending June 30, 2014

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## **Business Services Division**

December 9, 2014

Members of the Boulder Valley School District Community  
Members of the Board of Education  
Dr. Bruce K. Messinger, 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, 2014.

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.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements.

The 2014 Comprehensive Annual Financial Report (CAFR) presentation is in compliance with the governmental financial reporting model established by the Governmental Accounting Standards Board (GASB) 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 previously focused on funds to demonstrate fiscal accountability. The GASB No. 34 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.

Swanhorst & Company LLC, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the Boulder Valley School District RE-2’s financial statements for the year ended June 30, 2014. The independent auditors’ report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government**

Boulder Valley School District RE-2 (“the 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. Board members serve four-year terms, with four members elected every two years. Board members are term-limited at two terms.

The district is located near the foothills of the Rocky Mountains approximately twenty miles northwest of Denver. The district is made up of approximately 500 square miles in the southern half of Boulder County, the northern part of Gilpin County and a significant portion of western Broomfield County. It covers one of the larger school regions in the metro-Denver area and encompasses the communities of Boulder, Broomfield, Erie, Gold Hill, Jamestown, Lafayette, Louisville, Nederland, Superior, and Ward. For the 2013-14 school year, the district's total enrollment and student funded full time equivalent was 30,145 and 28,959 respectively, including charter schools. The district owns over 750 acres of prime Boulder and Broomfield County property and maintains six artificial turf athletics fields and 56 buildings spanning over four million square feet.

The district provides a full and challenging range of educational programs and services authorized by Colorado State Statute including 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 educational and support programs. In addition, the district offers preschool programs through its Early Childhood Education program.

Five charter schools are included as component units of the Boulder Valley School District RE-2 for the 2014 CAFR: Boulder Preparatory High School, Horizons K-8 Alternative School, Peak to Peak K-12 Charter School, Summit Middle Charter School and Justice High Charter School.

The board of education is required by state law to adopt an initial budget no later than June 30 preceding the beginning of the fiscal year on July 1. The annual budget serves as the foundation of the district's financial planning and control. The budget is prepared by fund and function, and department. State law allows the board of education to adjust the initial budget based upon updated revenues and expenditures through January 31 of the current fiscal year.

Changes to the budget following adoption by the board of education are authorized under Policy DBJ, which allows the transfer of funds between accounts with the approval of the superintendent or designee.

## **Economic Conditions and Outlook**

### **Analysis of 2014 Economic Forecast**

On December 9, 2013, the economic outlook for calendar year 2014 presented at the 49th annual Colorado Business Economic Outlook by the Business Research Division of the Colorado Leeds School of Business had one message that was consistently delivered throughout the discussions of the specific economic sectors – Colorado's economic growth is exceeding the national economy. Adding jobs and increasing employment will continue to be the key to sustain Colorado's economic recovery.

The Denver-Boulder-Greeley CPI (Consumer Price Index) is the measure of inflation that is generally used for the state of Colorado. The 2013 rate increase, used as a function of funding increases for the 2014-15 fiscal year, was projected at 2.8 percent in December, above the U.S.

rate of 1.5 percent. In February, the final rate was determined to be 2.8 percent. School districts face a significant challenge as an improvement in fiscal resources for K-12 education will typically lag an economic recovery.

In 2012, Colorado continued to be a national leader in the economic recovery, with employment growth of 2.3 percent (4th in the nation) which exceeded the national growth rate of 1.7 percent. This growth continued in 2013 with an additional 66,900 jobs (2.9%) and increasing income levels. No industries lost jobs in 2013, and the year recorded the fastest job growth in the last 10 years in both absolute and percentage terms. This growth is also expected to continue into 2014 at 2.6 percent, or 61,300 jobs.

The following observations are from page 123 of the 2014 Colorado Business Economic Outlook and can be found at <http://www.colorado.edu/leeds/centers/business-research-division/colorado-business-economic-outlook>.

#### National and International

- The ongoing debt ceiling debate creates uncertainty for the markets.
- Barring a fiscal crisis, U.S. GDP growth will accelerate, to 2.9%, in 2014.
- Federal policy will likely begin “tapering” as the economy improves, which may have some slowing implications for the housing market.
- Soft export demand from Europe will be partly offset by rising growth in exports to developing countries.
- The federal deficit will mark a third-consecutive year of decline, dropping to roughly \$740 billion.
- Inflation will continue in check for another year, and interest rates will remain well below historic averages.

#### Colorado

- Employment growth will place Colorado in the top five states in 2014.
- Weather fluctuations will continue to cause volatility for agriculture production, as well as tourism.
- Home prices will continue to improve in Colorado as inventory is absorbed, foreclosures abate, and more home owners elevate from being underwater in their mortgages.
- In terms of population, Colorado is the seventh fastest growing state in the nation in percentage terms and the ninth-fastest in absolute terms. The state will continue to be a popular place to live, with projected population growth of 1.7%.
- Colorado will sustain a sub-7% unemployment rate.

“With Colorado’s skilled workforce; high-tech, diversified economy; relatively low cost of doing business; global economic access; and exceptional quality of life, the state is poised for long-term economic growth.”

The Outlook also contains a summary for Boulder County on page 126 that provides some insight into the community within which a major portion of the Boulder Valley School District is situated. With relatively high wages, low unemployment, and stability over the recent economic downturn with regards to jobs and housing prices, slow but steady population growth is an indicator of the student population stability seen in BVSD.

The Boulder area continues to receive national recognition for its business climate and lifestyle. In 2013, Boulder was recognized as a top city for tech startups and innovation by a number of publications including the Wall Street Journal, Entrepreneur, Business Insider, and Inc. The area was also recognized as one of the best places for Business and Careers, and Best Cities for Jobs (Forbes), Smartest Cities in America/Top 25 Brainiest Metros (Lumosity/The Atlantic Cities), and #2 Best Place to Live (Livability.com).

Boulder County has a diverse economy supported by a high concentration of businesses in a number of emerging industries, visionary entrepreneurs, highly educated workforce, a world-class research university, and several federal labs. The area's economy has continued to outperform the state and national economy in many areas. While this trend is expected to continue in 2014, impacts from a major flood in September 2013, a partial shutdown of the federal government in October 2013, and uncertainty related to federal funding for research may have a negative effect.

Severe flooding in September affected several areas of Boulder County, and the damage is still being assessed. The impact of the flood on tourism and the local real estate market will become more apparent over the next several months. Financial institution deposits may also be affected as institutions, businesses, and individuals dip into savings to cover flood-related repairs.

Any significant reduction in federal research funding will negatively affect the area's federally funded research institutions and the many businesses that depend on federal research contracts, Small Business Innovation Research (SBIR) grants, and other funding programs to develop and refine new technologies.

Boulder County has experienced above-average population and employment growth and below average unemployment over the past several years.

Between 2010 and 2012, the population in Boulder County increased by 3.6% compared to a state population increase of 3.1% and an increase of 1.7% for the United States. Year-to-year total nonfarm employment rose 3.1% between August 2012 and 2013 compared to an increase of 1.1% for Colorado and 1.4% for the United States. In August 2013, the Boulder County unemployment rate was 5.1% compared to state unemployment of 6.7% and a national rate of 7.3% (not seasonally adjusted). The area's large concentration of jobs in sectors with higher-than-average wages contributes to above-average incomes for area residents. The median household income for Boulder County residents was \$66,989 in 2012 compared to \$56,765 for Colorado residents and a national median of \$51,371.

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

Each year the state budget is crafted by the governor and legislature to determine how much of the total budget will be allocated to K-12 education. The state economic picture is important to the district because a major source of funding for the district's General Operating Fund is received through the state's School Finance Act established by the state legislature. During the Great Recession, state revenue shortfalls forced cuts to K-12 education even though expectations for constitutionally mandated funding increases existed under Amendment 23. After the state sets



the total funding for K-12 public education, each local district determines how to fund its specific system and allocate resources to every school within its district.

For the 2014-15 fiscal year, the legislature increased base per pupil funding by 2.8 percent for K-12 public education as well as provided additional dollars for statewide student growth and a minimal reduction to the negative factor. This equates to a \$12.7M year-over-year increase to BVSD from the 2013-14 Revised Adopted Budget. The “Negative Factor” reduction to statewide total program funding as calculated in the School Finance Act is now \$894M, or 13.15 percent. For BVSD, the negative factor is \$30.6M. While many expect this funding reduction should reflect a “new normal” for K-12 public education, many community leaders and advocacy groups are pushing to restore funding to pre-recession levels and provide the resources necessary to address student achievement.

Historical information on district enrollment can be found in Table 18 of the Statistical Section of this document.

### **September 2013 Flood**

From September 11 through September 18, 2013, an epic flood impacted local governments across the Front Range of Colorado, including Boulder Valley School District. Three schools, Crest View Elementary, Foothill Elementary, and Boulder High School, suffered significant damage as a result of the flood. Through June 30, 2014, the district has incurred approximately \$4.8 million of flood related expenditures and has been reimbursed \$4.7 million through various insurance programs.

### **Fund Balance Requirements**

In order to meet the challenges of school funding in Colorado, the board of education adopted Policy DB in spring 2005, which dictated a minimum level of year-end fund balance in order to ensure the district's ongoing financial health. To further bolster the district's financial position and address the current economic challenges, the board of education updated this policy in January 2009, strengthening the requirements of the policy. The policy restricts the district from using one-time money for ongoing expenditures. This ensures programs are sustained with ongoing revenue. In addition, current policy specifies the amount to be held as a contingency reserve.

Following the requirements of this policy means the district will have to make annual budget adjustments so that new expenditures do not exceed new revenues and a moderate level of reserves is maintained. Because the district has in the past funded necessary programs with fixed revenue provided by override funds, the cost of these programs will eventually exceed the fixed revenue stream. Using the policy now means the district can make smaller adjustments over time rather than making dramatic cuts when the cost of programs has outgrown revenue sources.

The original policy was recommended by the district's external auditors and commended by the Colorado Department of Education's Accreditation Consultant. An update to the policy was crafted by the district's audit committee with input from the district's external financial advisors.

The two key elements of the policy are spending limitations and reserve requirements as follows:

#### Spending Limitations:

- The General Operating Fund budget will be developed so that the total of annual ongoing expenditures and transfers does not exceed annual revenues.

- If the General Operating Fund ends any fiscal year with an ending balance beyond required reserves, this amount can only be used for one-time uses in subsequent years.
- One-time uses are defined as expenditures, transfers and/or reserves committed by the district for a finite period of time, on a non-recurring basis.

#### Reserve Requirements:

- In addition, the General Operating Fund budget will be developed containing an ending fund balance equal to required reserves including the TABOR reserve plus a minimum of a three percent contingency reserve. The need for additional reserves shall be reviewed annually.
- Funds in the contingency reserve shall not be spent without board approval. The request for approval must include a plan for ensuring that the expenditure will not exceed the fixed dollar amount approved by the board, and must also include a plan for replenishing the reserve within two years from first dispersal.
- The budgets for all other funds will be developed to include, at a minimum, the required TABOR reserve.
- The General Operating Fund budget will be developed on a generally accepted accounting principles (GAAP) basis.

At June 30, 2014, the district is in compliance with these fund balance requirements.

### **Major Initiatives**

At its June 25, 2013 meeting, the Boulder Valley School District's Board of Education approved updates to its Mission Statement, Vision Statement, and Goals for 2013-18.

### **Mission**

The mission of the Boulder Valley School District is to create challenging, meaningful and engaging learning opportunities so that all children thrive and are prepared for successful, civically engaged lives.

### **Vision of the Boulder Valley School District**

We develop our children's greatest abilities and make possible the discovery and pursuit of their dreams, which when fulfilled will benefit us all. We provide a comprehensive and innovative approach to education and graduate successful, curious lifelong learners who confidently confront the great challenges of their time.

### **Value Statements**

1. We respect the inherent value of each student and incorporate the strengths and diversity of students, families, staff and communities.
2. Societal inequities and unique learning needs will not be barriers to student success.
3. We address the intellectual growth, health and physical development, and social emotional well-being of students.
4. We value accountability and transparency at all levels.

## **Goals for 2013-18**

GOAL #1 – Boulder Valley School District will partner with students, families, staff, and community members to address the unique learning needs of each student and to create meaningful and engaging opportunities for each child.

GOAL #2 – Boulder Valley School District will ensure that each student meets or exceeds appropriate expectations relative to intellectual growth, physical development and social emotional well-being.

GOAL #3 – Boulder Valley School District will ensure that students, families, staff, and community members experience a safe, healthy and inclusive environment.

The following strategies will be used to attain these goals:

- a. Boulder Valley School District will assess the success of each child as well as the overall effectiveness of the school system using multiple measures.
- b. Boulder Valley School District will partner with parents and the larger community to help all students enter school ready to learn and continue to learn throughout their educational experience.
- c. Boulder Valley School District will attract, hire and retain outstanding professionals at all levels of the organization.
- d. Boulder Valley School District will provide high quality professional development.
- e. Boulder Valley School District will increase community involvement, corporate partnerships, volunteer involvement, and legislative advocacy.

## **Strategic Planning**

In the fall of 2013, the superintendent and deputy superintendent initiated the Superintendent's Strategic Planning Steering Committee to begin the development of a district strategic plan to help meet the district's goals. A 23 member Steering Committee was formed that is represented by the superintendent and deputy superintendent as well as senior staff, principals, teachers, community members, professional staff, classified and non-licensed staff.

The work of this committee consists of interpreting the district Mission, Vision, Goals and Strategies; identifying what it will look like when the district achieves goals; and what BVSD will be doing as a community to meet the district goals. The committee will also assist with identifying focus and action areas and develop Action Design Team Purpose Statements as teams are formed.

During the initial planning process, the committee began to identify future work and focus areas within the district. They saw three major themes or focus areas emerge: Talent, Learning, and Partnerships.

With these focus areas in mind, 17 Action Design Teams, referenced above, were created and from May through September 2014, each Team will meet to develop Action Plans for future work that will help the district meet its goals. Teams are comprised of 8-10 staff and community members. Each Design Team has three to four purpose statements to guide the work of designing action plans. The work of the Action Design Teams is intended to build on existing work and structures; therefore, teams will be considering present practices in their work. Each



team will relay their findings that will help determine the effectiveness of the work and consider the importance of *Excellence and Equity* in the design.

Every Action Design Plan will take into account the needs and the future of our stakeholders. Consideration is given to the BVSD values of equity, including the full range of cultural responsiveness, respect, and fairness. Unique needs are addressed to include those who require special education and/or gifted and talented support or come from marginalized backgrounds. Attention is given to the infusion of educational technology as a necessary component of daily practice and pedagogy. Lastly, a necessary component is a process for determining action plan effectiveness.

## **Other Information**

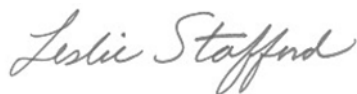
### **Awards**

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the district for its comprehensive annual financial report for the fiscal year ended June 30, 2013. In order to be awarded a Certificate of Achievement and the Certificate of Excellence, the district must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement and the Certificate of Excellence are valid for a period of one year. We believe that our current Comprehensive Annual Financial Report continues to meet the program requirements for both Certificate of Achievement and Certificate of Excellence programs. This document will be submitted to GFOA and ASBO respectively to determine eligibility for another certificate.

### **Acknowledgments**

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Business Services Division. We would like to express our sincere appreciation to all members of the department for their contributions to this report. We also thank the district's independent auditors, Swanhorst & Company 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. Bruce K. Messinger, Superintendent of Schools and the board of education for their interest in and support of the finance and accounting operations of the Boulder Valley School District RE-2 and Heather Grooters CPA, District Accountant, for her assistance in the preparation of this document.

Respectfully Submitted,



Leslie A. Stafford, CPA  
Chief Operating Officer



William A. Sutter, SFO  
Chief Financial Officer



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Government Finance Officers Association

**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, 2013**

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Executive Director/CEO



# Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award  
is presented to*

## **Boulder Valley School District RE-2**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2013*

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



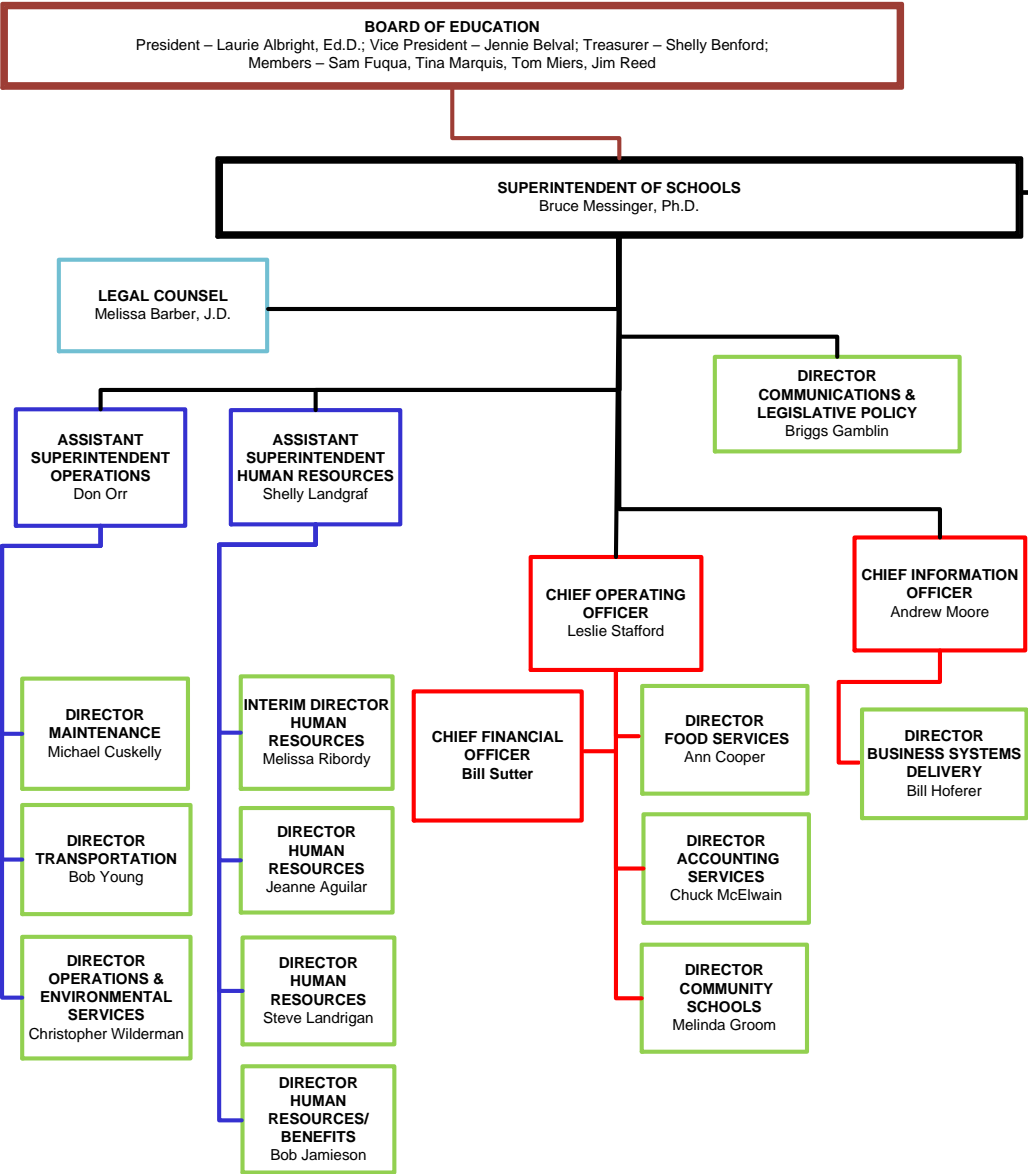
A handwritten signature in black ink, reading "Terrie S. Simmons".

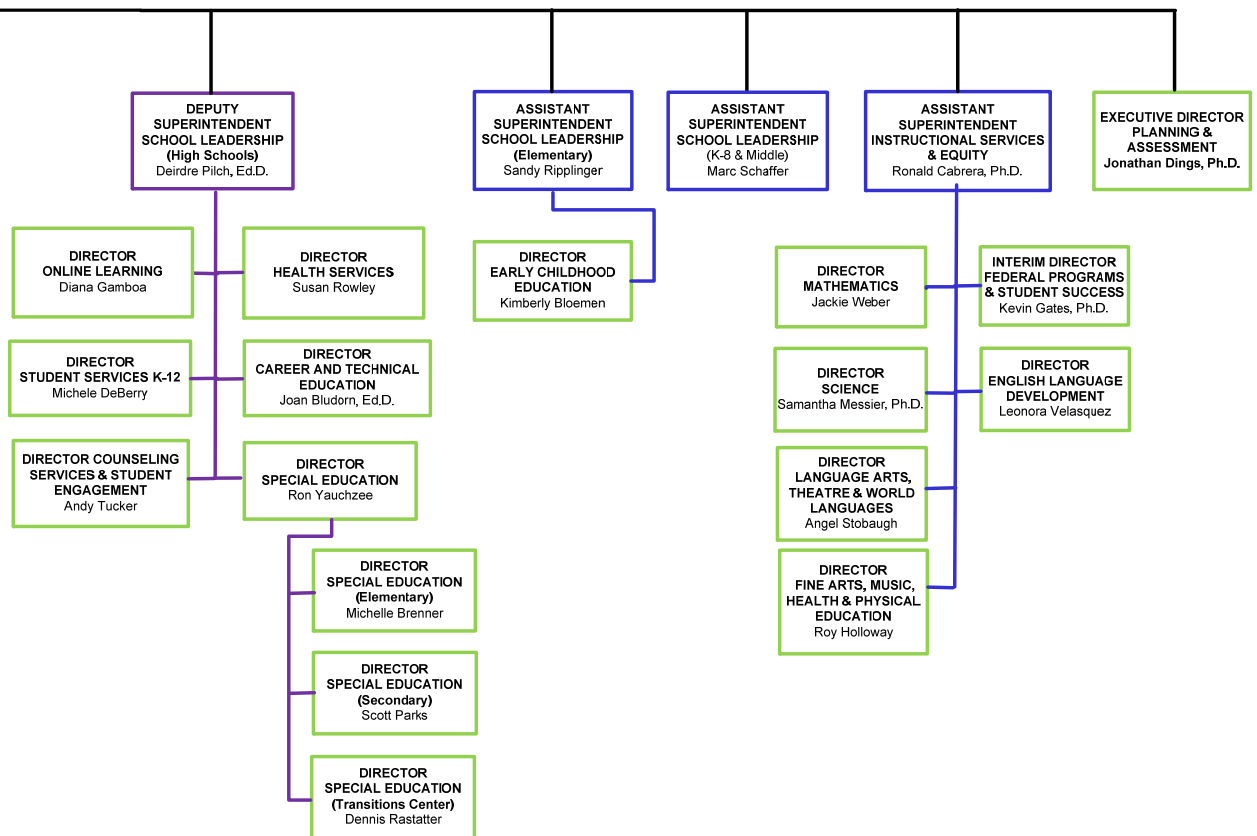
Terrie S. Simmons, RSBA, CSBO  
President

A handwritten signature in black ink, reading "John D. Musso".

John D. Musso, CAE, RSBA  
Executive Director

BOULDER VALLEY SCHOOL DISTRICT RE-2  
ORGANIZATION CHART





# BOULDER VALLEY SCHOOL DISTRICT RE-2

## List of Elected and Appointed Officials

July 1, 2014

### Board of Education



District E  
**Tom Miers**

District G  
**Jim Reed**

District D  
**Sam Fuqua**

District B  
**Tina Marquis**

District F  
**Jennie Belval**  
**Vice-President**

District C  
**Laurie Albright, Ed.D.**  
**President**

District A  
**Shelly Benford,**  
**Treasurer**

### Superintendent's Cabinet



Deirdre Pilch, Ed.D. ....Deputy Superintendent  
Leslie Stafford, CPA..... Chief Operating Officer  
Ronald Cabrera, Ph.D.....Asst. Superintendent for Inst. Services & Equity  
Sandy Ripplinger..... Asst. Superintendent for School Leadership  
Marc Schaffer ..... Asst. Superintendent for School Leadership  
Shelly Landgraf..... Asst. Superintendent of Human Resources  
Don Orr ..... Asst. Superintendent of Operations  
Andrew Moore.....Chief Information Officer  
Bill Sutter .....Chief Financial Officer  
Melissa Barber, J.D. .... Legal Counsel  
Briggs Gamblin ..... Director of Communications & Legislative Policy  
Tina Mueh.....Boulder Valley Education Association



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

## INDEPENDENT AUDITORS' REPORT

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the Boulder Valley School District RE-2 as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Boulder Valley School District RE-2, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the Boulder Valley School District RE-2 as of June 30, 2014, and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters (Required Supplementary Information)***

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

***Other Matters (Other Information)***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Boulder Valley School District RE-2's basic financial statements. The introductory section, combining and individual fund statements and schedules, statistical section, and auditors integrity report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules and the auditors integrity report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2014, on our consideration of the Boulder Valley School District RE-2's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Boulder Valley School District RE-2's internal control over financial reporting and compliance.



November 21, 2014

## **Management's Discussion and Analysis**

As management of the Boulder Valley School District RE-2 (the 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, 2014. 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 1-8 of this report.

### **Financial Highlights**

At June 30, 2014:

- The primary government has government-wide net position of \$144,209,469. Of this amount, unrestricted net position of \$19,599,165 may be used to meet the district's ongoing financial obligations.
- The primary government's net position decreased from the prior year by \$6,223,492 and unrestricted net position decreased by \$4,309,290.
- At the end of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of \$55,202,240 a decrease of \$3,199,885 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund is \$17,572,988 or 6.19% of total General Fund expenditures.
- The primary government's long-term general obligation debt decreased by \$12,790,000 to \$337,495,000.

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

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

### **Government-Wide Financial Statements**

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

The statement of net position presents information on all of the district's assets and liabilities. The difference between assets and liabilities is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The statement of activities presents information showing how the district's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.



Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the district that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover a significant portion of their costs through user fees and charges (business activities). Governmental activities consolidate all of the following district funds: General Fund (consisting of the General Operating Fund, Risk Management Fund, Technology Fund, Athletics Fund, Community Schools Fund, Preschool Fund, Tuition Preschool Fund, and Colorado Preschool Program Fund), Bond Redemption Fund, Governmental Designated-Purpose Grants Fund, Transportation Fund, Capital Reserve Fund, Building Fund, Health Insurance Fund, and Dental Insurance Fund. Business-type activities include the Food Services Fund.

The government-wide financial statements include not only the 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 32-33 of this report.

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The district, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the district have been 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 inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The district maintains two governmental funds called major funds: the General Fund (which combines the district's General Operating Fund, Risk Management Fund, Technology Fund, Athletics Fund, Community Schools Fund, Preschool Fund, Tuition Preschool Fund and the Colorado Preschool Program 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 non-major governmental funds. Non-major funds

include the Transportation Fund, the Grants Fund, the Building Fund and the Capital Reserve Fund. Individual fund information for the non-major funds is presented as combining and individual fund statements and schedules after the notes section of this report.

The basic governmental fund financial statements can be found on pages 34-36 of this report.

**Proprietary Funds:** The district maintains two types of proprietary 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. Internal service funds are used to accumulate and allocate costs internally among the district's various functions. The district uses internal service funds to account for employee benefit programs for health and dental insurance. Because these services predominately benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 37-39 of this report.

**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 funds are not available to support the district's direct educational programs. The accounting method used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 40-41 of this report.

**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. The notes to financial statements can be found on pages 42-58 of this report.

**Other Information:** In addition to the basic financial statements and accompanying notes, this report also contains other required supplementary information concerning the district's budget process. Within a statutory timeline, the board of education adopts a resolution appropriating an annual budget for each of the individual governmental funds. A Budgetary Comparison Schedule for the General Fund has been provided to demonstrate compliance with the district's adopted budget followed by the Notes to Required Supplementary Information. Required supplementary information can be found on pages 59-60 of this report.

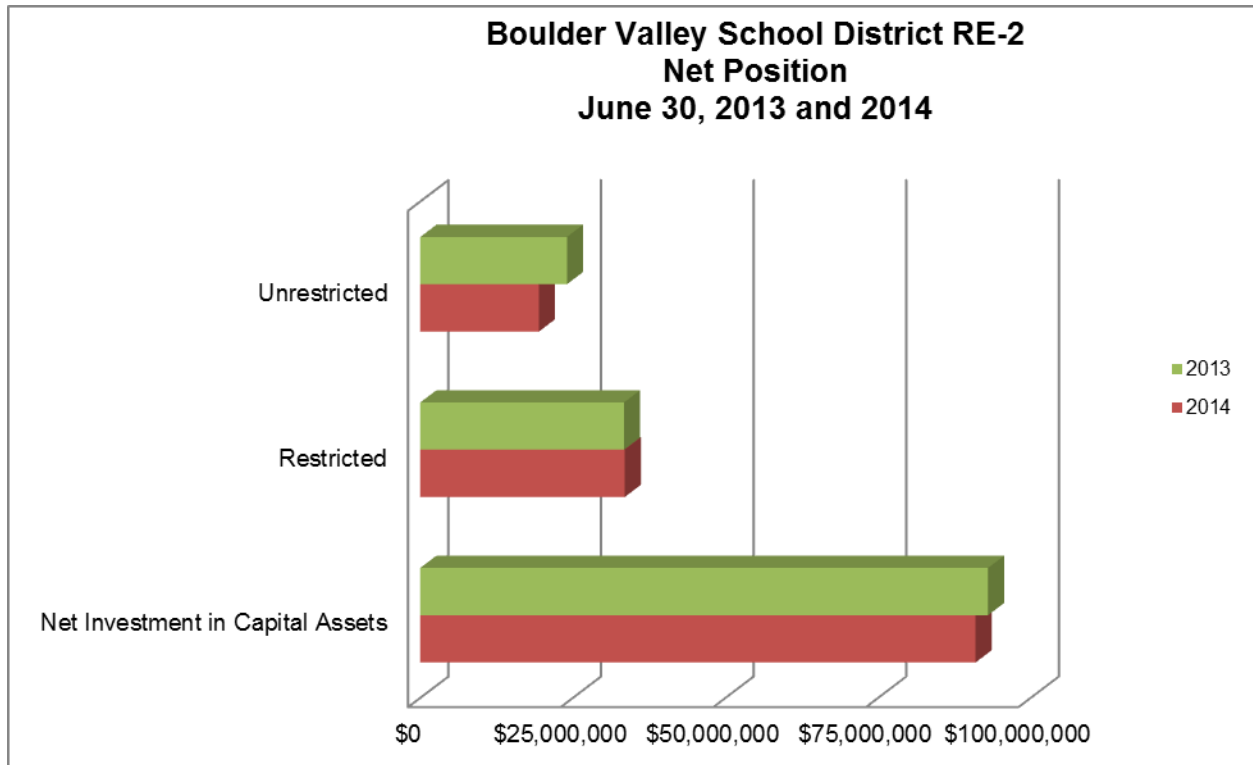
The Combining and Individual Fund Statements and Schedules follow the Required Supplementary Information and include the remaining governmental funds budgetary comparison schedules. These statements and schedules can be found on pages 61-81 of this report.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The assets of the primary government exceed liabilities by \$144,209,469 with an unrestricted balance of \$19,599,165 at June 30, 2014.

**Boulder Valley School District RE-2  
Net Position**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Assets</b>						
Current and Other Assets	\$ 93,463,004	\$ 96,972,558	\$ 328,800	\$ 336,436	\$ 93,791,804	\$ 97,308,994
Capital Assets	431,293,088	445,209,960	171,320	147,140	431,464,408	445,357,100
Total Assets	<u>524,756,092</u>	<u>542,182,518</u>	<u>500,120</u>	<u>483,576</u>	<u>525,256,212</u>	<u>542,666,094</u>
<b>Deferred Outflows of Resources</b>						
Loss on Debt Refunding, Net of Accumulated Amortization	929,185	1,270,276	-	-	929,185	1,270,276
<b>Liabilities</b>						
Noncurrent Liabilities	349,722,356	362,944,046	-	-	349,722,356	362,944,046
Other Liabilities	31,954,639	30,262,889	298,933	296,474	32,253,572	30,559,363
Total Liabilities	<u>381,676,995</u>	<u>393,206,935</u>	<u>298,933</u>	<u>296,474</u>	<u>381,975,928</u>	<u>393,503,409</u>
<b>Net Position</b>						
Net Investment in Capital Assets	90,807,938	92,872,518	171,320	147,140	90,979,258	93,019,658
Restricted for:						
Debt Service	23,855,100	23,655,325	-	-	23,855,100	23,655,325
Multiple Year Obligations	120,000	120,000	-	-	120,000	120,000
Preschool Expenditures	32,373	33,714	-	-	32,373	33,714
Emergencies	8,609,665	8,168,845	195,427	187,102	8,805,092	8,355,947
Medicaid	698,276	1,144,045	-	-	698,276	1,144,045
Flexible Spending	120,205	75,612	-	-	120,205	75,612
Unrestricted	19,764,725	24,175,800	(165,560)	(147,140)	19,599,165	24,028,660
Total Net Position	<u>\$ 144,008,282</u>	<u>\$ 150,245,859</u>	<u>\$ 201,187</u>	<u>\$ 187,102</u>	<u>\$ 144,209,469</u>	<u>\$ 150,432,961</u>



The largest portion of the district's net position, \$90,979,258 (63.09%), represents its investment in capital assets (e.g. land, land improvements, buildings, equipment, and vehicles), less related debt used to acquire these assets that is still outstanding. The district uses these capital assets to provide services to its constituents; consequently these assets are not available for future spending. Although the district's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets cannot be liquidated to pay the debt.

An additional portion of the district's net position, \$33,510,841 (23.24%), is subject to external restrictions on how the assets may be used. The remaining amount of net position, \$19,599,165 (13.59%), is available to fund the district's ongoing programs.

At the end of the current fiscal year, the district is able to report positive balances in all three of the categories of net position. The same situation held true for the prior fiscal year.

Overall, the district's net position decreased \$6,223,492 from the prior fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

**Governmental Activities:** During the current fiscal year, net position for governmental activities decreased \$6,237,577 from the prior fiscal year to an ending balance of \$144,008,282. Governmental activities total revenues decreased by \$16,566,761 or 5.16% while governmental activities total expenses increased by \$24,746,362, or 7.76%. Reasons for these changes are as follows:

**Charges for Services:** The \$972,778 increase is associated with increased tuition revenues for the district's expanding Preschool program, Community Schools programs and Online Education programs.

**Capital Grants and Contributions:** The \$2,708,752 decrease is due mainly to a one-time State of Colorado BEST Grant received in 2012-13.

**Local Property Taxes:** The \$7,175,261 increase is due primarily to a 3.6% increase in the district's assessed valuation for the calendar 2014 mill levy year.

**Specific Ownership Taxes:** The \$1,116,846 increase is due to increased automobile registrations collected at the county level.

**State Equalization:** The \$3,508,076 increase is due to additional finding from the State for total program funding in the school finance act.

**All Other Revenues:** The \$6,370,682 increase is due largely to \$4,773,712 of insurance proceeds to pay for damages associated with the September 2013 flood.

**Instruction Expenses:** The \$9,056,567 increase is due principally to a 1.9% cost of living pay increase to represented employee groups, step/grade pay increases for represented employee groups which vary from 0% – 7.12%, a 0.9% increase in required contribution to PERA, the State of Colorado retirement plan, and a 7.5% increase in health insurance contributions.

**Supporting Services:** The \$16,262,135 increase is in part due to \$4,845,147 of expenditures to pay for damages associated with the September 2013 flood, \$3,113,849 for capital outlay, and the balance of the increase being negotiated compensation increases, software purchases and increased expenditures for utilities.

**Business-type Activities:** For the district's business-type activities, net position for the current fiscal year increased by \$14,085 to an ending balance of \$201,187. The district's food service program saw total revenues increase by \$639,376 or 10.8%. This increase is due to a 2.3%, 4.0% and 14.0% increase in lunch, breakfast and snack participation respectively. There were no lunch price increases in the current year. Additionally, the Federal reimbursement rate on reimbursable meals increased 2%.

Business-type activities total expenses increased by \$589,300 or 9.2%. This increase is attributable to salary and benefit increases given to staff, higher food costs, both per unit and total volume, caused by increased participation and increases in transportation costs.

In order to bring business-type activities to its required reserve amount, an internal transfer from governmental activities of \$405,017 was made during the current fiscal year.

**Boulder Valley School District RE-2**  
**Condensed Statement of Activities**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>
Revenues:						
Program Revenues:						
Charges For Services	\$ 14,087,307	\$ 13,114,529	\$ 3,352,443	\$ 3,062,748	\$ 17,439,750	\$ 16,177,277
Operating Grants and Contributions	22,613,126	22,481,256	3,049,864	2,846,872	25,662,990	25,328,128
Capital Grants and Contributions	-	2,708,752	-	-	-	2,708,752
General Revenues:						
Local Property Taxes	221,192,341	214,017,080	-	-	221,192,341	214,017,080
Specific Ownership Taxes	11,583,505	10,466,659	-	-	11,583,505	10,466,659
State Equalization	61,203,456	57,695,380	-	-	61,203,456	57,695,380
All Other Revenues	7,239,074	868,392	146,689	-	7,385,763	868,392
Total Revenues	<u>337,918,809</u>	<u>321,352,048</u>	<u>6,548,996</u>	<u>5,909,620</u>	<u>344,467,805</u>	<u>327,261,668</u>
Expenses:						
Instruction	214,083,289	205,026,722	-	-	214,083,289	205,026,722
Supporting Services	114,982,286	98,720,151	-	-	114,982,286	98,720,151
Interest Expense	14,685,794	15,258,134	-	-	14,685,794	15,258,134
Food Service	-	-	6,939,928	6,350,628	6,939,928	6,350,628
Total Expenses	<u>343,751,369</u>	<u>319,005,007</u>	<u>6,939,928</u>	<u>6,350,628</u>	<u>350,691,297</u>	<u>325,355,635</u>
Increase (Decrease) In Net Position Before Transfers	<u>(5,832,560)</u>	<u>2,347,041</u>	<u>(390,932)</u>	<u>(441,008)</u>	<u>(6,223,492)</u>	<u>1,906,033</u>
Transfers	<u>(405,017)</u>	<u>(452,802)</u>	<u>405,017</u>	<u>452,802</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Position	<u>(6,237,577)</u>	<u>1,894,239</u>	<u>14,085</u>	<u>11,794</u>	<u>(6,223,492)</u>	<u>1,906,033</u>
Net Position-Beginning	150,245,859	148,351,620	187,102	175,308	150,432,961	148,526,928
Net Position-Ending	<u>\$ 144,008,282</u>	<u>\$ 150,245,859</u>	<u>\$ 201,187</u>	<u>\$ 187,102</u>	<u>\$ 144,209,469</u>	<u>\$ 150,432,961</u>

## Financial Analysis of the Government's Funds

As noted earlier, the district uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of the district's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the district's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the district itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the district's board of education.

At June 30, 2014, the district's governmental funds reported combined fund balances of \$55,202,240, a decrease of \$3,199,885 from the prior year. Approximately 31.83% of this amount (\$17,572,988) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is not in spendable form (\$956,496), restricted for particular purposes (\$35,633,779), or assigned for particular purposes (\$1,038,977).

Additional information on the district's ending fund balances can be found in Note 7 of this report.

## General Fund Highlights

The General Fund is the chief operating fund of the district. The General Fund under GASB 34 reporting requirements includes the General Operating Fund, Risk Management Fund, Technology Fund, Athletics Fund, Community Schools Fund, Preschool Fund, Tuition Preschool Fund, and the Colorado Preschool Program Fund. A Combining Schedule of Revenues, Expenditures and Changes in Fund Balances of the General Fund is shown on page 62 of this document. As of June 30, 2014, the General Fund shows an ending fund balance of \$27,571,003 down from the combined fund balance of \$28,332,616 for the prior year, a decrease of \$761,613.

The following table reflects the amount of revenue from various sources.

	<u>2014</u>	<u>2013</u>	<u>Amount of Change</u>	<u>Percentage Change</u>
<b><u>Revenues</u></b>				
Property Taxes	186,751,736	177,938,577	8,813,159	4.95%
Specific Ownership Taxes	11,583,505	10,466,659	1,116,846	10.67%
State Equalization	61,203,456	57,695,380	3,508,076	6.08%
State Reimbursement Programs	8,116,417	7,892,551	223,866	2.84%
Local Revenues	16,118,362	13,476,272	2,642,090	19.61%
Federal Grants	30,334	-	30,334	100.00%
Total	283,803,810	267,469,439	16,334,371	6.11%

**Property Taxes:** Property Tax Revenues were based upon a levy of 38.091 mills applied against an assessed valuation of \$4,903,070,971 compared to 37.997 mills and an assessed valuation of \$4,732,098,623 in the prior year. Because the district's property tax levy is based on a calendar year, Property Tax Revenues include collections on both the 2013 and 2014 levies.

**Specific Ownership Taxes:** (SOT) is a personal property tax based upon the taxable value of vehicles registered in the BVSD portions of Boulder, Broomfield, and Gilpin Counties. The ownership tax rate is based upon the age of the vehicle from the date of manufacturer. The tax is collected at the county level and distributed to all local governments on a pro-rata basis. In the current fiscal year, specific ownership tax revenue increased by 10.67%.

**State Equalization:** State Equalization increased by 6.08% in the current year as the district received a funding increase in the school finance act.



**State Reimbursement Programs:** Funding for state reimbursement programs (Special Education, Vocational Education, English Language Proficiency Act, Talented and Gifted, and Medicaid) increased by 2.84%. In the current year, the district received a new allocation of \$328,088 from The Colorado Reading To Ensure Academic Development Act (Colorado READ Act) which was passed by the Colorado Legislature during the 2012 legislative session.

**Local Revenues:** Local revenues increased by 19.61% due primarily to increased tuition collections for on-line learning programs, preschool tuition, and before and after school programs.

The following table reflects expenditures by major program area. Overall, expenditures increased by 9.00% from the previous year.

	<u>2014</u>	<u>2013</u>	<u>Amount of Change</u>	<u>Percentage Change</u>
<b><u>Expenditures</u></b>				
Instruction - Regular Programs	144,963,616	136,207,237	8,756,379	6.43%
Instruction - Special Programs	45,612,547	42,512,571	3,099,976	7.29%
Student Support Services	11,623,931	10,458,221	1,165,710	11.15%
Instructional Staff Services	10,466,843	8,696,314	1,770,529	20.36%
General Administration	3,030,421	3,014,889	15,532	0.52%
School Administration	19,460,000	19,073,535	386,465	2.03%
Business Services	3,773,977	3,098,198	675,779	21.81%
Operations and Maintenance	22,103,047	21,139,479	963,568	4.56%
Central Support Services	17,696,836	11,467,508	6,229,328	54.32%
Community Services	5,132,412	4,752,458	379,954	7.99%
Total	283,863,630	260,420,410	23,443,220	9.00%

Approximately 90% of General Fund expenditures are for staff salaries and benefits. For the 2013-14 fiscal year, all employees received a 1.9% cost of living increase and select employee groups received step increases. Additionally, the district was required to make an additional 0.9% contribution to PERA, the State of Colorado's retirement plan.

The Bond Redemption Fund is the district's other major fund. The fund's ending fund balance increased by \$329,556 to \$24,822,129. Property tax revenues in the current year were based upon a 2014 levy of 5.792 mills applied against an assessed valuation of \$4,903,070,971. The large ending fund balance is necessary to have sufficient cash on hand to make debt service payments as they become due. Property tax levies are based upon a calendar year cycle while debt service payments are made each fiscal year in December and June.

### **General Operating Fund Highlights**

The General Operating Fund is the core operating fund of the district. At the end of the fiscal year, fund balance decreased by \$1,984,491 to \$23,140,843.

## Revenues

General Operating Fund Revenues increased by \$14,400,423 from the prior year. Major revenue variances are shown in the table below.

### General Operating Fund Revenues by Source

	June 30, 2014 <u>Amount</u>	June 30, 2013 <u>Amount</u>	Increase <u>(Decrease)</u>
<b>Local Revenues</b>			
Property Taxes	\$ 186,751,736	\$ 177,938,577	\$ 8,813,159
Specific Ownership Taxes	11,583,505	10,466,659	1,116,846
Indirect Cost Reimbursement	677,216	224,883	452,333
Miscellaneous Local Revenues	5,290,562	5,001,821	288,741
Subtotal	<u>204,303,019</u>	<u>193,631,940</u>	<u>10,671,079</u>
<b>State Revenues</b>			
State Equalization	61,203,456	57,695,380	3,508,076
State Categoricals	8,113,819	7,892,551	221,268
Subtotal	<u>69,317,275</u>	<u>65,587,931</u>	<u>3,729,344</u>
<b>Total Revenues</b>	<u>\$ 273,620,294</u>	<u>\$ 259,219,871</u>	<u>\$ 14,400,423</u>

## Expenditures

General Operating Fund expenditures increased by 6.95% or \$16,865,075 to \$259,376,317.

General Operating Fund expenditures by function are shown in the following table. 78.26% of expenditures are instruction related: regular program instruction, special program instruction, and direct instructional support. 15.70% of expenditures are for school administration, operations and maintenance of district facilities. 6.04% of expenditures are for district-wide services and community obligations.

**Boulder Valley School District RE-2**  
**2014 General Operating Fund Expenditures By Function**

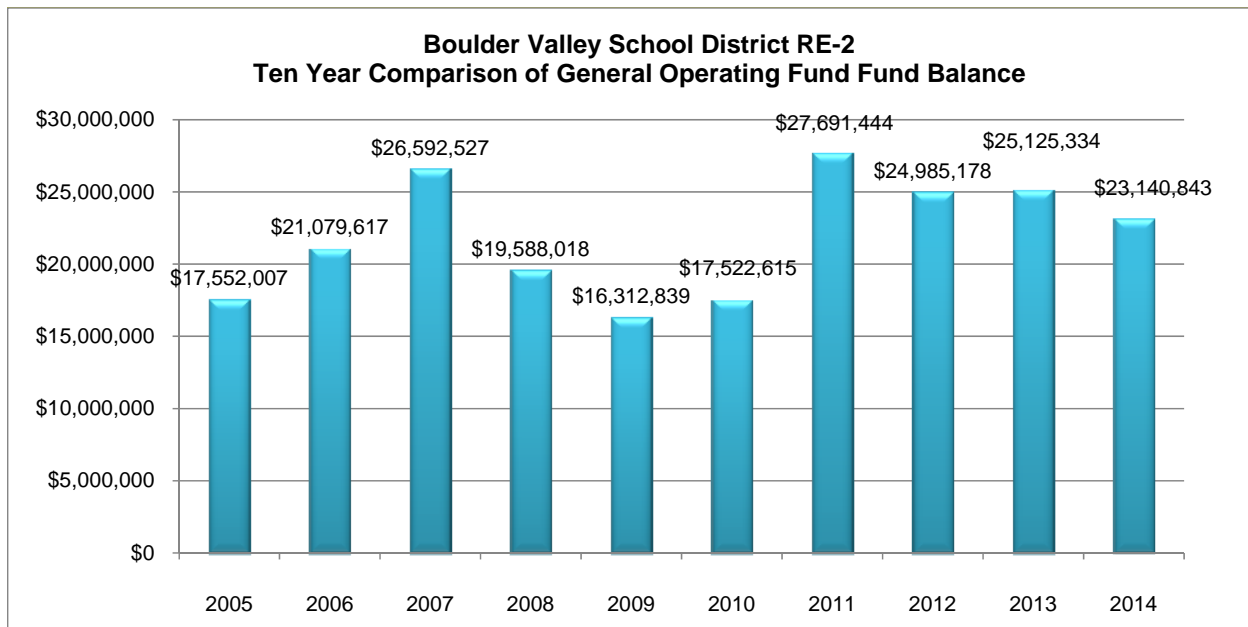
<b><u>Function</u></b>	<b><u>June 30, 2014</u></b>	<b><u>Percent</u></b>
Regular Instruction		
Regular Instruction	\$ 141,405,598	54.52%
Special Instruction		
Special Education	29,898,296	
Vocational Education	2,088,619	
Co-curricular Education	1,094,552	
Language, Culture & Equity	6,542,243	
Talented and Gifted Education	1,376,149	
Subtotal Special Instruction	<u>40,999,859</u>	15.81%
Instructional Support		
Student Support Services	10,821,383	
Instructional Staff Services	9,747,895	
Subtotal Instructional Support	<u>20,569,278</u>	<u>7.93%</u>
Subtotal Instruction	202,974,735	78.26%
School Administration and Operations		
School Administration	19,267,265	
Operations and Maintenance	21,457,542	
Subtotal School Administration and Operations	<u>40,724,807</u>	15.70%
District Wide/Community Services		
General Administration	2,959,626	
Business Services	3,755,794	
Central Support Services	8,727,179	
Community Services	234,176	
Subtotal District Wide/Community Services	<u>15,676,775</u>	<u>6.04%</u>
Total General Operating Fund Expenditures	<u>\$ 259,376,317</u>	<u>100.00%</u>

General Operating Fund expenditures by function for the past five fiscal years are shown in the following table. The district has spent a minimum of 76.43% of General Operating Fund dollars on instruction related activities over the past five fiscal years.

**Boulder Valley School District RE-2  
General Operating Fund Expenditures By Function  
For The Past Five Fiscal Years (Percentages)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Regular Instruction	54.53%	53.96%	53.30%	54.57%	54.52%
Special Instruction	16.87%	17.25%	16.09%	15.89%	15.81%
Instructional Support	6.42%	6.17%	7.04%	7.30%	7.93%
Subtotal Instruction	<u>77.82%</u>	<u>77.38%</u>	<u>76.43%</u>	<u>77.76%</u>	<u>78.26%</u>
School Administration and Operations	16.48%	16.55%	15.95%	16.19%	15.70%
District Wide/Community Services	5.70%	6.07%	7.62%	6.05%	6.04%
Subtotal Support	<u>22.18%</u>	<u>22.62%</u>	<u>23.57%</u>	<u>22.24%</u>	<u>21.74%</u>
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

An analysis of the district's General Operating Fund ending fund balance is shown in the following chart. Over the 10 year period 2004-05 to 2013-14, the fund balance of the General Operating Fund has fluctuated from a low of \$16,312,839 at June 30, 2009 to a high of \$27,691,444 at June 30, 2011 to its current amount of \$23,140,843.



There are many factors that caused this fluctuation over time. First, the Colorado School Finance Act allows school districts to pass mill levy override elections up to a maximum of 25% of total program funding. The maximum override percentage increased from 20% to 25% beginning with the 2009-10 fiscal year. The district passed mill levy override elections in November 1991, November 1998, November 2002 and November 2010 of \$7,062,468, \$10,600,000, \$15,000,000 and \$22,500,000 respectively. In 2010, the School Finance Act was amended to allow districts to change the mill levy override amounts to a percentage of total

program instead of a fixed dollar amount. This allows the override amount to grow as the district's total program grows. With the 1998 Referendum, a stabilization fund was established to fund the growing personnel costs that were expected to exceed the fixed revenue stream over time. This stabilization fund was continued and supplemented with the 2002 referendum. Previously, it was standard practice to spend 100% of each override on new programs and then seek voter approval of additional revenues when the fund was depleted. With Colorado's financial issues and the district's stable enrollment, the district changed this practice, halting the use of fund balance for ongoing costs and used the existing stabilization fund to fully fund GAAP budgeting as part of the establishment of Board Policy DB Fund Balance Requirements.

## General Fund Budgetary Highlights

Colorado local government uniform accounting and budget laws require that a budget be adopted and reported for all funds. 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 the fiscal year. Supplemental appropriations that alter the total expenditures of any fund must be approved by the board of education.

The district's original budget for the 2013-14 fiscal year was adopted by the board of education at its June 23, 2013 meeting while the district's revised budget was adopted at its December 10, 2013 meeting. The total General Fund appropriation was increased primarily due to increased funding provided by the School Finance Act, additional specific ownership taxes, additional state reimbursement program revenues and additional local revenues.

A Budgetary Comparison Schedule for the General Fund is included on page 59 of this document. Significant differences between final budgeted and actual revenues are as follows:

There is an approximate \$3.1 million positive variance between actual revenues and the final budget amount. Major variances include \$1.1 million positive variance in specific ownership taxes due to increased vehicle registration fees collected at the county level and a \$1.4 million positive variance in State Equalization due to increased funding for 421 additional students.

Total variance between final budget and actual expenditures is \$6,552,010 after deducting reserves. Significant causes of these differences are as follows:

<b>Special Reporting Element</b>	<b>Personnel Variance</b>	<b>Non-Personnel Variance</b>
Regular Education	\$ 374,085	\$ 1,418,374
Talented and Gifted Education	37,124	83,198
Student Support Services	23,605	1,107,314
Instructional Staff Services	(5,787)	650,069
School Administration	416,825	374,789
Business Services	66,384	324,385
Central Support Services	36,333	1,601,177
Total	\$ 948,569	\$ 5,559,306

**Personnel Variance:** Most district positions are budgeted on an average salary and benefit cost by position type. These budgets are based on projections and assumptions created and revised in the prior 18 months. Schools and departments then manage their personnel costs on an FTE basis instead of a dollar basis. This savings is due to the fact that the average salary and benefit cost was slightly higher than the actual cost for most positions. In addition, vacancy savings are realized due to short term vacant positions and positions held in reserve throughout the district.

**Non-Personnel Variance:** The district allows schools and departments to carryover unused budget allocations from year to year, subject to some limitations. Schools and departments use this procedure to accumulate funds for large purchases or multi-year projects; it also keeps schools and departments from excessive year end spending.

### Capital Assets and Debt Administration

The district's investment in capital assets for its governmental and business-type activities as of June 30, 2014 and 2013 are \$431,464,408 and \$445,357,100 respectively.

#### Boulder Valley School District RE-2 Capital Assets (Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 4,726,468	\$ 4,618,068	\$ -	\$ -	\$ 4,726,468	\$ 4,618,068
Construction in Progress	2,389,797	1,330,550	-	-	2,389,797	1,330,550
Land Improvements	20,836,609	22,076,355	-	-	20,836,609	22,076,355
Buildings	396,105,721	407,987,990	-	-	396,105,721	407,987,990
Equipment	2,448,010	3,795,467	171,320	147,140	2,619,330	3,942,607
Vehicles	4,786,483	5,401,530	-	-	4,786,483	5,401,530
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 431,293,088</u>	<u>\$ 445,209,960</u>	<u>\$ 171,320</u>	<u>\$ 147,140</u>	<u>\$ 431,464,408</u>	<u>\$ 445,357,100</u>

In November 2006, voters approved the sale of \$296,800,000 of general obligation bonds to fund critical repairs and capital improvements to the district's infrastructure as identified in the district's May 2006 Educational Facilities Master Plan. The bonds were issued in two installments; \$120,000,000 in February 2007 and \$176,800,000 in February 2009. In addition, the district realized an additional \$23.5 million in premiums from the sale of the bonds and interest earnings. These funds were used to cover bond issuance costs, overhead costs, and to supplement the Master Plan project budgets.

The 2013-14 fiscal year was the eighth year of work on these projects. Of the \$320.3 million available, just over \$318 million has been spent on these projects from inception through June 30, 2014.

Current year depreciation expense totaled \$15,970,109.

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

At June 30, 2014, the district had total bonded debt outstanding of \$337,495,000 backed by the full faith and credit of the district. Additionally, the district has long-term debt obligations for compensated absences in the amount of \$7,076,890 outstanding at the end of the current fiscal year.

**Boulder Valley School District RE-2  
Long Term Debt**

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
General Obligation Bonds	\$ 337,495,000	\$ 350,285,000
Compensated Absences	7,076,890	6,589,289
	<u>\$ 344,571,890</u>	<u>\$ 356,874,289</u>

The district maintains a “AA” rating from Standard & Poor’s, an “AA+” rating from Fitch Ratings and a “Aa2” rating from Moody’s Investors Services for its general obligation debt.

State statute limits the amount of general obligation debt a government may issue to 20% of its total assessed valuation. At June 30, 2014, the district’s legal debt limit is \$980,614,194 and the District’s total outstanding general obligation bonds are under the legal debt limit by \$643,119,194.

Additional information on the district’s long-term obligations can be found in Note 6 of this report.

**Economic Factors and Next Year’s Budget**

Each year the state budget is crafted by the governor and legislature to determine how much of the total budget will be allocated to K-12 education. The state economic picture is important to the district because a major source of funding for the district’s General Operating Fund is received through the state’s School Finance Act established by the state legislature. During the Great Recession, state revenue shortfalls forced cuts to K-12 education even though constitutionally mandated funding increases exist under Amendment 23. After the state sets the total funding for K-12 public education, each local district determines how to fund its specific system and allocate resources to every school within its district.

Approximately 74 percent of the district’s General Operating Fund revenues are a result of state level decisions. The Colorado State Legislature approved the 2014-15 School Finance Act (SFA) and increased the statewide per pupil base funding by inflation, or 2.8 percent, and an additional amount beyond inflation and student growth. However, for the sixth consecutive year the Colorado State Legislature continued to lower the statewide total funding by applying a negative factor to reduce total program funding received by each school district. For BVSD, this negative factor in the SFA equates to \$30.6 million annually in lost state revenues.

The district’s projected state per pupil revenue (PPR) for 2014-15 is \$6,923 (slightly rounded) after accounting for a \$2 per pupil rescission to pay for staff at the Colorado Department of Education. Total program funding, defined by the SFA, is projected to be \$202.0 million (this figure does not include the estimated uncollectable property taxes due to the timing of tax collections), an increase of \$12.7 million from the BVSD 2013-14 Revised Budget.



The funded pupil count is the real driver of school funding. The SFA identifies a per-pupil funding amount, and the number of full-time students enrolled in a district determines the amount of total funding. The funded pupil count refers to the number of full-time students enrolled in a district. Not all students (kindergartners for example) attend school on a full-time basis; the funded pupil count is different from the total enrollment, or district membership. The official pupil count occurs each October 1 and results in the funded pupil count numbers.

The budget implications are substantial if projected enrollment growth is not realized. If an unexpected shortfall in actual enrollment occurs, this information is generally received after the close of the first quarter of the fiscal year and many staffing and programmatic changes cannot be made without significant impacts to students. For this reason, the district generally undertakes a reasonable, yet conservative, projection methodology to reduce the risk of a funding shortfall compared to expected revenues.

### **Requests for Information**

This financial report is designed to provide a general overview of the Boulder Valley School District RE-2'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:

Leslie A. Stafford, CPA, Chief Operating Officer  
Boulder Valley School District RE-2  
6500 East Arapahoe  
P.O. Box 9011  
Boulder, Colorado 80301

## **BASIC FINANCIAL STATEMENTS**



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# Boulder Valley School District RE-2

## STATEMENT OF NET POSITION

June 30, 2014

	PRIMARY GOVERNMENT			COMPONENT
	GOVERNMENTAL	BUSINESS-TYPE	TOTAL	CHARTER
	ACTIVITIES	ACTIVITIES		SCHOOLS
<b>ASSETS</b>				
Cash and Investments	\$ 83,446,184	\$ -	\$ 83,446,184	\$ 7,247,979
Restricted Cash and Investments	1,688,057	-	1,688,057	2,706,726
Accounts Receivable	329,849	37,500	367,349	18,639
Taxes Receivable	5,289,158	-	5,289,158	-
Grants Receivable	1,440,817	335,427	1,776,244	31,319
Internal Balances	312,443	(312,443)	-	-
Inventories	553,596	268,316	821,912	1,625
Prepaid Expenses	402,900	-	402,900	15,050
Capital Assets, Not Being Depreciated	7,116,265	-	7,116,265	1,874,330
Capital Assets, Net of Accumulated Depreciation	424,176,823	171,320	424,348,143	14,987,492
<b>TOTAL ASSETS</b>	<b>524,756,092</b>	<b>500,120</b>	<b>525,256,212</b>	<b>26,883,160</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on Debt Refunding, Net of Accumulated Amortization	929,185	-	929,185	3,651,949
<b>LIABILITIES</b>				
Accounts Payable	3,095,310	-	3,095,310	415,912
Accrued Liabilities	7,336,286	154,821	7,491,107	-
Accrued Summer Salaries	13,745,928	13,536	13,759,464	766,465
Accrued Salaries and Benefits	1,827,174	129,876	1,957,050	34,498
Unearned Revenues	658,321	700	659,021	32,201
Accrued Interest Payable	1,251,397	-	1,251,397	377,782
Claims Payable	4,040,223	-	4,040,223	-
Noncurrent Liabilities				
Due Within One Year	13,722,104	-	13,722,104	11,652
Due in More Than One Year	336,000,252	-	336,000,252	19,917,170
<b>TOTAL LIABILITIES</b>	<b>381,676,995</b>	<b>298,933</b>	<b>381,975,928</b>	<b>21,555,680</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	90,807,938	171,320	90,979,258	646,173
Restricted for Advanced Placement Testing				
Nonexpendable	-	-	-	10,000
Restricted for Debt Service	23,855,100	-	23,855,100	2,044,033
Restricted for Repairs and Replacements	-	-	-	250,056
Restricted for Multiple Year Obligations	120,000	-	120,000	-
Restricted for Colorado Preschool Program	32,373	-	32,373	-
Restricted for Capital Renewal	-	-	-	5,000
Restricted for Emergencies	8,609,665	195,427	8,805,092	695,611
Restricted for Medicaid	698,276	-	698,276	-
Restricted for Flexible Spending	120,205	-	120,205	-
Unrestricted	19,764,725	(165,560)	19,599,165	5,328,556
<b>TOTAL NET POSITION</b>	<b>\$ 144,008,282</b>	<b>\$ 201,187</b>	<b>\$ 144,209,469</b>	<b>\$ 8,979,429</b>

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

# Boulder Valley School District RE-2

## STATEMENT OF ACTIVITIES

Year Ended June 30, 2014

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<b>PRIMARY GOVERNMENT</b>				
<b>Governmental Activities</b>				
Instruction	\$ 214,083,289	\$ 7,229,664	\$ 17,647,509	\$ -
Supporting Services	114,982,286	6,857,643	4,965,617	-
Interest Expense	14,685,794	-	-	-
Total Governmental Activities	343,751,369	14,087,307	22,613,126	-
<b>Business-Type Activities</b>				
Food Services	6,939,928	3,352,443	3,049,864	-
Total Business-Type Activities	6,939,928	3,352,443	3,049,864	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 350,691,297</b>	<b>\$ 17,439,750</b>	<b>\$ 25,662,990</b>	<b>\$ -</b>
<b>COMPONENT UNITS</b>				
Charter Schools	23,188,249	1,633,056	906,356	211,481
<b>TOTAL COMPONENT UNITS</b>	<b>\$ 23,188,249</b>	<b>\$ 1,633,056</b>	<b>\$ 906,356</b>	<b>\$ 211,481</b>

### GENERAL REVENUES

Local Property Taxes  
 Specific Ownership Taxes  
 State Equalization  
 Grants and Contributions Not Restricted to Specific Programs  
 State Capital Construction Funding  
 Investment Earnings  
 Insurance Proceeds  
 Other

### TRANSFERS

TOTAL GENERAL REVENUES AND TRANSFERS

CHANGE IN NET POSITION

**NET POSITION, Beginning**

**NET POSITION, Ending**

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

**NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION**

<b>PRIMARY GOVERNMENT</b>			<b>COMPONENT UNITS</b>
<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>	<b>CHARTER SCHOOLS</b>
\$ (189,206,116)	\$ -	\$ (189,206,116)	\$ -
(103,159,026)	-	(103,159,026)	-
(14,685,794)	-	(14,685,794)	-
(307,050,936)	-	(307,050,936)	-
-	(537,621)	(537,621)	-
-	(537,621)	(537,621)	-
(307,050,936)	(537,621)	(307,588,557)	-
			(20,437,356)
			(20,437,356)
221,192,341	-	221,192,341	-
11,583,505	-	11,583,505	-
61,203,456	-	61,203,456	-
33,500	-	33,500	787,739
-	-	-	194,568
38,554	-	38,554	15,981
4,773,712	146,689	4,920,401	-
2,393,308	-	2,393,308	19,886,432
(405,017)	405,017	-	-
300,813,359	551,706	301,365,065	20,884,720
(6,237,577)	14,085	(6,223,492)	447,364
150,245,859	187,102	150,432,961	8,532,065
\$ 144,008,282	\$ 201,187	\$ 144,209,469	\$ 8,979,429

# Boulder Valley School District RE-2

## BALANCE SHEET GOVERNMENTAL FUNDS June 30, 2014

	GENERAL	BOND REDEMPTION	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
<b>ASSETS</b>				
Cash and Investments	\$ 47,426,806	\$ 24,439,684	\$ 2,154,004	\$ 74,020,494
Restricted Cash and Investments	120,205	-	1,567,852	1,688,057
Accounts Receivable	322,837	1,818	5,194	329,849
Taxes Receivable	4,453,926	664,995	170,237	5,289,158
Grants Receivable	-	-	1,440,817	1,440,817
Due from Other Funds	985,820	-	-	985,820
Inventories	553,596	-	-	553,596
Prepaid Items	402,900	-	-	402,900
<b>TOTAL ASSETS</b>	<u>\$ 54,266,090</u>	<u>\$ 25,106,497</u>	<u>\$ 5,338,104</u>	<u>\$ 84,710,691</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 2,758,589	\$ -	\$ 336,721	\$ 3,095,310
Accrued Liabilities	7,336,286	-	-	7,336,286
Accrued Summer Salaries	13,313,459	-	432,469	13,745,928
Accrued Salaries and Benefits	1,092,736	-	733,887	1,826,623
Due to Other Funds	-	-	673,377	673,377
Unearned Revenues	378,171	-	280,150	658,321
<b>TOTAL LIABILITIES</b>	<u>24,879,241</u>	<u>-</u>	<u>2,456,604</u>	<u>27,335,845</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Revenue-Property Taxes	<u>1,815,846</u>	<u>284,368</u>	<u>72,392</u>	<u>2,172,606</u>
<b>FUND BALANCES</b>				
Nonspendable	956,496	-	-	956,496
Restricted	9,041,519	24,822,129	1,770,131	35,633,779
Assigned	-	-	1,038,977	1,038,977
Unassigned	<u>17,572,988</u>	<u>-</u>	<u>-</u>	<u>17,572,988</u>
<b>TOTAL FUND BALANCES</b>	<u>27,571,003</u>	<u>24,822,129</u>	<u>2,809,108</u>	<u>55,202,240</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 54,266,090</u>	<u>\$ 25,106,497</u>	<u>\$ 5,338,104</u>	

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	431,293,088
Other long-term assets are not available to pay for current year expenditures and, therefore, are deferred in the funds.	2,172,606
An internal service fund is used by management to charge the costs of employee health and dental insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	5,384,916
Long-term liabilities and related items, including bonds payable (\$337,495,000), bond premium (\$5,150,466), compensated absences (\$7,076,890), loss on refunding \$929,185 and accrued interest payable (\$1,251,397) are not due and payable in the current year and, therefore, are not reported in the funds.	(350,044,568)
<b>Net Position of Governmental Activities</b>	<u>\$ 144,008,282</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, 2014**

	<b>GENERAL</b>	<b>BOND REDEMPTION</b>	<b>NONMAJOR GOVERNMENTAL FUNDS</b>	<b>TOTAL</b>
<b>REVENUES</b>				
Local Sources	\$ 214,453,603	\$ 28,432,486	\$ 8,325,063	\$ 251,211,152
State Sources	69,319,873	-	3,677,087	72,996,960
Federal Sources	30,334	-	10,183,457	10,213,791
<b>TOTAL REVENUES</b>	<b>283,803,810</b>	<b>28,432,486</b>	<b>22,185,607</b>	<b>334,421,903</b>
<b>EXPENDITURES</b>				
Current				
Instruction	190,576,163	-	8,594,244	199,170,407
Supporting Services	93,287,467	-	16,234,049	109,521,516
Capital Outlay	-	-	5,195,630	5,195,630
Debt Service				
Principal	-	12,790,000	-	12,790,000
Interest and Fiscal Charges	-	15,312,930	-	15,312,930
<b>TOTAL EXPENDITURES</b>	<b>283,863,630</b>	<b>28,102,930</b>	<b>30,023,923</b>	<b>341,990,483</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(59,820)</b>	<b>329,556</b>	<b>(7,838,316)</b>	<b>(7,568,580)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance Proceeds	4,741,782	-	31,930	4,773,712
Transfers In	-	-	5,038,558	5,038,558
Transfers Out	(5,443,575)	-	-	(5,443,575)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(701,793)</b>	<b>-</b>	<b>5,070,488</b>	<b>4,368,695</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(761,613)</b>	<b>329,556</b>	<b>(2,767,828)</b>	<b>(3,199,885)</b>
<b>FUND BALANCES, Beginning</b>	<b>28,332,616</b>	<b>24,492,573</b>	<b>5,576,936</b>	<b>58,402,125</b>
<b>FUND BALANCES, Ending</b>	<b>\$ 27,571,003</b>	<b>\$ 24,822,129</b>	<b>\$ 2,809,108</b>	<b>\$ 55,202,240</b>

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, 2014**

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

Net Change in Fund Balances	\$ (3,199,885)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation expense (\$15,970,109) and loss on disposal (\$28,544) exceeded capital outlay \$2,081,781 in the current year.	(13,916,872)
Revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized in the government-wide financial statements.	(1,276,806)
Repayments of debt principal are expenditures in the governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	12,790,000
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt related items: amortization of loss on refunding (\$341,091), and amortization of bond premium \$919,291.	578,200
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported expenditures in the governmental funds. This amount represents the change in accrued interest payable \$48,936 and compensated absences (\$487,601).	(438,665)
An internal service fund is used by management to charge the costs of employee health and dental insurance to individual funds. The net revenue of the internal service fund is included in governmental activities in the statement of activities.	<u>(773,549)</u>
Change in Net Position of Governmental Activities	<u>\$ (6,237,577)</u>

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

# Boulder Valley School District RE-2

## STATEMENT OF NET POSITION

### PROPRIETARY FUNDS

June 30, 2014

	<b>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND</b>	<b>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</b>
<b>ASSETS</b>		
Current Assets		
Cash and Investments	\$ -	\$ 9,425,690
Accounts Receivable	37,500	
Grants Receivable	335,427	-
Inventories	268,316	-
Total Current Assets	<u>641,243</u>	<u>9,425,690</u>
Noncurrent Assets		
Equipment	1,429,057	-
Accumulated Depreciation	<u>(1,257,737)</u>	<u>-</u>
Total Noncurrent Assets	<u>171,320</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>812,563</u>	<u>9,425,690</u>
<b>LIABILITIES</b>		
Current Liabilities		
Claims Payable	-	4,040,223
Accrued Liabilities	154,821	-
Accrued Summer Salaries	13,536	-
Accrued Salaries and Benefits	129,876	551
Unearned Revenues	700	-
Due to Other Funds	<u>312,443</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>611,376</u>	<u>4,040,774</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	171,320	-
Restricted for Emergencies	195,427	-
Unrestricted	<u>(165,560)</u>	<u>5,384,916</u>
<b>TOTAL NET POSITION</b>	<u>\$ 201,187</u>	<u>\$ 5,384,916</u>

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

**Boulder Valley School District RE-2**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**Year Ended June 30, 2014**

	<b>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND</b>	<b>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</b>
<b>OPERATING REVENUES</b>		
Regular School Lunch	\$ 2,562,839	\$ -
A La Carte	440,771	-
Premiums and Services	-	28,391,831
Other	348,833	380,431
	<hr/>	<hr/>
TOTAL OPERATING REVENUES	3,352,443	28,772,262
	<hr/>	<hr/>
<b>OPERATING EXPENSES</b>		
Salaries	2,962,474	149,125
Benefits	1,086,477	38,631
Purchased Food and Commodities	2,486,640	-
Nonfood Supplies	228,670	-
Purchased Services	91,833	27,643,731
Depreciation	31,580	-
Other	52,254	1,714,324
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	6,939,928	29,545,811
	<hr/>	<hr/>
OPERATING INCOME (LOSS)	(3,587,485)	(773,549)
	<hr/>	<hr/>
<b>NONOPERATING REVENUES</b>		
USDA Donated Commodities	361,124	-
Federal Reimbursements	2,622,522	-
State Sources	66,218	-
Insurance Proceeds	146,689	-
	<hr/>	<hr/>
TOTAL NONOPERATING REVENUES	3,196,553	-
	<hr/>	<hr/>
NET INCOME (LOSS) BEFORE TRANSFERS	(390,932)	(773,549)
	<hr/>	<hr/>
<b>TRANSFERS</b>		
Transfers In	405,017	-
	<hr/>	<hr/>
CHANGE IN NET POSITION	14,085	(773,549)
	<hr/>	<hr/>
<b>NET POSITION, Beginning</b>	187,102	6,158,465
	<hr/>	<hr/>
<b>NET POSITION, Ending</b>	<u>\$ 201,187</u>	<u>\$ 5,384,916</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 and Cash Equivalents

Year Ended June 30, 2014

	<b>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND</b>	<b>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</b>
<b>Cash Flows From Operating Activities</b>		
Premiums Received	\$ -	\$ 28,772,262
Cash Received from Food Services	3,304,643	-
Cash Payments for Premiums and Claims	-	(28,709,323)
Cash Paid to Employees	(4,038,980)	(194,144)
Cash Paid to Suppliers	(2,573,711)	-
	<u>(3,308,048)</u>	<u>(131,205)</u>
Net Cash Provided (Used) by Operating Activities		
<b>Cash Flows From Noncapital Financing Activities</b>		
Cash Received from Federal Reimbursements	2,507,935	-
Cash Received from State Grants	116,983	-
Transfers from Other Funds	405,017	-
Loans from Other Funds	187,184	-
	<u>3,217,119</u>	<u>-</u>
Net Cash Provided by Noncapital Financing Activities		
<b>Cash Flows From Capital and Related Financing Activities</b>		
Purchases of Equipment	(55,760)	-
Cash Received from Insurance Proceeds	146,689	-
	<u>90,929</u>	<u>-</u>
Net Cash Provided by Capital and Related Financing Activities		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	(131,205)
<b>CASH AND CASH EQUIVALENTS, Beginning</b>	-	9,556,895
<b>CASH AND CASH EQUIVALENTS, Ending</b>	<u>\$ -</u>	<u>\$ 9,425,690</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (3,587,485)	\$ (773,549)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Depreciation	31,580	-
Donated Commodities	361,124	-
Changes in Assets and Liabilities Related to Operations		
Accounts Receivable	(37,500)	-
Inventories	(78,226)	-
Claims Payable	-	648,732
Accrued Liabilities	2,788	-
Accrued Summer Salaries	(1,382)	-
Accrued Salaries and Benefits	11,353	(6,388)
Unearned Revenues	(10,300)	-
	<u>(3,308,048)</u>	<u>(131,205)</u>
Net Cash Provided (Used) by Operating Activities		
<b>NON-CASH TRANSACTIONS</b>		
Commodities Received	<u>\$ 361,124</u>	<u>\$ -</u>

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

# Boulder Valley School District RE-2

## STATEMENT OF NET POSITION

### FIDUCIARY FUNDS

June 30, 2014

	PRIVATE PURPOSE TRUST FUNDS	AGENCY FUND
<b>ASSETS</b>		
Cash and Investments	\$ 1,332,717	\$ 3,950,313
TOTAL ASSETS	1,332,717	3,950,313
<b>LIABILITIES</b>		
Due to Student and School Groups	-	3,950,313
TOTAL LIABILITIES	-	3,950,313
<b>NET POSITION</b>		
Held in Trust for Scholarships	1,332,717	-
TOTAL NET POSITION	\$ 1,332,717	\$ -

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

# Boulder Valley School District RE-2

## STATEMENT OF CHANGES IN NET POSITION

### FIDUCIARY FUNDS

Year Ended June 30, 2014

	PRIVATE PURPOSE TRUST FUNDS
<b>ADDITIONS</b>	
Contributions	\$ 197,651
TOTAL ADDITIONS	197,651
<b>DEDUCTIONS</b>	
Scholarships and Awards	20,700
CHANGE IN HELD IN TRUST FOR SCHOLARSHIPS	176,951
<b>HELD IN TRUST FOR SCHOLARSHIPS, Beginning</b>	1,155,766
<b>HELD IN TRUST FOR SCHOLARSHIPS, Ending</b>	\$ 1,332,717

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



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# **Boulder Valley School District RE-2**

## **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

### **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. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

#### **Reporting Entity**

The financial reporting entity consists of the district, organizations for which the district is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the district. 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 or if the organization is fiscally dependent, and is able to impose its will on the organization, or if the organization provides 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 State statutes to provide alternatives for parents, pupils and teachers. The charter schools are fiscally dependent on the district and their exclusion would render the district's financial statements misleading. Since the charter schools have separately elected boards, the balances and transactions of the charter schools are discretely presented in the financial statements. Separate financial statements may be obtained by contacting the schools individually at the following addresses: Boulder Preparatory High School at 5075 Chaparral Court, Boulder, Colorado 80301; Horizon's K-8 School at 4545 Sioux Drive, Boulder, Colorado 80303; Peak to Peak Charter School at 800 Merlin Drive, Lafayette, Colorado 80026; Summit Middle School at 4655 Hanover Avenue, Boulder, Colorado, 80305; and Justice High School at 805 Excalibur, Lafayette, Colorado 80026.

#### **Government-Wide and Fund Financial Statements**

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

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Government-Wide and Fund Financial Statements (Continued)**

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.

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 and proprietary 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 and trust 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. Agency funds utilize the accrual basis of accounting.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the district considers revenues to be available if they are collected within 60 days of the end of the current year and within 90 days of the end of the current year for grants.

Taxes, intergovernmental revenues, grants, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues 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.

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

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 the 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 a specific use, it is the district's practice to use restricted resources first, then unrestricted resources as they are needed.

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 property taxes restricted for the payment of long-term debt obligations of the district.

Additionally, the district reports the following fund types:

The *Food Services Enterprise Fund* accounts for the financial activities associated with the district's breakfast and lunch programs.

The *Internal Service Funds* account for the district's employee health and dental insurance programs, which are partially self-insured by the district.

The *Private-Purpose Trust Funds* account for the activities of various scholarship accounts. The district holds all resources in a purely custodial capacity.

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.

**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. It is the intention of the investment pool to maximize interest income, and securities are selected according to their risk, marketability, and diversification. Investments are reported at fair value.

For purposes of the statement of cash flows, the district considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Investments in pooled cash are considered to be cash equivalents.

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities and Fund Equity (Continued)**

*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 reported as taxes receivable and are presented net of an allowance for uncollectible taxes of 1% of the total levy.

*Interfund Receivables and Payables* - During the course of operations, numerous transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *due from other funds* and *due to other funds*. Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as internal balances.

*Inventories* - Materials and supplies inventories are stated at average cost using the first-in/first-out (FIFO) method. Food Services Fund inventories consist of purchased and donated commodities. Donated commodities, 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. When they are consumed, they are recorded as expenses in the government-wide financial statements and proprietary fund financial statements or as expenditures in the governmental fund financial statements.

*Prepaid Items* - Payments made to vendors for services that will benefit subsequent years are recorded as prepaid expenses or items in the government-wide and fund financial statements using the consumption method.

*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 and the proprietary funds in the fund financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more 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 asset lives are not capitalized.

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

Land Improvements	15 to 20 years
Buildings	50 years
Equipment and Vehicles	5 to 20 years

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities and Fund Equity (Continued)**

*Deferred Outflows of Resources* - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The district only has one item that qualifies for reporting in this category. It is loss on refunding in the government-wide statement of net position. A loss on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

*Accrued Summer Salaries* - Salaries and benefits of certain contractually employed personnel are paid over a twelve month period from August to July, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, at June 30, are reflected as a liability in the accompanying financial statements.

*Unearned Revenues* - Unearned revenues include grant funds that have been collected but the corresponding expenditures have not been incurred, and tuition and fees received in advance.

*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 sick leave is paid to those eligible employees upon termination of employment at varying rates based upon longevity and/or classification. Eligible employee groups include administration, professional technical, clerical, service, paraeducators, and teacher frozen sick.

Accrued vacation is paid to those eligible employees upon termination of employment.

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

*Long-Term Debt* - In the government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refundings are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, 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 are reported as other financing uses.

Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities and Fund Equity (Continued)**

*Deferred Inflows of Resources* - In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The district has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts are earned.

*Fund Equity* - At the governmental fund financial reporting level, fund equity is classified as *fund balance*. For all other reporting, it is classified as *net position*.

*Net Position* - In the government-wide financial statements and the proprietary funds in the fund financial statements, net position is restricted when constraints placed on the use of resources are externally imposed.

*Fund Balance* - In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the district is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable fund balance** - Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
- **Restricted fund balance** - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- **Committed fund balance** - Amounts constrained to specific purposes through resolution by the board of education are reported as committed. Amounts cannot be used for any other purpose unless the board takes the same action to modify or rescind the commitment.
- **Assigned fund balance** - Amounts constrained by the district for specific purposes, but are neither restricted nor committed. Through resolution, the board of education has authorized the district's superintendent to assign fund balances.
- **Unassigned fund balance** - The residual amount reported when the balances do not meet any of the above criterion. The district reports positive unassigned fund balance only in the general fund. Negative unassigned balances may be reported in all funds.

*Fund Balance Policy* - The district's policy is to have a sufficient balance in the Combined General Fund with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The district shall strive to maintain a yearly fund balance in the General Operating Fund in which the total fund balance is 3% of the total operating expenditures in addition to any amounts required by statute.

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities and Fund Equity (Continued)**

*Flow Assumptions* - In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

**Revenues**

*Property Taxes* - Property taxes for a calendar year are certified in arrears on December 10 and attached as a lien on the property the previous January 1. For example, property taxes owed in 2014 are certified to the county in December 2013 and are available for collection on the levy date, January 1. Property taxes are payable in full by April 30 or in two equal installments due February 28 and June 15. Property tax receipts collected by the county are generally remitted to the district in the subsequent month.

*State Revenues* - The district receives unrestricted state equalization revenues and the charter schools receive capital construction funding as required by state statutes.

*Interest Income* - Interest income earned on pooled cash is recorded as revenue in the General Fund. Interest income from the Bond Redemption Fund, and Building Fund and certain Trust and Agency Fund accounts is recorded when earned in the related fund.

**NOTE 2: CASH AND INVESTMENTS**

At June 30, 2014, the district had the following cash and investments:

Cash on Hand	\$ 102,040
Deposits	58,739,560
Investments	<u>33,880,810</u>
Total	<u><u>\$ 92,722,410</u></u>

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

Primary Government Cash and Investments	\$ 83,446,184
Primary Government Restricted Cash and Investments	1,688,057
Fiduciary Funds Cash and Investments	5,283,030
Charter School Cash Held by District	<u>2,305,139</u>
Total	<u><u>\$ 92,722,410</u></u>



**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 2: CASH AND INVESTMENTS (Continued)**

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to 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. The 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 uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2014, the district had bank deposits of \$59,490,706 collateralized with securities held by the financial institutions' agents but not in the district's name.

**Investments**

The district is required to comply with state statutes and district policy which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

*Interest Rate Risk* - State statutes generally limit the maturity date of investment securities to five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

*Credit Risk* - The district has no policy toward credit risk other than to follow State statutes which limit certain investments to those with specified ratings provided by nationally recognized statistical rating organizations, depending on the type of investment.

*Concentration of Credit Risk* - State statutes do not limit the amount the district may invest in one issuer, except for corporate securities.



**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 2: CASH AND INVESTMENTS (Continued)**

**Investments (Continued)**

*Local Government Investment Pool* - At June 30, 2014, the district had \$33,880,810 invested in the Colorado Local Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating Colotrust. The pool operates in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended, which includes the maintenance of each share equal in value to \$1.00. Colotrust is rated AAAM by Standard and Poor's. Investments of Colotrust are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

**Restricted Cash and Investments**

Cash and investments of \$120,205 representing required deposits for employee flexible spending benefits have been restricted in the General Fund. In addition, \$1,567,852, representing unspent bond proceeds, have been restricted in the Building Fund.

**NOTE 3: INTERFUND BALANCES AND TRANSFERS**

<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Balance</u>
General Fund	Grants Fund	\$ 673,377
General Fund	Food Services Fund	312,443
<b>Total</b>		<b><u>\$ 985,820</u></b>

The General Fund has temporarily covered the negative cash balance in the Grants Fund and Food Services Fund.

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Balance</u>
Capital Reserve Fund	General Fund	\$ 2,461,346
Transportation Fund	General Fund	2,577,212
Food Services Fund	General Fund	405,017
<b>Total</b>		<b><u>\$ 5,443,575</u></b>

The General Fund transfers a portion of its funding to the Capital Reserve Fund to be used for capital purposes. The General Fund subsidizes the student transportation program reported in the Transportation Fund and the food services program reported in the Food Services Fund.

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 4: CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2014, is summarized below.

	Balances 6/30/13	Additions	Deletions	Balances 6/30/14
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated				
Land	\$ 4,618,068	\$ 108,400	\$ -	\$ 4,726,468
Construction in Progress	1,330,550	1,191,665	(132,418)	2,389,797
Total Capital Assets, Not Being Depreciated	5,948,618	1,300,065	(132,418)	7,116,265
Capital Assets, Being Depreciated				
Land Improvements	26,270,141	139,568	-	26,409,709
Buildings	551,852,244	69,211	-	551,921,455
Equipment	10,345,670	148,633	(657,770)	9,836,533
Vehicles	22,423,228	556,722	(845,357)	22,134,593
Total Capital Assets, Being Depreciated	610,891,283	914,134	(1,503,127)	610,302,290
Less Accumulated Depreciation For				
Land Improvements	4,193,786	1,379,314	-	5,573,100
Buildings	143,864,254	11,951,480	-	155,815,734
Equipment	6,550,203	1,468,338	(630,018)	7,388,523
Vehicles	17,021,698	1,170,977	(844,565)	17,348,110
Total Accumulated Depreciation	171,629,941	15,970,109	(1,474,583)	186,125,467
Total Capital Assets, Being Depreciated, Net	439,261,342	(15,055,975)	(28,544)	424,176,823
Governmental Activities Capital Assets, Net	<u><u>\$ 445,209,960</u></u>	<u><u>\$ (13,755,910)</u></u>	<u><u>\$ (160,962)</u></u>	<u><u>\$ 431,293,088</u></u>
<b>Business-Type Activities</b>				
Capital Assets, Being Depreciated				
Equipment and Vehicles	\$ 1,373,297	\$ 55,760	\$ -	\$ 1,429,057
Less Accumulated Depreciation For				
Equipment and Vehicles	1,226,157	31,580	-	1,257,737
Business-Type Activities Capital Assets, Net	<u><u>\$ 147,140</u></u>	<u><u>\$ 24,180</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 171,320</u></u>

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

Governmental Activities	
Instruction	\$ 13,888,674
Supporting Services	2,081,435
Total	<u><u>\$ 15,970,109</u></u>

# Boulder Valley School District RE-2

## NOTES TO FINANCIAL STATEMENTS

June 30, 2014

### NOTE 5: SHORT-TERM DEBT

During the year ended June 30, 2014, the district borrowed \$107,721,919 from the state-sponsored interest-free loan program to provide cash flow throughout the fiscal year. The loan was paid in full by June 30, 2014, from property taxes received primarily from February through June. The schedule of changes is summarized below.

	Balances 6/30/13	Additions	Payments	Balances 6/30/14
State-sponsored interest-free loan	\$ -	\$ 107,721,919	\$ 107,721,919	\$ -
Total	<u>\$ -</u>	<u>\$ 107,721,919</u>	<u>\$ 107,721,919</u>	<u>\$ -</u>

### NOTE 6: LONG-TERM DEBT

Following is a summary of long-term debt transactions of the district for the year ended June 30, 2014.

	Balances 6/30/13	Additions	Payments	Balances 6/30/14	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Bonds	\$ 350,285,000	\$ -	\$ 12,790,000	\$ 337,495,000	\$ 13,370,000
Bond Premium	6,069,757	-	919,291	5,150,466	-
Compensated Absences	6,589,289	4,824,444	4,336,843	7,076,890	352,104
Total	<u>\$ 362,944,046</u>	<u>\$ 4,824,444</u>	<u>\$ 18,046,134</u>	<u>\$ 349,722,356</u>	<u>\$ 13,722,104</u>

Compensated absences are expected to be liquidated primarily with resources of the General Fund.

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 6: LONG-TERM DEBT** (Continued)

**General Obligation Bonds**

General obligation bonds payable at June 30, 2014, are comprised of the following issues:

\$53,645,000 General Obligation Bonds, Series 2009B.

Issued to refund the general obligation bonds, Series 1999.

Principal payments due on December 1 and interest payments due on December 1 and June 1, through 2018. Interest accrues at rates ranging from 2.00% to 4.00%.

\$ 48,745,000

\$176,800,000 General Obligation Bonds, Series 2009.

Issued to implement a district-wide capital construction and improvement program. Principal payments due on December 1 and interest payments due on December 1 and June 1, through 2034. Interest accrues at rates ranging from 4.00% to 5.00%.

\$ 175,880,000

\$49,910,000 General Obligation Bonds, Series 2007B.

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 4.00% to 5.00%.

\$ 7,190,000

\$120,000,000 General Obligation Bonds, Series 2007.

Issued to implement a district-wide capital construction and improvement program. Principal payments due on December 1 and interest payments due on December 1 and June 1, through 2032. Interest accrues at rates ranging from 3.50% to 4.50%.

\$ 105,680,000

Total

\$ 337,495,000

Bond payments, to maturity, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	13,370,000	14,706,524	28,076,524
2016	13,835,000	14,199,118	28,034,118
2017	14,225,000	13,770,017	27,995,017
2018	14,685,000	13,298,380	27,983,380
2019	15,165,000	12,755,380	27,920,380
2020 - 2024	64,350,000	55,019,520	119,369,520
2025 - 2029	79,395,000	38,244,581	117,639,581
2030 - 2034	99,550,000	17,867,519	117,417,519
2035	22,920,000	573,000	23,493,000
Total	<u><u>\$ 337,495,000</u></u>	<u><u>\$ 180,434,039</u></u>	<u><u>\$ 517,929,039</u></u>

# Boulder Valley School District RE-2

## NOTES TO FINANCIAL STATEMENTS

June 30, 2014

**NOTE 6: LONG-TERM DEBT** (Continued)

**General Obligation Bonds** (Continued)

In prior years, the district deposited bond proceeds in an irrevocable trust with an escrow agent to provide for all future debt service payments for \$2.445 million of the 1997 General Obligation Bonds. Accordingly, the liability for the defeased debt has been removed from the district's financial statements. The total outstanding balance of the defeased debt at June 30, 2014, was \$2.445 million.

**NOTE 7: FUND BALANCES**

The following table portrays the detailed fund balance classifications which are summarized on the Governmental Funds Balance Sheet.

	<u>GENERAL</u>	<u>BOND REDEMPTION</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventories	\$ 553,596	\$ -	\$ -	\$ 553,596
Prepaid Items	402,900	-	-	402,900
Total Nonspendable	956,496	-	-	956,496
Restricted For:				
Debt Service	-	24,822,129	-	24,822,129
Capital Projects	-	-	1,231,131	1,231,131
Multiple Year Obligations	120,000	-	-	120,000
Colorado Preschool Program	32,373	-	-	32,373
Emergencies	8,070,665	-	539,000	8,609,665
Medicaid	698,276	-	-	698,276
Flexible Spending	120,205	-	-	120,205
Total Restricted	9,041,519	24,822,129	1,770,131	35,633,779
Assigned To:				
Transportation	-	-	315,729	315,729
Capital Projects	-	-	723,248	723,248
Total Assigned	-	-	1,038,977	1,038,977
Unassigned, Reported In				
General Fund	17,572,988	-	-	17,572,988
Total Unassigned	17,572,988	-	-	17,572,988
<b>TOTAL FUND BALANCES</b>	<u>\$ 27,571,003</u>	<u>\$ 24,822,129</u>	<u>\$ 2,809,108</u>	<u>\$ 55,202,240</u>

## **Boulder Valley School District RE-2**

### **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

#### **NOTE 8: 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; and natural disasters. The district plans to provide for or restore the economic damages of those losses through risk retention and risk transfer.

##### **Joint School District Worker's 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.

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 \$500,000 are pooled between the member districts, and losses in excess of \$500,000 are reinsured for up to statutory limits.

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. No settlements exceeded insurance coverage for each of the past three fiscal years.

##### **Colorado School Districts Self Insurance Pool**

The Colorado School Districts Self Insurance Pool (CSDSIP) 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. 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. The district did not have any significant reductions in insurance coverage in the prior year, nor did it have any insurance settlements exceed insurance coverage in the past three years.

**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 8: RISK MANAGEMENT (Continued)**

**Health and Dental Self-Insurance**

Under the district's employee health insurance plan and dental insurance plan, the district provides coverage for its employees. Claims liabilities are reported in each fund respectively if information available prior to the issuance of the financial statements indicates that it is probable that the liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. Other than current amounts, the district believes the estimated claims liability is not fully measurable and the district could incur additional costs related to IBNR claims. Changes in claims payable for the employee health insurance plan and dental insurance plan were as follows:

	Health Insurance	Dental Insurance
Claims Payable, June 30, 2012	\$ 3,569,513	\$ 457,164
Claims Incurred and Adjustments	13,697,544	1,937,249
Payments	(14,294,094)	(1,975,885)
Claims Payable, June 30, 2013	2,972,963	418,528
Claims Incurred and Adjustments	15,687,004	2,147,426
Payments	(15,130,536)	(2,055,162)
Claims Payable, June 30, 2014	<u><u>\$ 3,529,431</u></u>	<u><u>\$ 510,792</u></u>

Claims payable at June 30, 2014 are expected to be liquidated within the next fiscal year.

**NOTE 9: DEFINED BENEFIT PENSION PLAN**

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

PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the SDTF. That report may be obtained by writing to PERA of Colorado, 1301 Pennsylvania Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

*Funding Policy* - 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 was 8% of covered salary. The district's contribution rate for calendar years 2012, 2013, and 2014 was 15.65%, 16.55%, and 17.45% of covered salary, respectively. A portion of the district's contribution (1.02% of covered salary) is allocated to the Health Care Trust Fund (See Note 10). The district's contributions to the SDTF for the years ended June 30, 2014, 2013, and 2012 were \$33,270,796, \$29,618,865, and \$27,331,691, respectively, equal to the required contributions for each year.

## **Boulder Valley School District RE-2**

### **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2014**

#### **NOTE 10: POSTEMPLOYMENT HEALTHCARE BENEFITS**

*Plan Description* - The district contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer post-employment healthcare plan administered by 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 HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained by writing to PERA of Colorado, 1301 Pennsylvania 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 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the district are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contributions of the HCTF is established under Title 24, Article 51, Section 208 of the CRS, as amended. The district's apportionment to the HCTF for the years ended June 30, 2014, 2013, and 2012 was \$1,995,319, \$1,875,353, and \$1,833,435, equal to the required amounts for each year.

#### **NOTE 11: 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 disallowed due to noncompliance with grant program regulations, the district may be required to reimburse the grantor government. At June 30, 2014, 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 position of the district.

##### **Construction Commitments**

At June 30, 2014, the district had construction commitments totaling \$214,162, primarily for building renovations to be funded with bond proceeds.



**Boulder Valley School District RE-2**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 11: COMMITMENTS AND CONTINGENCIES (Continued)**

**Tabor Amendment**

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

Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. 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 Amendment. The Amendment is subject to many interpretations, but the district believes it is in substantial compliance with the Amendment.

The Amendment requires all governments to establish a reserve for emergencies. At June 30, 2014, net position of \$8,805,092 was restricted to satisfy the reserve requirement.



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## **REQUIRED SUPPLEMENTARY INFORMATION**

# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### GENERAL FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 185,639,480	\$ 186,758,031	\$ 186,751,736	\$ (6,295)
Specific Ownership Taxes	10,456,442	10,456,442	11,583,505	1,127,063
Tuition and Fees	8,735,470	8,731,772	9,355,013	623,241
Other Local Revenue	5,477,087	6,716,296	6,763,349	47,053
State Equalization	58,851,968	59,836,011	61,203,456	1,367,445
State Reimbursement Programs	6,760,573	8,188,967	8,116,417	(72,550)
Federal Grants	-	-	30,334	30,334
<b>TOTAL REVENUES</b>	<b>275,921,020</b>	<b>280,687,519</b>	<b>283,803,810</b>	<b>3,116,291</b>
<b>EXPENDITURES</b>				
Current				
Instruction - Regular Programs	147,106,958	146,254,769	144,963,616	1,291,153
Instruction - Special Programs	46,144,146	45,871,215	45,612,547	258,668
Student Support Services	10,143,383	12,728,200	11,623,931	1,104,269
Instructional Staff Services	9,030,283	11,117,991	10,466,843	651,148
General Administration	2,959,596	2,937,697	3,030,421	(92,724)
School Administration	19,558,423	20,199,162	19,460,000	739,162
Business Services	3,472,989	4,146,562	3,773,977	372,585
Operations and Maintenance	21,007,469	21,237,638	22,103,047	(865,409)
Central Support Services	13,977,622	20,996,031	17,696,836	3,299,195
Community Services	4,953,808	4,926,375	5,132,412	(206,037)
Emergency Reserves	7,741,118	8,102,538	-	8,102,538
Reserves	7,626,125	10,738,399	-	10,738,399
<b>TOTAL EXPENDITURES</b>	<b>293,721,920</b>	<b>309,256,577</b>	<b>283,863,630</b>	<b>25,392,947</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(17,800,900)</b>	<b>(28,569,058)</b>	<b>(59,820)</b>	<b>28,509,238</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance Proceeds	-	5,500,000	4,741,782	(758,218)
Transfers Out	(5,519,209)	(5,263,558)	(5,443,575)	(180,017)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,519,209)</b>	<b>236,442</b>	<b>(701,793)</b>	<b>(938,235)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(23,320,109)</b>	<b>(28,332,616)</b>	<b>(761,613)</b>	<b>27,571,003</b>
<b>FUND BALANCE, Beginning</b>	<b>24,204,857</b>	<b>28,332,616</b>	<b>28,332,616</b>	<b>-</b>
<b>FUND BALANCE, Ending</b>	<b>\$ 884,748</b>	<b>\$ -</b>	<b>\$ 27,571,003</b>	<b>\$ 27,571,003</b>

See the accompanying Independent Auditors' Report.

**Boulder Valley School District RE-2**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2014**

**NOTE 1:      STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgets**

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 December, a revised budget is legally adopted by the board of education.

Colorado Budget Law requires that all funds have legally adopted budgets and appropriations. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles ("GAAP"). 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. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the board of education.

**Legal Compliance**

For the year ended June 30, 2014, the Food Services Fund expenditures exceeded the amount budgeted by \$230,284. This may be a violation of State statutes.



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**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**



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## **GENERAL FUND**

# Boulder Valley School District RE-2

## COMBINING BALANCE SHEET

### GENERAL FUND

June 30, 2014

	GENERAL	RISK MANAGEMENT	TECHNOLOGY
<b>ASSETS</b>			
Cash and Investments	\$ 42,535,962	\$ 99,537	\$ 2,490,457
Restricted Cash and Investments	120,205	-	-
Accounts Receivable	80,984	178,639	-
Taxes Receivable	4,453,926	-	-
Due from Other Funds	985,820	-	-
Inventories	553,596	-	-
Prepaid Items	402,900	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 49,133,393</u>	<u>\$ 278,176</u>	<u>\$ 2,490,457</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 2,758,589	\$ -	\$ -
Accrued Liabilities	7,336,286	-	-
Accrued Summer Salaries	12,911,476	1,049	-
Accrued Salaries and Benefits	1,072,507	2,155	-
Unearned Revenues	97,846	-	-
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>24,176,704</u>	<u>3,204</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Revenue-Property Taxes	<u>1,815,846</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable	956,496	-	-
Restricted	8,222,057	269,548	116,186
Unassigned	13,962,290	5,424	2,374,271
	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	<u>23,140,843</u>	<u>274,972</u>	<u>2,490,457</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 <u>\$ 49,133,393</u>	 <u>\$ 278,176</u>	 <u>\$ 2,490,457</u>

See the accompanying Independent Auditors' Report.

<b>ATHLETICS</b>	<b>COMMUNITY SCHOOLS</b>	<b>PRESCHOOL</b>	<b>TUITION PRESCHOOL</b>	<b>COLORADO PRESCHOOL PROGRAM</b>	<b>TOTAL GENERAL FUND</b>
\$ 110,304	\$ 1,657,230	\$ 396,767	\$ 63,389	\$ 73,160	\$ 47,426,806
-	-	-	-	-	120,205
-	63,214	-	-	-	322,837
-	-	-	-	-	4,453,926
-	-	-	-	-	985,820
-	-	-	-	-	553,596
-	-	-	-	-	402,900
<u>\$ 110,304</u>	<u>\$ 1,720,444</u>	<u>\$ 396,767</u>	<u>\$ 63,389</u>	<u>\$ 73,160</u>	<u>\$ 54,266,090</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,758,589
-	-	-	-	-	7,336,286
4,503	143,208	200,781	14,837	37,605	13,313,459
2,538	-	8,984	3,370	3,182	1,092,736
-	226,763	38,961	14,601	-	378,171
<u>7,041</u>	<u>369,971</u>	<u>248,726</u>	<u>32,808</u>	<u>40,787</u>	<u>24,879,241</u>
-	-	-	-	-	1,815,846
-	-	-	-	-	956,496
100,834	142,871	143,517	14,133	32,373	9,041,519
2,429	1,207,602	4,524	16,448	-	17,572,988
<u>103,263</u>	<u>1,350,473</u>	<u>148,041</u>	<u>30,581</u>	<u>32,373</u>	<u>27,571,003</u>
<u>\$ 110,304</u>	<u>\$ 1,720,444</u>	<u>\$ 396,767</u>	<u>\$ 63,389</u>	<u>\$ 73,160</u>	<u>\$ 54,266,090</u>

**Boulder Valley School District RE-2**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**Year Ended June 30, 2014**

	<u>GENERAL</u>	<u>RISK MANAGEMENT</u>	<u>TECHNOLOGY</u>
<b>REVENUES</b>			
Local Sources	\$ 204,303,019	\$ 115,010	\$ 1,229,615
State Sources	69,317,275	2,598	-
Federal Sources	-	30,334	-
	<u>273,620,294</u>	<u>147,942</u>	<u>1,229,615</u>
<b>TOTAL REVENUES</b>			
<b>EXPENDITURES</b>			
Current			
Instruction - Regular Programs	141,405,598	-	201,290
Instruction - Special Programs	40,999,859	-	-
Student Support Services	10,821,383	-	-
Instructional Staff Services	9,747,895	-	191,648
General Administration	2,959,626	-	-
School Administration	19,267,265	-	-
Business Services	3,755,794	18,183	-
Operations and Maintenance	21,457,542	607,324	-
Central Support Services	8,727,179	7,557,431	1,412,226
Community Services	234,176	-	-
	<u>259,376,317</u>	<u>8,182,938</u>	<u>1,805,164</u>
<b>TOTAL EXPENDITURES</b>			
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>14,243,977</u>	<u>(8,034,996)</u>	<u>(575,549)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Insurance Proceeds	-	4,741,782	-
Transfers In	923,032	3,386,226	1,768,113
Transfers Out	(17,151,500)	-	-
	<u>(16,228,468)</u>	<u>8,128,008</u>	<u>1,768,113</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			
<b>NET CHANGE IN FUND BALANCES</b>	(1,984,491)	93,012	1,192,564
<b>FUND BALANCES, Beginning</b>	<u>25,125,334</u>	<u>181,960</u>	<u>1,297,893</u>
<b>FUND BALANCES, Ending</b>	<u>\$ 23,140,843</u>	<u>\$ 274,972</u>	<u>\$ 2,490,457</u>

See the accompanying Independent Auditors' Report.

<b>ATHLETICS</b>	<b>COMMUNITY SCHOOLS</b>	<b>PRESCHOOL</b>	<b>TUITION PRESCHOOL</b>	<b>COLORADO PRESCHOOL PROGRAM</b>	<b>TOTAL GENERAL FUND</b>
\$ 1,187,591	\$ 6,319,973	\$ 809,960	\$ 488,435	\$ -	\$ 214,453,603
-	-	-	-	-	69,319,873
-	-	-	-	-	30,334
<u>1,187,591</u>	<u>6,319,973</u>	<u>809,960</u>	<u>488,435</u>	<u>-</u>	<u>283,803,810</u>
3,478	-	3,352,516	734	-	144,963,616
3,199,349	-	-	458,149	955,190	45,612,547
-	-	802,548	-	-	11,623,931
-	-	418,763	-	108,537	10,466,843
70,795	-	-	-	-	3,030,421
51,853	-	127,547	13,335	-	19,460,000
-	-	-	-	-	3,773,977
824	-	37,357	-	-	22,103,047
-	-	-	-	-	17,696,836
-	4,770,052	128,184	-	-	5,132,412
<u>3,326,299</u>	<u>4,770,052</u>	<u>4,866,915</u>	<u>472,218</u>	<u>1,063,727</u>	<u>283,863,630</u>
<u>(2,138,708)</u>	<u>1,549,921</u>	<u>(4,056,955)</u>	<u>16,217</u>	<u>(1,063,727)</u>	<u>(59,820)</u>
-	-	-	-	-	4,741,782
1,934,415	-	3,556,785	-	1,062,386	12,630,957
-	(923,032)	-	-	-	(18,074,532)
<u>1,934,415</u>	<u>(923,032)</u>	<u>3,556,785</u>	<u>-</u>	<u>1,062,386</u>	<u>(701,793)</u>
(204,293)	626,889	(500,170)	16,217	(1,341)	(761,613)
<u>307,556</u>	<u>723,584</u>	<u>648,211</u>	<u>14,364</u>	<u>33,714</u>	<u>28,332,616</u>
<u>\$ 103,263</u>	<u>\$ 1,350,473</u>	<u>\$ 148,041</u>	<u>\$ 30,581</u>	<u>\$ 32,373</u>	<u>\$ 27,571,003</u>



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## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

*Governmental Designated-Purpose Grants Fund* - This fund is provided to account for monies received from various federal, state and local grant programs.

*Transportation Fund* - This fund accounts for a mill levy dedicated by election to the district's transportation needs.

### **Capital Projects Funds**

*Building Fund* - This fund reports bond proceeds and other revenues to be used for major building repairs and renovations.

*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.

# Boulder Valley School District RE-2

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS June 30, 2014

	SPECIAL REVENUE	
	GRANTS	TRANSPORTATION
<b>ASSETS</b>		
Cash and Investments	\$ -	\$ 1,304,604
Restricted Cash and Investments	-	-
Accounts Receivable	-	657
Taxes Receivable	-	170,237
Grants Receivable	1,440,817	-
	<hr/>	<hr/>
TOTAL ASSETS	\$ 1,440,817	\$ 1,475,498
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Accounts Payable	\$ -	\$ -
Accrued Summer Salaries	432,469	-
Accrued Salaries and Benefits	54,821	679,066
Due to Other Funds	673,377	-
Unearned Revenues	280,150	-
	<hr/>	<hr/>
TOTAL LIABILITIES	1,440,817	679,066
	<hr/>	<hr/>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Revenue-Property Taxes	-	72,392
	<hr/>	<hr/>
<b>FUND BALANCES</b>		
Restricted	-	408,311
Assigned	-	315,729
	<hr/>	<hr/>
TOTAL FUND BALANCES	-	724,040
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,440,817	\$ 1,475,498
	<hr/>	<hr/>

See the accompanying Independent Auditors' Report.



**CAPITAL PROJECTS**

<b>BUILDING</b>	<b>CAPITAL RESERVE</b>	<b>TOTAL</b>
\$ -	\$ 849,400	\$ 2,154,004
1,567,852	-	1,567,852
-	4,537	5,194
-	-	170,237
-	-	1,440,817
<u>\$ 1,567,852</u>	<u>\$ 853,937</u>	<u>\$ 5,338,104</u>
\$ 336,721	\$ -	\$ 336,721
-	-	432,469
-	-	733,887
-	-	673,377
-	-	280,150
<u>336,721</u>	<u>-</u>	<u>2,456,604</u>
-	-	72,392
1,231,131	130,689	1,770,131
-	723,248	1,038,977
<u>1,231,131</u>	<u>853,937</u>	<u>2,809,108</u>
<u>\$ 1,567,852</u>	<u>\$ 853,937</u>	<u>\$ 5,338,104</u>

**Boulder Valley School District RE-2**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2014**

	<b>SPECIAL REVENUE</b>	
	<b>GRANTS</b>	<b>TRANSPORTATION</b>
<b>REVENUES</b>		
Local Sources	\$ 639,331	\$ 7,599,800
State Sources	471,780	3,205,307
Federal Sources	10,183,457	-
<b>TOTAL REVENUES</b>	<b>11,294,568</b>	<b>10,805,107</b>
<b>EXPENDITURES</b>		
Current		
Instruction - Regular Programs	2,998,419	-
Instruction - Special Programs	4,255,847	1,339,978
Student Support Services	616,695	-
Instructional Staff Services	2,046,001	-
School Administration	982,615	-
Operations and Maintenance	-	209,298
Student Transportation	26,676	12,003,887
Food Services Operations	3,053	
Community Services	20,571	-
Adult Education	325,253	-
Capital Outlay	19,438	-
<b>TOTAL EXPENDITURES</b>	<b>11,294,568</b>	<b>13,553,163</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>(2,748,056)</b>
<b>OTHER FINANCING SOURCES</b>		
Insurance Proceeds	-	-
Transfers In	-	2,577,212
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>-</b>	<b>2,577,212</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>(170,844)</b>
<b>FUND BALANCE, Beginning</b>	<b>-</b>	<b>894,884</b>
<b>FUND BALANCE, Ending</b>	<b>\$ -</b>	<b>\$ 724,040</b>

See the accompanying Independent Auditors' Report.

CAPITAL PROJECTS		
BUILDING	CAPITAL RESERVE	TOTAL
\$ 2,121	\$ 83,811	\$ 8,325,063
-	-	3,677,087
-	-	10,183,457
2,121	83,811	22,185,607
-	-	2,998,419
-	-	5,595,825
-	-	616,695
-	-	2,046,001
-	-	982,615
-	-	209,298
-	-	12,030,563
-	-	3,053
-	-	20,571
-	-	325,253
1,549,959	3,626,233	5,195,630
1,549,959	3,626,233	30,023,923
(1,547,838)	(3,542,422)	(7,838,316)
31,930	-	31,930
-	2,461,346	5,038,558
31,930	2,461,346	5,070,488
(1,515,908)	(1,081,076)	(2,767,828)
2,747,039	1,935,013	5,576,936
\$ 1,231,131	\$ 853,937	\$ 2,809,108

# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### GRANTS FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>REVENUES</b>				
Local Sources	\$ 9,939,374	\$ 7,724,371	\$ 639,331	\$ (7,085,040)
State Sources	249,185	261,779	471,780	210,001
Federal Sources	9,311,441	11,513,850	10,183,457	(1,330,393)
<b>TOTAL REVENUES</b>	<u>19,500,000</u>	<u>19,500,000</u>	<u>11,294,568</u>	<u>(8,205,432)</u>
<b>EXPENDITURES</b>				
Current				
Instruction and Supporting Services-Unallocated	19,500,000	6,760,703	-	6,760,703
Instruction - Regular Programs	-	3,147,038	2,998,419	148,619
Instruction - Special Programs	-	5,440,020	4,255,847	1,184,173
Student Support Services	-	838,222	616,695	221,527
Instructional Staff Services	-	1,844,984	2,046,001	(201,017)
School Administration	-	875,006	982,615	(107,609)
Student Transportation	-	-	26,676	(26,676)
Food Services Operations	-	62,025	3,053	58,972
Community Services	-	35,368	20,571	14,797
Adult Education	-	296,634	325,253	(28,619)
Capital Outlay	-	200,000	19,438	180,562
<b>TOTAL EXPENDITURES</b>	<u>19,500,000</u>	<u>19,500,000</u>	<u>11,294,568</u>	<u>8,205,432</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, Beginning</b>	-	-	-	-
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying Independent Auditors' Report.

# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### TRANSPORTATION FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 7,227,000	\$ 7,227,000	\$ 7,304,343	\$ 77,343
State Transportation Reimbursement	2,900,000	3,054,597	3,205,307	150,710
Other Local Revenue	290,000	265,000	295,457	30,457
<b>TOTAL REVENUES</b>	<b>10,417,000</b>	<b>10,546,597</b>	<b>10,805,107</b>	<b>258,510</b>
<b>EXPENDITURES</b>				
Current				
Instruction - Special Programs	1,132,279	1,213,039	1,339,978	(126,939)
Operations and Maintenance	229,348	201,342	209,298	(7,956)
Student Transportation	12,022,284	12,196,001	12,003,887	192,114
Emergency Reserves	401,517	408,311	-	408,311
<b>TOTAL EXPENDITURES</b>	<b>13,785,428</b>	<b>14,018,693</b>	<b>13,553,163</b>	<b>465,530</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,368,428)</b>	<b>(3,472,096)</b>	<b>(2,748,056)</b>	<b>724,040</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	2,732,212	2,577,212	2,577,212	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>(636,216)</b>	<b>(894,884)</b>	<b>(170,844)</b>	<b>724,040</b>
<b>FUND BALANCE, Beginning</b>	<b>636,216</b>	<b>894,884</b>	<b>894,884</b>	<b>-</b>
<b>FUND BALANCE, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 724,040</b>	<b>\$ 724,040</b>

See the accompanying Independent Auditors' Report.

# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### BOND REDEMPTION FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 28,280,935	\$ 28,612,536	\$ 28,413,068	\$ (199,468)
Investment Earnings	20,000	20,000	19,418	(582)
<b>TOTAL REVENUES</b>	<u>28,300,935</u>	<u>28,632,536</u>	<u>28,432,486</u>	<u>(200,050)</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	12,790,000	12,790,000	12,790,000	-
Interest and Fiscal Charges	15,320,380	15,320,380	15,312,930	7,450
<b>TOTAL EXPENDITURES</b>	<u>28,110,380</u>	<u>28,110,380</u>	<u>28,102,930</u>	<u>7,450</u>
<b>NET CHANGE IN FUND BALANCE</b>	190,555	522,156	329,556	(192,600)
<b>FUND BALANCE, Beginning</b>	<u>24,898,351</u>	<u>24,492,573</u>	<u>24,492,573</u>	<u>-</u>
<b>FUND BALANCE, Ending</b>	<u><u>\$ 25,088,906</u></u>	<u><u>\$ 25,014,729</u></u>	<u><u>\$ 24,822,129</u></u>	<u><u>\$ (192,600)</u></u>

See the accompanying Independent Auditors' Report.

# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### BUILDING FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>REVENUES</b>				
Local Sources				
Other Local Revenue	\$ 6,000	\$ 3,000	\$ 2,121	\$ (879)
TOTAL REVENUES	6,000	3,000	2,121	(879)
<b>EXPENDITURES</b>				
Capital Outlay	1,535,257	925,209	1,549,959	(624,750)
Reserves	650,000	1,824,830	-	1,824,830
TOTAL EXPENDITURES	2,185,257	2,750,039	1,549,959	1,200,080
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,179,257)	(2,747,039)	(1,547,838)	1,199,201
<b>OTHER FINANCING SOURCES</b>				
Insurance Proceeds	-	-	31,930	31,930
NET CHANGE IN FUND BALANCE	(2,179,257)	(2,747,039)	(1,515,908)	1,231,131
<b>FUND BALANCE, Beginning</b>	2,179,257	2,747,039	2,747,039	-
<b>FUND BALANCE, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,231,131</u>	<u>\$ 1,231,131</u>

See the accompanying Independent Auditors' Report.

# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### CAPITAL RESERVE FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>REVENUES</b>				
Local Sources	\$ 139,638	\$ 90,638	\$ 83,811	\$ (6,827)
TOTAL REVENUES	139,638	90,638	83,811	(6,827)
<b>EXPENDITURES</b>				
Capital Outlay				
Salaries and Benefits	507,415	507,415	499,689	7,726
Building Improvements	1,060,000	1,099,358	852,535	246,823
Operating Departments	1,014,450	922,236	765,316	156,920
School Projects	1,410,851	1,827,299	1,508,693	318,606
Reserves	119,781	130,689	-	130,689
TOTAL EXPENDITURES	4,112,497	4,486,997	3,626,233	860,764
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,972,859)	(4,396,359)	(3,542,422)	853,937
<b>OTHER FINANCING SOURCES</b>				
Transfers In	2,561,997	2,461,346	2,461,346	-
NET CHANGE IN FUND BALANCE	(1,410,862)	(1,935,013)	(1,081,076)	853,937
<b>FUND BALANCE, Beginning</b>	1,410,862	1,935,013	1,935,013	-
<b>FUND BALANCE, Ending</b>	\$ -	\$ -	\$ 853,937	\$ 853,937

See the accompanying Independent Auditors' Report.



# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### FOOD SERVICES FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>OPERATING REVENUES</b>				
Regular School Lunch	\$ 2,485,874	\$ 2,499,483	\$ 2,562,839	\$ 63,356
A La Carte	499,000	495,000	440,771	(54,229)
Other	305,000	269,596	348,833	79,237
<b>TOTAL OPERATING REVENUES</b>	<b>3,289,874</b>	<b>3,264,079</b>	<b>3,352,443</b>	<b>88,364</b>
<b>OPERATING EXPENSES</b>				
Salaries	2,902,095	2,884,893	2,962,474	(77,581)
Benefits	1,028,549	1,048,884	1,086,477	(37,593)
Purchased Food and Commodities	2,084,100	2,128,440	2,486,640	(358,200)
Nonfood Supplies	190,000	190,000	228,670	(38,670)
Purchased Services	110,000	85,000	91,833	(6,833)
Depreciation	56,500	52,000	31,580	20,420
Other	160,000	125,000	52,254	72,746
Reserves	195,937	195,427	-	195,427
<b>TOTAL OPERATING EXPENSES</b>	<b>6,727,181</b>	<b>6,709,644</b>	<b>6,939,928</b>	<b>(230,284)</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(3,437,307)</b>	<b>(3,445,565)</b>	<b>(3,587,485)</b>	<b>(141,920)</b>
<b>NONOPERATING REVENUES</b>				
USDA Donated Commodities	350,000	362,640	361,124	(1,516)
Federal Reimbursements	2,615,205	2,477,323	2,622,522	145,199
State Sources	60,000	67,000	66,218	(782)
Insurance Proceeds	-	126,500	146,689	20,189
<b>TOTAL NONOPERATING REVENUES</b>	<b>3,025,205</b>	<b>3,033,463</b>	<b>3,196,553</b>	<b>163,090</b>
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(412,102)</b>	<b>(412,102)</b>	<b>(390,932)</b>	<b>21,170</b>
<b>TRANSFERS</b>				
Transfers In	225,000	225,000	405,017	180,017
<b>CHANGE IN NET POSITION</b>	<b>(187,102)</b>	<b>(187,102)</b>	<b>14,085</b>	<b>201,187</b>
<b>NET POSITION, Beginning</b>	<b>187,102</b>	<b>187,102</b>	<b>187,102</b>	<b>-</b>
<b>NET POSITION, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 201,187</b>	<b>\$ 201,187</b>

See the accompanying Independent Auditors' Report.



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## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to accumulate and allocate costs internally among the district's various functions.

*Health Insurance Fund* - This fund is used to account for claims and administrative fees of the district's health insurance employee benefit program.

*Dental Insurance Fund* - This fund is used to account for claims and administrative fees of the district's dental insurance employee benefit program.



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# Boulder Valley School District RE-2

## COMBINING STATEMENT OF NET POSITION

### INTERNAL SERVICE FUNDS

June 30, 2014

	HEALTH INSURANCE FUND	DENTAL INSURANCE FUND	TOTAL
<b>ASSETS</b>			
Cash and Investments	\$ 8,549,451	\$ 876,239	\$ 9,425,690
TOTAL ASSETS	8,549,451	876,239	9,425,690
<b>LIABILITIES</b>			
Claims Payable	3,529,431	510,792	4,040,223
Accrued Salaries and Benefits	276	275	551
TOTAL LIABILITIES	3,529,707	511,067	4,040,774
<b>NET POSITION</b>			
Unrestricted	5,019,744	365,172	5,384,916
TOTAL NET POSITION	\$ 5,019,744	\$ 365,172	\$ 5,384,916

See the accompanying Independent Auditors' Report.

**Boulder Valley School District RE-2**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**Year Ended June 30, 2014**

	HEALTH INSURANCE FUND	DENTAL INSURANCE FUND	TOTAL
<b>OPERATING REVENUES</b>			
Premiums and Services	\$ 26,095,826	\$ 2,296,005	\$ 28,391,831
Other	379,902	529	380,431
	<hr/>	<hr/>	<hr/>
TOTAL OPERATING REVENUES	26,475,728	2,296,534	28,772,262
	<hr/>	<hr/>	<hr/>
<b>OPERATING EXPENSES</b>			
Salaries	120,904	28,221	149,125
Benefits	31,604	7,027	38,631
Insurance Premiums and Claims	24,506,166	2,147,426	26,653,592
Administrative Fees	824,086	166,053	990,139
Other	1,686,199	28,125	1,714,324
	<hr/>	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	27,168,959	2,376,852	29,545,811
	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION	(693,231)	(80,318)	(773,549)
	<hr/>	<hr/>	<hr/>
<b>NET POSITION, Beginning</b>	5,712,975	445,490	6,158,465
	<hr/>	<hr/>	<hr/>
<b>NET POSITION, Ending</b>	\$ 5,019,744	\$ 365,172	\$ 5,384,916
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See the accompanying Independent Auditors' Report.

# Boulder Valley School District RE-2

## COMBINING STATEMENT OF CASH FLOWS

### INTERNAL SERVICE FUNDS

#### Increase (Decrease) in Cash and Cash Equivalents

Year Ended June 30, 2014

	HEALTH INSURANCE FUND	DENTAL INSURANCE FUND	TOTAL
<b>Cash Flows From Operating Activities</b>			
Premiums Received	\$ 26,475,728	\$ 2,296,534	\$ 28,772,262
Cash Payments for Premiums and Claims	(26,459,983)	(2,249,340)	(28,709,323)
Cash Paid to Employees	(155,699)	(38,445)	(194,144)
Net Cash Provided (Used) by Operating Activities	(139,954)	8,749	(131,205)
Net Change in Cash and Cash Equivalents	(139,954)	8,749	(131,205)
<b>CASH AND CASH EQUIVALENTS, Beginning</b>	8,689,405	867,490	9,556,895
<b>CASH AND CASH EQUIVALENTS, Ending</b>	<u>\$ 8,549,451</u>	<u>\$ 876,239</u>	<u>\$ 9,425,690</u>
<b>RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Change in Net Position	\$ (693,231)	\$ (80,318)	\$ (773,549)
Adjustments to Reconcile Change in Net Position to Net Cash Provided (Used) by Operating Activities			
Changes in Assets and Liabilities Related to Operations			
Claims Payable	556,468	92,264	648,732
Accrued Salaries and Benefits	(3,191)	(3,197)	(6,388)
Net Cash Provided (Used) by Operating Activities	<u>\$ (139,954)</u>	<u>\$ 8,749</u>	<u>\$ (131,205)</u>

See the accompanying Independent Auditors' Report.

# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### HEALTH INSURANCE FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>OPERATING REVENUES</b>				
Premiums and Services	\$ 25,120,088	\$ 25,120,088	\$ 26,095,826	\$ 975,738
Other	538,867	538,867	379,902	(158,965)
<b>TOTAL OPERATING REVENUES</b>	<u>25,658,955</u>	<u>25,658,955</u>	<u>26,475,728</u>	<u>816,773</u>
<b>OPERATING EXPENSES</b>				
Salaries	124,527	125,164	120,904	4,260
Benefits	34,364	33,956	31,604	2,352
Insurance Premiums and Claims	26,823,853	26,823,853	24,506,166	2,317,687
Administrative Fees	1,007,348	1,007,348	824,086	183,262
Other	664,292	698,115	1,686,199	(988,084)
Reserves	1,854,616	2,683,494	-	2,683,494
<b>TOTAL OPERATING EXPENSES</b>	<u>30,509,000</u>	<u>31,371,930</u>	<u>27,168,959</u>	<u>4,202,971</u>
<b>CHANGE IN NET POSITION</b>	<u>(4,850,045)</u>	<u>(5,712,975)</u>	<u>(693,231)</u>	<u>5,019,744</u>
<b>NET POSITION, Beginning</b>	<u>4,850,045</u>	<u>5,712,975</u>	<u>5,712,975</u>	<u>-</u>
<b>NET POSITION, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,019,744</u>	<u>\$ 5,019,744</u>

See the accompanying Independent Auditors' Report.



# Boulder Valley School District RE-2

## BUDGETARY COMPARISON SCHEDULE

### DENTAL INSURANCE FUND

Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>OPERATING REVENUES</b>				
Premiums and Services	\$ 2,240,172	\$ 2,240,172	\$ 2,296,005	\$ 55,833
Other	1,000	1,000	529	(471)
<b>TOTAL OPERATING REVENUES</b>	<u>2,241,172</u>	<u>2,241,172</u>	<u>2,296,534</u>	<u>55,362</u>
<b>OPERATING EXPENSES</b>				
Salaries	28,165	28,886	28,221	665
Benefits	7,485	7,950	7,027	923
Insurance Premiums and Claims	2,087,738	2,087,738	2,147,426	(59,688)
Administrative Fees	190,000	190,000	166,053	23,947
Other	21,000	21,000	28,125	(7,125)
Reserves	358,887	351,088	-	351,088
<b>TOTAL OPERATING EXPENSES</b>	<u>2,693,275</u>	<u>2,686,662</u>	<u>2,376,852</u>	<u>309,810</u>
<b>CHANGE IN NET POSITION</b>	(452,103)	(445,490)	(80,318)	365,172
<b>NET POSITION, Beginning</b>	<u>452,103</u>	<u>445,490</u>	<u>445,490</u>	<u>-</u>
<b>NET POSITION, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 365,172</u>	<u>\$ 365,172</u>

See the accompanying Independent Auditors' Report.



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## **FIDUCIARY FUNDS**

### **Private Purpose Trust Funds**

*Scholarship Fund* - This fund is used to account for donations and disbursements that are related to specific purposes such as scholarships and awards.

*Trust Fund* - This fund is used to account for the principal trust amounts received from a Japanese Exchange Program and the Carlson, Bostrom, and Bascom Scholarship funds.

### **Agency Fund**

*Agency Fund* - This fund is used to account for receipts and disbursements from student and district fundraising activities.



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**Boulder Valley School District RE-2**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PRIVATE PURPOSE TRUST FUNDS**  
**June 30, 2014**

	<u>SCHOLARSHIP</u>	<u>TRUST</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and Investments	<u>\$ 1,122,360</u>	<u>\$ 210,357</u>	<u>\$ 1,332,717</u>
TOTAL ASSETS	<u>1,122,360</u>	<u>210,357</u>	<u>1,332,717</u>
<b>NET POSITION</b>			
Held in Trust for Scholarships	<u><u>\$ 1,122,360</u></u>	<u><u>\$ 210,357</u></u>	<u><u>\$ 1,332,717</u></u>

See the accompanying Independent Auditors' Report.

**Boulder Valley School District RE-2**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PRIVATE PURPOSE TRUST FUNDS**  
**Year Ended June 30, 2014**

	<u>SCHOLARSHIP</u>	<u>TRUST</u>	<u>TOTAL</u>
<b>ADDITIONS</b>			
Contributions	<u>\$ 197,223</u>	<u>\$ 428</u>	<u>\$ 197,651</u>
TOTAL ADDITIONS	<u>197,223</u>	<u>428</u>	<u>197,651</u>
<b>DEDUCTIONS</b>			
Scholarships and Awards	<u>19,200</u>	<u>1,500</u>	<u>20,700</u>
CHANGE IN HELD IN TRUST FOR SCHOLARSHIPS	178,023	(1,072)	176,951
<b>HELD IN TRUST FOR SCHOLARSHIPS, Beginning</b>	<u>944,337</u>	<u>211,429</u>	<u>1,155,766</u>
<b>HELD IN TRUST FOR SCHOLARSHIPS, Ending</b>	<u><u>\$ 1,122,360</u></u>	<u><u>\$ 210,357</u></u>	<u><u>\$ 1,332,717</u></u>

See the accompanying Independent Auditors' Report.

**Boulder Valley School District RE-2**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND**  
**Year Ended June 30, 2014**

	<u>Balances 6/30/13</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances 6/30/14</u>
<b>ASSETS</b>				
Cash and Investments - Student Groups	\$ 2,887,330	\$ 8,755,036	\$ 8,744,119	\$ 2,898,247
Cash and Investments - School Groups	834,897	3,364,910	3,147,741	1,052,066
	<u>\$ 3,722,227</u>	<u>\$ 12,119,946</u>	<u>\$ 11,891,860</u>	<u>\$ 3,950,313</u>
<b>LIABILITIES</b>				
Due to Student Groups	\$ 2,887,330	\$ 8,755,036	\$ 8,744,119	\$ 2,898,247
Due to School Groups	834,897	3,364,910	3,147,741	1,052,066
	<u>\$ 3,722,227</u>	<u>\$ 12,119,946</u>	<u>\$ 11,891,860</u>	<u>\$ 3,950,313</u>

See the accompanying Independent Auditors' Report.



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## **COMPONENT UNITS**

The component units consist of five charter schools: Boulder Preparatory High, Horizons K-8, Peak to Peak K-12, Summit Middle, and Justice High. The schools have separate governing boards but are dependent upon the district for the majority of their funding.

# Boulder Valley School District RE-2

## COMBINING STATEMENT OF NET POSITION

### COMPONENT UNITS

June 30, 2014

	BOULDER PREP	HORIZONS	PEAK TO PEAK
<b>ASSETS</b>			
Cash and Investments	\$ 217,508	\$ 948,284	\$ 3,984,667
Restricted Cash and Investments	-	-	2,706,726
Accounts Receivable	-	321	16,623
Grants Receivable	-	31,319	-
Inventories	-	1,625	-
Prepaid Expenses	-	-	15,050
Capital Assets, Not Being Depreciated	117,675	-	1,756,655
Capital Assets, Net of Accumulated Depreciation	286,489	76,144	14,604,192
<b>TOTAL ASSETS</b>	<b>621,672</b>	<b>1,057,693</b>	<b>23,083,913</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Loss on Debt Refunding, Net of Accumulated Amortization	-	-	3,651,949
<b>LIABILITIES</b>			
Accounts Payable	-	60,319	355,593
Accrued Summer Salaries	-	158,577	479,876
Accrued Salaries and Benefits	892	15,475	-
Unearned Revenues	-	-	26,471
Accrued Interest Payable	-	-	377,782
Noncurrent Liabilities			
Due Within One Year	9,084	-	2,568
Due in More Than One Year	201,662	-	19,715,508
<b>TOTAL LIABILITIES</b>	<b>211,638</b>	<b>234,371</b>	<b>20,957,798</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	193,418	76,144	355,944
Restricted for Advanced Placement Testing Nonexpendable	-	-	10,000
Restricted for Debt Service	-	-	2,044,033
Restricted for Repairs and Replacements	-	-	250,056
Restricted for Capital Renewal	-	5,000	-
Restricted for Emergencies	35,404	92,769	448,261
Unrestricted	181,212	649,409	2,669,770
<b>TOTAL NET POSITION</b>	<b>\$ 410,034</b>	<b>\$ 823,322</b>	<b>\$ 5,778,064</b>

See the accompanying Independent Auditors' Report.

SUMMIT	JUSTICE HIGH	TOTAL
\$ 2,025,309	\$ 72,211	\$ 7,247,979
-	-	2,706,726
1,695	-	18,639
-	-	31,319
-	-	1,625
-	-	15,050
-	-	1,874,330
20,667	-	14,987,492
2,047,671	72,211	26,883,160
-	-	3,651,949
-	-	415,912
128,012	-	766,465
18,131	-	34,498
5,730	-	32,201
-	-	377,782
-	-	11,652
-	-	19,917,170
151,873	-	21,555,680
20,667	-	646,173
-	-	10,000
-	-	2,044,033
-	-	250,056
-	-	5,000
93,951	25,226	695,611
1,781,180	46,985	5,328,556
\$ 1,895,798	\$ 72,211	\$ 8,979,429

# Boulder Valley School District RE-2

## COMBINING STATEMENT OF ACTIVITIES

### COMPONENT UNITS

Year Ended June 30, 2014

	BOULDER PREP	HORIZONS	PEAK TO PEAK
<b>EXPENSES</b>			
Instruction	\$ 806,206	\$ 2,298,082	\$ 8,009,468
Supporting Services	411,400	1,046,268	5,433,807
Interest and Fiscal Charges	6,659	-	1,176,424
Component Unit	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	1,224,265	3,344,350	14,619,699
	<hr/>	<hr/>	<hr/>
<b>PROGRAM REVENUES</b>			
Charges for Services	-	197,459	1,344,049
Operating Grants and Contributions	187,774	62,891	342,706
Capital Grants and Contributions	-	103,166	108,315
	<hr/>	<hr/>	<hr/>
TOTAL PROGRAM REVENUES	187,774	363,516	1,795,070
	<hr/>	<hr/>	<hr/>
NET EXPENSE (REVENUE)	(1,036,491)	(2,980,834)	(12,824,629)
	<hr/>	<hr/>	<hr/>
<b>GENERAL REVENUES</b>			
Per Pupil Revenues	673,406	2,196,410	9,261,281
At-Risk Supplemental Aid	19,900	-	-
Mill Levy Override	222,088	739,870	3,085,441
Grants and Contributions Not Restricted to Specific Programs	18,444	271,386	382,160
Capital Construction Funding	10,155	30,062	134,268
Investment Earnings	-	-	12,871
Other	329	13,246	76,955
	<hr/>	<hr/>	<hr/>
TOTAL GENERAL REVENUES	944,322	3,250,974	12,952,976
	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION	(92,169)	270,140	128,347
	<hr/>	<hr/>	<hr/>
<b>NET POSITION, Beginning</b>	502,203	553,182	5,649,717
	<hr/>	<hr/>	<hr/>
<b>NET POSITION, Ending</b>	<u>\$ 410,034</u>	<u>\$ 823,322</u>	<u>\$ 5,778,064</u>

See the accompanying Independent Auditors' Report.

SUMMIT	JUSTICE HIGH	TOTAL
\$ 1,878,637	\$ 454,317	\$ 13,446,710
1,171,211	484,418	8,547,104
-	-	1,183,083
11,352	-	11,352
3,061,200	938,735	23,188,249
91,548	-	1,633,056
65,079	247,906	906,356
-	-	211,481
156,627	247,906	2,750,893
(2,904,573)	(690,829)	(20,437,356)
2,246,087	533,162	14,910,346
-	8,747	28,647
727,212	82,298	4,856,909
99,897	15,852	787,739
10,498	9,585	194,568
3,110	-	15,981
-	-	90,530
3,086,804	649,644	20,884,720
182,231	(41,185)	447,364
1,713,567	113,396	8,532,065
\$ 1,895,798	\$ 72,211	\$ 8,979,429



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## **STATISTICAL SECTION**



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# **Boulder Valley School District RE-2**

## **STATISTICAL SECTION**

### **TABLE OF CONTENTS**

This section of the Boulder Valley School District RE-2's Comprehensive Annual Financial Report presents detailed data as a context for understanding the information in the financial statements, note disclosures, and required supplementary information.

<b>Contents</b>	<b>Tables</b>	<b>Pages</b>
<b>Financial Trends</b>		
These tables contain trend information to help the reader understand how the district's financial condition has changed over time.	1- 4	86 - 89
<b>Revenue Capacity</b>		
These tables contain information to help the reader assess the district's largest revenue source: property taxes.	5 - 8	90 - 93
<b>Debt Capacity</b>		
These tables present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	9 - 12	94 - 97
<b>Demographic and Economic Information</b>		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	13 -14	98 - 99
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These tables contain service data to help the reader understand how the information in the financial report relates to the services the district provides and the activities it performs.	15-18	100 - 106

# Boulder Valley School District RE-2

## NET POSITION BY COMPONENT

Last 10 Fiscal Years

(Unaudited)

	<u>June 30, 2005</u>	<u>June 30, 2006</u>	<u>June 30, 2007</u>	<u>June 30, 2008</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 49,692,959	\$ 51,647,224	\$ 53,686,966	\$ 65,773,525
Restricted	23,690,482	24,912,968	32,797,516	31,414,692
Unrestricted	14,408,303	18,100,286	20,535,493	16,090,059
Total Governmental Activities	<u>87,791,744</u>	<u>94,660,478</u>	<u>107,019,975</u>	<u>113,278,276</u>
Business-Type Activities				
Net Investment in Capital Assets	249,763	241,459	217,527	356,784
Restricted	160,179	156,368	163,236	170,927
Unrestricted	643,460	483,950	190,339	(19,621)
Total Business-Type Activities	<u>1,053,402</u>	<u>881,777</u>	<u>571,102</u>	<u>508,090</u>
Primary Government				
Net Investment in Capital Assets	49,942,722	51,888,683	53,904,493	66,130,309
Restricted	23,850,661	25,069,336	32,960,752	31,585,619
Unrestricted	15,051,763	18,584,236	20,725,832	16,070,438
Total Primary Government	<u>\$ 88,845,146</u>	<u>\$ 95,542,255</u>	<u>\$ 107,591,077</u>	<u>\$ 113,786,366</u>

\* The district adopted GASB 65 in 2013. Issuance costs have been restated as of June 30, 2012.

Table 1

<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>
\$ 69,851,279	\$ 79,862,762	\$ 80,504,664	\$ 85,372,124	\$ 92,872,518	\$ 90,807,938
36,657,498	39,488,349	33,808,972	33,189,140	33,197,541	33,435,619
10,570,286	13,097,872	32,745,041	29,790,356	24,175,800	19,764,725
<u>117,079,063</u>	<u>132,448,983</u>	<u>147,058,677</u>	<u>148,351,620</u>	<u>150,245,859</u>	<u>144,008,282</u>
300,555	247,954	221,203	175,072	147,140	171,320
182,553	176,491	286,940	175,308	187,102	195,427
(148,996)	(788,601)	(322,254)	(175,072)	(147,140)	(165,560)
<u>334,112</u>	<u>(364,156)</u>	<u>185,889</u>	<u>175,308</u>	<u>187,102</u>	<u>201,187</u>
70,151,834	80,110,716	80,725,867	85,547,196	93,019,658	90,979,258
36,840,051	39,664,840	34,095,912	33,364,448	33,384,643	33,631,046
10,421,290	12,309,271	32,422,787	31,503,876	24,028,660	19,599,165
<u>\$ 117,413,175</u>	<u>\$ 132,084,827</u>	<u>\$ 147,244,566</u>	<u>\$ 150,415,520</u>	<u>\$ 150,432,961</u>	<u>\$ 144,209,469</u>

# Boulder Valley School District RE-2

## CHANGES IN NET POSITION

Last 10 Fiscal Years

(Unaudited)

	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008
Primary Government				
Expenses				
Governmental Activities				
Instruction	\$ 156,019,891	\$ 159,937,412	\$ 162,839,335	\$ 174,678,565
Supporting Services	70,880,775	76,041,071	85,954,536	94,388,108
Interest Expense	7,041,788	6,732,020	8,429,419	9,817,663
Total Governmental Activities	233,942,454	242,710,503	257,223,290	278,884,336
Business-Type Activities				
Food Services	4,968,538	5,211,811	5,625,673	5,728,486
Total Business-Type Activities	4,968,538	5,211,811	5,625,673	5,728,486
Total Primary Government Expenses	238,910,992	247,922,314	262,848,963	284,612,822
Program Revenues				
Governmental Activities				
Charges for Services				
Instruction	3,938,124	1,071,875	729,238	805,306
Supporting Services	1,110,965	8,154,329	9,737,651	10,496,456
Operating Grants and Contributions	19,381,843	19,442,789	20,948,003	19,718,065
Capital Grants and Contributions	-	-	-	-
Total Governmental Activities	24,430,932	28,668,993	31,414,892	31,019,827
Business-Type Activities				
Charges for Services				
Food Services	3,370,264	3,371,042	3,486,250	3,649,198
Operating Grants and Contributions	1,533,700	1,669,144	1,828,748	2,016,276
Total Business-Type Activities	4,903,964	5,040,186	5,314,998	5,665,474
Total Primary Government Program Revenues	29,334,896	33,709,179	36,729,890	36,685,301
Net (Expense) Revenue				
Governmental Activities	(209,511,522)	(214,041,510)	(225,808,398)	(247,864,509)
Business-Type Activities	(64,574)	(171,625)	(310,675)	(63,012)
Total Primary Government Net (Expense)	(209,576,096)	(214,213,135)	(226,119,073)	(247,927,521)
General Revenues and Transfers				
Governmental Activities				
Property Taxes	148,506,345	154,646,048	164,129,499	174,440,943
Specific Ownership Taxes	11,254,363	10,887,850	11,108,990	11,258,208
State Equalization	49,628,580	51,919,871	58,089,462	56,336,553
State Fiscal Stabilization Fund	-	-	-	-
Investment Earnings	555,174	1,192,940	3,629,865	7,152,235
Insurance Proceeds	-	-	-	-
Other Revenues	5,503,310	2,263,535	1,210,079	4,834,871
Transfers	-	-	-	-
Total Governmental Activities	215,447,772	220,910,244	238,167,895	254,022,810
Business-Type Activities				
Transfers	-	-	-	-
Total Primary Government Revenues and Transfers	215,447,772	220,910,244	238,167,895	254,022,810
Change in Net Position				
Governmental Activities	5,936,250	6,868,734	12,359,497	6,158,301
Business-type Activities	(64,574)	(171,625)	(310,675)	(63,012)
Total Primary Government	\$ 5,871,676	\$ 6,697,109	\$ 12,048,822	\$ 6,095,289

Table 2

June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
\$ 184,528,008	\$ 184,537,048	\$ 188,306,226	\$ 200,020,904	\$ 205,026,722	\$ 214,083,289
91,944,942	93,260,558	102,051,046	103,678,052	98,720,151	114,982,286
13,076,805	16,358,947	16,456,075	15,993,118	15,258,134	14,685,794
289,549,755	294,156,553	306,813,347	319,692,074	319,005,007	343,751,369
5,708,651	6,033,046	5,735,910	5,946,779	6,350,628	6,939,928
5,708,651	6,033,046	5,735,910	5,946,779	6,350,628	6,939,928
295,258,406	300,189,599	312,549,257	325,638,853	325,355,635	350,691,297
850,255	885,640	1,049,174	1,253,365	1,262,543	7,229,664
10,908,725	10,934,983	10,931,866	11,245,296	11,851,986	6,857,643
20,861,065	24,748,470	25,719,981	23,819,210	22,481,256	22,613,126
-	3,747,258	386,381	6,531,809	2,708,752	-
32,620,045	40,316,351	38,087,402	42,849,680	38,304,537	36,700,433
3,124,504	2,696,927	2,545,086	2,823,846	3,062,748	3,352,443
2,185,169	2,412,851	2,486,869	2,713,851	2,846,872	3,049,864
5,309,673	5,109,778	5,031,955	5,537,697	5,909,620	6,402,307
37,929,718	45,426,129	43,119,357	48,387,377	44,214,157	43,102,740
(256,929,710)	(253,840,202)	(268,725,945)	(276,842,394)	(280,700,470)	(307,050,936)
(398,978)	(923,268)	(703,955)	(409,082)	(441,008)	(537,621)
(257,328,688)	(254,763,470)	(269,429,900)	(277,251,476)	(281,141,478)	(307,588,557)
182,808,375	193,973,616	212,383,487	211,385,970	214,017,080	221,192,341
9,995,765	9,251,558	9,404,630	9,836,876	10,466,659	11,583,505
61,973,644	64,227,060	53,462,090	56,488,225	57,695,380	61,203,456
-	-	7,628,224	180,742	-	33,500
2,288,518	716,554	444,720	126,883	85,715	38,554
-	-	-	-	-	4,920,401
3,989,195	1,266,334	1,266,488	1,989,913	782,677	2,393,308
-	(225,000)	(1,254,000)	(398,501)	(452,802)	(405,017)
261,055,497	269,210,122	283,335,639	279,610,108	282,594,709	300,960,048
-	225,000	1,254,000	398,501	452,802	405,017
261,055,497	269,435,122	284,589,639	280,008,609	283,047,511	301,365,065
4,125,787	15,369,920	14,609,694	2,767,714	1,894,239	(6,237,577)
(398,978)	(698,268)	550,045	(10,581)	11,794	14,085
\$ 3,726,809	\$ 14,671,652	\$ 15,159,739	\$ 2,757,133	\$ 1,906,033	\$ (6,223,492)

# Boulder Valley School District RE-2

## FUND BALANCES OF GOVERNMENTAL FUNDS

Last 10 Fiscal Years

(Unaudited)

	2005	2006	2007	2008
General Fund				
Reserved	\$ 6,452,971	\$ 6,416,452	\$ 7,039,417	\$ 7,244,362
Unreserved	12,555,719	17,132,787	21,551,939	14,521,629
Subtotal	19,008,690	23,549,239	28,591,356	21,765,991
Other Governmental Funds				
Reserved	209,028	501,254	521,385	683,809
Unreserved, reported in				
Grants Fund	-	-	-	-
Debt Service Fund	15,577,400	15,912,470	23,304,815	17,282,227
Capital Projects Fund	1,575,024	2,310,761	122,941,492	93,862,349
Special Revenue Fund	-	143,238	682,392	318,922
Subtotal	17,361,452	18,867,723	147,450,084	112,147,307
Total Governmental Funds	<u>\$ 36,370,142</u>	<u>\$ 42,416,962</u>	<u>\$ 176,041,440</u>	<u>\$ 133,913,298</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Subtotal	-	-	-	-
Other Governmental Funds				
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Subtotal	-	-	-	-
Total Governmental Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: The district adopted GASB 54 for fiscal year 2011.

Table 3

2009	2010	2011	2012	2013	2014
\$ 7,543,322	\$ 7,441,515	\$ -	\$ -	\$ -	\$ -
12,092,348	12,203,848	-	-	-	-
19,635,670	19,645,363	-	-	-	-
1,135,289	1,246,044	-	-	-	-
-	(1,422,177)	-	-	-	-
20,663,878	24,032,073	-	-	-	-
169,505,386	101,209,140	-	-	-	-
-	-	-	-	-	-
191,304,553	125,065,080	-	-	-	-
<u>\$ 210,940,223</u>	<u>\$ 144,710,443</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ 373,499	\$ 375,768	\$ 679,078	\$ 956,496
-	-	8,446,994	8,837,606	8,835,965	9,041,519
-	-	3,579,393	2,471,900	2,636,718	-
-	-	10,785,148	-	-	-
-	-	7,440,288	16,123,842	16,180,855	17,572,988
-	-	30,625,322	27,809,116	28,332,616	27,571,003
-	-	24,974,541	30,816,441	27,945,863	26,592,260
-	-	46,778,607	6,702,180	2,123,646	1,038,977
-	-	(100,540)	-	-	-
-	-	71,652,608	37,518,621	30,069,509	27,631,237
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,277,930</u>	<u>\$ 65,327,737</u>	<u>\$ 58,402,125</u>	<u>\$ 55,202,240</u>

**Boulder Valley School District RE-2**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last 10 Fiscal Years**

	(Unaudited)			
	2005	2006	2007	2008
Revenues				
Local Sources				
Current Property Taxes	\$ 146,875,553	\$ 155,286,194	\$ 165,456,960	\$ 174,006,259
Specific Ownership Taxes	11,254,363	10,887,850	11,108,990	11,258,208
Delinquent Property Taxes	154,876	197,766	988,215	147,499
Grants	625,824	379,077	415,434	425,429
Tuition and Fees	4,178,361	5,856,936	4,978,744	5,026,167
Interest	314,937	1,192,940	3,629,864	7,152,235
Miscellaneous	6,369,584	5,632,801	5,185,099	11,110,467
State Sources				
Equalization	49,628,580	51,919,871	58,089,462	56,336,553
Special Education	3,580,231	4,382,998	4,325,948	4,450,546
State Fiscal Stabilization Fund	-	-	-	-
Transportation	1,817,823	1,812,163	1,953,274	1,629,616
Vocational Education	863,334	745,959	1,382,780	945,566
Grants	1,708,940	699,254	1,431,036	39,200
Medicaid	181,471	205,233	1,512	306,245
Miscellaneous	299,121	342,855	594,242	432,416
Federal Sources				
Grants	10,486,570	10,875,250	10,843,777	11,489,046
Total Revenues	238,339,568	250,417,147	270,385,337	284,755,452
Expenditures				
Regular Instruction	103,615,622	106,537,319	111,167,575	118,137,145
Special Instruction	43,141,666	42,475,585	44,666,239	48,087,295
Instructional Support				
Student Services	5,332,346	5,737,529	6,127,364	7,202,651
Instructional Staff Support	7,943,077	9,200,010	11,265,749	11,976,063
School Administration and Operations				
School Administration	14,292,469	14,968,318	15,818,323	16,473,185
Operations and Maintenance	15,759,700	16,890,272	16,915,946	18,005,709
Student Transportation	6,887,504	7,439,219	7,727,513	8,952,362
District Wide/Community Services				
General Administration	2,715,598	2,832,062	3,132,739	3,253,790
Business Services	2,694,665	2,016,893	2,121,958	2,211,860
Central Services	9,338,785	10,813,212	11,302,707	10,887,214
Enterprise Operations	107,008	-	-	-
Community Services	4,042,492	4,373,239	4,815,749	5,010,135
Adult Basic Education	179,308	92,263	117,797	147,949
Debt Service				
Principal	7,245,000	7,555,000	7,880,000	10,535,000
Interest and Fiscal Charges	7,051,265	6,741,497	6,427,353	11,172,641
Debt Issuance Costs	-	-	687,174	124,702
Capital Outlay	5,525,552	7,171,042	8,002,276	46,175,383
Total Expenditures	235,872,057	244,843,460	258,176,462	318,353,084
Other Financing Sources (Uses)				
Sale of School Property	-	-	-	-
Insurance Proceeds	-	-	-	-
Transfers In	4,232,179	11,644,143	8,032,741	10,484,082
Transfers Out	(4,232,179)	(11,171,010)	(8,032,741)	(14,584,082)
Bonds Issued	-	-	120,000,000	49,910,000
Bond Premium	-	-	1,415,603	2,824,044
Payment to Escrow Agent	-	-	-	(57,164,554)
Total Other Financing Sources (Uses)	-	473,133	121,415,603	(8,530,510)
Net Change in Fund Balances	2,467,511	6,046,820	133,624,478	(42,128,142)
Fund Balance, Beginning	33,902,631	36,370,142	42,416,962	176,041,440
Fund Balance, Ending	<u>\$ 36,370,142</u>	<u>\$ 42,416,962</u>	<u>\$ 176,041,440</u>	<u>\$ 133,913,298</u>
Debt Service as a Percentage of Noncapital Expenditures	6.13%	5.90%	5.87%	7.80%



Table 4

2009	2010	2011	2012	2013	2014
\$ 181,017,953	\$ 193,830,522	\$ 212,310,056	\$ 211,261,417	\$ 213,101,317	\$ 222,253,354
9,995,765	9,251,558	9,404,630	9,836,876	10,466,659	11,583,505
248,156	115,978	227,096	282,202	197,013	215,793
739,098	570,743	643,019	523,146	554,519	639,331
5,868,843	5,856,442	6,068,801	6,543,035	8,390,490	9,649,790
2,288,518	716,554	444,720	126,883	85,715	38,554
9,879,333	10,977,773	7,565,108	10,457,358	5,581,447	6,830,825
61,973,644	64,227,060	53,462,090	56,488,225	57,695,380	61,203,456
4,449,466	4,525,751	4,300,112	4,695,420	4,835,600	5,397,619
-	-	2,116,382	-	-	-
2,244,747	2,506,921	2,730,405	2,915,419	3,172,498	3,205,307
1,098,195	1,391,921	1,059,030	907,589	1,185,965	1,014,120
198,448	649,220	830,508	574,109	314,708	474,378
381,501	529,192	908,801	1,335,538	1,072,354	827,225
400,302	733,858	776,173	766,433	798,632	874,855
11,349,308	12,418,687	21,405,952	12,282,298	10,546,199	10,213,791
292,133,277	308,302,180	324,252,883	318,995,948	317,998,496	334,421,903
124,512,216	129,345,449	129,694,776	134,540,220	138,803,749	147,962,035
48,462,119	48,778,916	48,672,908	48,722,631	48,355,374	51,208,372
7,726,360	8,338,184	7,821,093	10,695,514	11,059,003	12,240,626
11,489,131	12,228,132	11,839,653	11,754,232	11,261,483	12,512,844
17,865,922	18,299,706	18,178,756	19,037,915	19,527,725	20,442,615
18,855,666	20,526,501	20,406,434	20,261,982	21,315,547	22,312,345
9,218,669	10,146,947	10,954,306	11,874,817	11,255,337	12,030,563
2,757,510	2,678,408	2,783,571	2,916,898	3,014,889	3,030,421
2,693,872	2,803,873	2,593,077	2,742,194	3,098,198	3,773,977
10,956,736	10,173,778	10,299,898	12,044,255	11,505,688	17,696,836
-	-	90,810	52,735	141,375	3,053
4,981,140	5,034,613	5,065,759	4,921,301	4,868,036	5,152,983
116,098	97,140	149,707	135,188	150,971	325,253
10,105,000	9,870,000	11,570,000	14,890,000	12,250,000	12,790,000
12,477,695	17,036,074	17,075,900	16,615,268	15,882,292	15,312,930
1,330,325	453,110	-	-	-	-
112,036,962	76,734,547	66,234,748	45,481,450	12,291,962	5,195,630
395,585,421	372,545,378	363,431,396	356,686,600	324,781,629	341,990,483
-	-	-	1,138,960	-	-
-	-	-	-	310,323	4,773,712
4,754,381	5,281,112	12,051,538	8,098,037	6,072,727	5,038,558
(4,979,381)	(5,506,112)	(15,305,538)	(8,496,538)	(6,525,529)	(5,443,575)
176,800,000	53,645,000	-	-	-	-
3,904,069	2,385,564	-	-	-	-
-	(57,792,146)	-	-	-	-
180,479,069	(1,986,582)	(3,254,000)	740,459	(142,479)	4,368,695
77,026,925	(66,229,780)	(42,432,513)	(36,950,193)	(6,925,612)	(3,199,885)
133,913,298	210,940,223	144,710,443	102,277,930	65,327,737	58,402,125
\$ 210,940,223	\$ 144,710,443	\$ 102,277,930	\$ 65,327,737	\$ 58,402,125	\$ 55,202,240
8.34%	9.18%	9.30%	9.97%	9.11%	8.27%

**Boulder Valley School District RE-2**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last 10 Fiscal Years**

(Unaudited)

Collection Year	Taxable Assessed Value				Total Direct Tax Rate*
	Residential Property	Commercial Property	All Other	Total	
2005	1,974,598,660	1,681,144,196	319,779,595	3,975,522,451	37.423
2006	2,064,990,490	1,766,828,760	322,566,613	4,154,385,863	37.685
2007	2,096,273,840	1,764,603,370	304,095,073	4,164,972,283	39.564
2008	2,334,001,690	1,956,154,040	337,926,058	4,628,081,788	37.865
2009	2,334,456,140	2,047,735,440	299,416,056	4,681,607,636	39.113
2010	2,451,438,580	1,562,360,162	864,866,444	4,878,665,186	39.999
2011	2,470,710,400	1,656,952,142	737,801,555	4,865,464,097	43.838
2012	2,429,617,885	1,599,185,710	699,134,869	4,727,938,464	44.843
2013	2,447,708,360	1,599,001,398	685,388,865	4,732,098,623	45.547
2014	2,503,236,110	1,701,380,837	698,454,024	4,903,070,971	45.372

\* Tax rates are per \$1,000 of assessed value

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

**Table 5**

Estimated Actual Value	Ratio of Estimated Actual Value to Assessed Value	Assessment Rate	
		Residential	All Other
31,834,021,863	8.0075	7.96%	29.00%
33,273,880,826	8.0093	7.96%	29.00%
33,586,945,608	8.0641	7.96%	29.00%
36,648,062,817	7.9186	7.96%	29.00%
37,827,103,800	8.0799	7.96%	29.00%
38,364,291,949	7.8637	7.96%	29.00%
38,538,770,816	7.9209	7.96%	29.00%
39,739,863,309	8.4053	7.96%	29.00%
39,966,908,824	8.4459	7.96%	29.00%
41,090,894,471	8.3806	7.96%	29.00%



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# Boulder Valley School District RE-2

Table 6

## PROPERTY TAX LEVIES AND COLLECTIONS

Last 10 Fiscal Years

(Unaudited)

Levy Year	Collection Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collected	Delinquent Tax Collections	Total Collections	
						Amount	Percent of Levy
2004	2005	149,047,366	147,225,944	98.78%	139,537	147,365,481	98.87%
2005	2006	156,558,031	155,286,194	99.19%	197,766	155,483,960	99.31%
2006	2007	164,782,963	161,992,586	98.31%	96,132	162,088,718	98.36%
2007	2008	175,242,316	172,742,380	98.57%	47,942	172,790,322	98.60%
2008	2009	183,111,718	178,265,743	97.35%	184,636	178,450,379	97.45%
2009	2010	195,141,729	190,148,336	97.44%	80,169	190,228,505	97.48%
2010	2011	213,292,216	208,270,983	97.65%	149,647	208,420,630	97.72%
2011	2012	212,014,945	207,164,133	97.71%	167,457	207,331,590	97.79%
2012	2013	215,532,897	209,935,274	97.40%	126,768	210,062,042	97.46%
2013	2014*	222,462,137	218,064,909	98.02%	151,746	218,216,655	98.09%

\* Collections through July 31, 2014

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

**Boulder Valley School District RE-2**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**Last 10 Fiscal Years**

(Unaudited)

	2005	2006	2007	2008
Boulder Valley School District RE-2				
General Fund				
School Finance Act	26.049	25.023	25.023	25.023
Budget Election	8.193	7.862	7.842	7.057
Abatements and Refunds	0.176	0.461	0.288	0.229
Subtotal General Fund	34.418	33.346	33.153	32.309
Transportation Fund	-	1.065	1.509	1.414
Bond Redemption Fund	3.005	3.274	4.902	4.142
Total Boulder Valley School District RE-2	37.423	37.685	39.564	37.865
Boulder County	21.267	21.867	22.467	22.467
Cities and Towns				
Boulder	10.005	9.643	9.889	9.201
Broomfield	28.986	28.968	28.968	28.968
Lafayette	10.710	11.848	11.779	10.641
Louisville	6.710	6.710	6.710	6.710
Jamestown	21.400	21.400	21.400	21.400
Nederland	14.765	14.572	14.572	14.070
Superior	8.805	8.805	8.805	8.050
Ward	2.709	2.300	2.730	2.699
	104.090	104.246	104.853	101.739
Special Districts (Ranges)	.538 to 89.500	.538 to 99.000	.542 to 49.500	.507 to 49.500
Fire Districts (Ranges)	2.500 to 11.433	2.500 to 11.325	2.500 to 11.747	2.500 to 11.747
Water/Sanitation Districts (Ranges)	.230 to 17.957	.222 to 18.141	.214 to 18.482	.197 to 21.825

Note: Overlapping rates are those of governments that apply to property owners within the Boulder Valley School District RE-2 boundries. Not all overlapping rates apply to all district property owners (e. g. the rates for Special Districts apply only to the district's property owners whose property is located within the geographic boundaries of the Special District).

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

Table 7

2009	2010	2011	2012	2013	2014
25.023	25.023	25.023	25.023	25.023	25.023
6.977	6.695	11.338	12.096	12.620	12.576
0.125	0.220	0.186	0.181	0.354	0.492
32.125	31.938	36.547	37.300	37.997	38.091
1.559	1.496	1.500	1.544	1.543	1.489
5.429	6.565	5.791	5.999	6.007	5.792
39.113	39.999	43.838	44.843	45.547	45.372
23.067	23.667	24.645	24.645	24.645	25.120
9.841	10.295	10.818	11.981	11.981	11.981
28.968	28.968	28.968	28.968	28.968	28.968
15.515	15.009	14.334	14.387	14.379	14.368
6.710	6.710	6.710	6.710	6.710	6.710
21.000	21.000	21.000	21.000	18.500	18.500
15.051	14.883	15.156	16.527	16.917	17.274
8.050	8.050	9.480	9.480	9.430	9.430
2.792	3.480	3.399	3.700	3.800	3.800
107.927	108.395	109.865	112.753	110.685	111.031
.528 to 74.771	.508 to 79.366	.523 to 80.420	.566 to 78.265	.599 to 80.965	.608 to 76.663
2.500 to 15.256	2.500 to 15.192	2.500 to 15.130	2.500 to 15.454	2.500 to 17.445	2.500 to 18.445
.194 to 22.755	.184 to 22.283	.184 to 17.545	.184 to 17.746	.184 to 17.743	.184 to 18.506



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# Boulder Valley School District RE-2

Table 8

## PRINCIPAL PROPERTY TAXPAYERS January 1, 2014 and 9 Years Ago

(Unaudited)

Taxpayer	2014			2005		
	Rank	Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Assessed Valuation	Percentage of Total Assessed Valuation
Xcel Energy	1	98,601,709	2.01%	1	64,779,480	1.63%
Flatiron Property Holding LLC	2	71,112,210	1.45%	10	13,192,940	0.33%
IBM Corporation	3	42,814,028	0.87%	5	29,541,870	0.74%
FSP Corp (380, 385 & 390 Interlocken)	4	34,800,000	0.71%			
Qwest Corporation	5	31,010,600	0.63%	6	27,576,220	0.69%
Level 3 Communications	6	30,608,090	0.62%	4	31,253,880	0.79%
Oracle Corporation	7	30,226,060	0.62%			
Ball Corporation	8	28,455,123	0.58%			
Macerich Twenty Ninth Street LLC	9	26,603,445	0.54%			
Flatiron Investments LP	10	19,726,032	0.40%			
Flatiron Holding LLC				2	45,037,420	1.13%
Roche Colorado Corporation				3	32,819,450	0.83%
Sun Microsystems				7	16,981,740	0.43%
DDR Flatirons LLC				8	14,443,700	0.36%
Storage Technology Corporation				9	13,298,330	0.33%
Subtotal		413,957,297	8.44%		288,925,030	7.26%
Remaining Assessed Valuation		4,489,113,674	91.56%		3,686,597,421	92.72%
Total Assessed Valuation		<u>\$ 4,903,070,971</u>	<u>100.00%</u>		<u>\$ 3,975,522,451</u>	<u>100.00%</u>

Note: Qwest Communications purchased U.S. West Communications in June 2000.

Xcel Energy was formed from the merger of Northern States Power (Minnesota), Northern States Power (Wisconsin) and New Century Energies, which was the result of a prior merger between Public Service Company of Colorado (Denver, CO) and Southwestern Public Service (Amarillo, TX).

Source: Boulder County and Broomfield County Assessors Office

**Boulder Valley School District RE-2**

Table 9

**RATIOS OF OUTSTANDING DEBT BY TYPE****Last 10 Fiscal Years****(Unaudited)**

<b>Fiscal Year</b>	<b>General Obligation Bonds*</b>	<b>Certificates of Participation</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income**</b>	<b>Debt Per Capita**</b>
2005	140,243,475	6,300,000	146,543,475	1.15%	521
2006	133,173,998	5,805,000	138,978,998	1.03%	490
2007	247,188,610	5,300,000	252,488,610	1.76%	869
2008	232,543,125	4,785,000	237,328,125	1.55%	809
2009	403,452,144	4,255,000	407,707,144	2.51%	1,358
2010	391,819,081	3,710,000	395,529,081	2.29%	1,296
2011	380,235,881	3,145,000	383,380,881	2.09%	1,245
2012	367,912,681	-	367,912,681	2.32%	1,223
2013	356,354,757	-	356,354,757	2.23%	1,158
2014	342,645,466	-	342,645,466	1.94%	1,096

\* Includes bond premiums, and prior to 2013, also includes loss on refunding.

\*\* Personal Income and Population data may be found on Table 13.

Source: Boulder Valley School District RE-2

**Boulder Valley School District RE-2**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**Last 10 Fiscal Years**

Table 10

(Unaudited)

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Bond Redemption Fund</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property*</b>	<b>Per Capita**</b>
2005	140,243,475	17,075,783	123,167,692	0.386905847	438
2006	133,173,998	15,577,400	117,596,598	0.353420145	415
2007	247,188,610	15,912,470	231,276,140	0.688589378	796
2008	232,543,125	23,304,815	209,238,310	0.570939618	714
2009	403,452,144	20,663,878	382,788,266	1.011941776	1,275
2010	391,819,081	24,032,073	361,252,927	0.941638458	1,183
2011	380,235,881	24,325,632	355,910,249	0.923512197	1,156
2012	367,912,681	24,457,080	343,455,601	0.864259644	1,142
2013	356,354,757	24,492,573	331,862,184	0.830342385	1,078
2014	342,645,466	24,822,129	317,823,337	0.773464148	1,016

\* The Estimated Actual Value of Property data may be found on Table 5.

\*\* Personal Income and Population data may be found on Table 13.

Source: Boulder Valley School District RE-2

# Boulder Valley School District RE-2

## LEGAL DEBT MARGIN INFORMATION

Last 10 Fiscal Years

(Unaudited)

Assessed Valuation

Debt Limit Percentage

Legal Debt Limit

Debt Outstanding

Legal Debt Margin

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt Limit	\$ 796,554,878	\$ 830,877,173	\$ 832,994,457	\$ 925,616,358	\$ 936,321,527
Debt Applicable To Limit	<u>140,310,000</u>	<u>133,250,000</u>	<u>245,875,000</u>	<u>230,175,000</u>	<u>397,400,000</u>
Legal Debt Margin	<u>\$ 656,244,878</u>	<u>\$ 697,627,173</u>	<u>\$ 587,119,457</u>	<u>\$ 695,441,358</u>	<u>\$ 538,921,527</u>
Total Debt Applicable As A Percentage Of Debt Limit	17.61%	16.04%	29.52%	24.87%	42.44%

**Table 11**

\$ 4,903,070,971

20.00%

980,614,194

337,495,000\$ 643,119,194

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 975,733,037	\$ 973,092,819	\$ 945,587,693	\$ 946,419,725	\$ 980,614,194
<u>385,285,000</u>	<u>374,280,000</u>	<u>362,535,000</u>	<u>350,285,000</u>	<u>337,495,000</u>
<u><u>\$ 590,448,037</u></u>	<u><u>\$ 598,812,819</u></u>	<u><u>\$ 583,052,693</u></u>	<u><u>\$ 596,134,725</u></u>	<u><u>\$ 643,119,194</u></u>
39.49%	38.46%	38.34%	37.01%	34.42%

# Boulder Valley School District RE-2

Table 12

## COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT

June 30, 2014

(Unaudited)

	Outstanding General Obligation Debt	Percentage Applicable to the District (3)	Amount of Outstanding Debt Applicable to the District
Overlapping Debt (1)			
Berthoud Fire Protection District	777,513	100.00%	777,513
Boulder Central Area General Improvement District	11,810,000	100.00%	11,810,000
City of Boulder	72,540,000	100.00%	72,540,000
City of Louisville	3,810,000	100.00%	3,810,000
Colorado Tech Center Metropolitan District	9,175,000	100.00%	9,175,000
East Boulder County Water District	1,160,000	100.00%	1,160,000
Hoover Hill Water and Sanitation District	87,301	100.00%	87,301
Indian Peaks Fire	12,000	100.00%	12,000
Interlocken Consolidated Metropolitan District	93,915,000	100.00%	93,915,000
Lafayette Tech Center General Improvement District	1,900,000	100.00%	1,900,000
North Metro Fire Rescue District	21,875,000	20.88%	4,567,500
Nederland Community Library District	1,789,178	100.00%	1,789,178
Nederland Fire Protection District	560,000	100.00%	560,000
Northern Colorado Water Conservancy District	4,310,040	41.05%	1,769,271
Pine Brook Water District	4,140,000	100.00%	4,140,000
Rocky Mountain Fire	8,225,000	100.00%	8,225,000
Superior/McCaslin Interchange District	3,735,000	100.00%	3,735,000
Superior Metropolitan District #2	2,998,000	100.00%	2,998,000
Superior Metropolitan District #3	1,426,000	100.00%	1,426,000
Town of Erie	20,825,000	1.96%	408,170
Town of Nederland	880,000	100.00%	880,000
Subtotal Overlapping Debt			225,684,933
School District Direct Debt (2)			342,645,466
Total Direct and Overlapping Debt			<u>\$ 568,330,399</u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of outstanding debt of the overlapping governments that is borne by the taxpayers of the district. This process recognizes that, when considering the district's ability to issue and repay long-term debt, the entire debt burden borne by the taxpayers should be taken into account.

Notes:

- (1) Balances as of December 31, 2013
- (2) Balance as of June 30, 2014
- (3) The Percentage Applicable to the district is calculated by taking the percentage of the government's assessed value which is located within the boundaries of the district.

Source: Boulder Valley School District RE-2 and individual entities and the Boulder County and Broomfield County Assessor's Office.

# Boulder Valley School District RE-2

Table 13

## DEMOGRAPHIC AND ECONOMIC STATISTICS

Last 10 Fiscal Years

(Unaudited)

Fiscal Year	*Estimated Population(1)	**Personal Income(1) (millions)	**Per Capita Personal Income(1)	***Enrollment (Student (Funded FTE)	****Unemployment Rate(1)
2005	281,195	12,765	45,394	26,789.5	4.402%
2006	283,644	13,550	47,770	26,741.0	4.009%
2007	290,580	14,385	50,141	26,914.5	3.896%
2008	293,232	15,267	52,601	27,222.5	4.900%
2009	300,136	16,251	55,319	27,455.2	7.500%
2010	305,268	17,241	57,978	27,673.3	6.500%
2011	308,005	18,351	60,962	28,148.8	6.500%
2012	300,823	15,884	52,942	28,317.5	6.200%
2013	307,722	15,993	52,993	28,538.3	6.100%
2014	312,715	17,705	56,732	28,959.2	5.200%

Source: \* Colorado State Demography Office  
 \*\* Global Insight Inc. prior to 2012 and projected by Boulder Valley School District for subsequent years  
 \*\*\* Boulder Valley School District RE-2  
 \*\*\*\* Colorado Department of Labor

Note: (1) Amounts are for the Boulder, CO Metropolitan Statistical Area



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# Boulder Valley School District RE-2

Table 14

## PRINCIPAL EMPLOYERS January 1, 2014 and 9 Years Ago

(Unaudited)

Employer	2014			2005		
	Rank	Number of Employees	Percentage of Total County Employment	Rank	Number of Employees	Percentage of Total County Employment
University of Colorado	1	7,500	3.53%	1	7,100	3.65%
Boulder Valley School District	2	4,133	1.94%	3	4,554	2.34%
St. Vrain Valley School District	3	3,806	1.79%			
International Business Machines	4	3,400	1.60%	2	4,700	2.42%
Level 3 Communications	5	2,500	1.18%	7	2,100	1.08%
Boulder Community Hospital	6	2,350	1.11%	5	2,600	1.34%
Ball Aerospace	7	2,160	1.02%	6	2,600	1.34%
Oracle Corporation	8	1,980	0.93%			
Boulder County	9	1,902	0.80%	8	1,843	0.95%
Covidien	10	1,700	0.89%			
Sun Microsystems, Inc.				4	3,300	1.70%
City of Boulder				9	1,529	0.79%
Seagate				10	1,200	0.62%
Subtotal		31,431	14.79%		31,526	16.23%
Other Employers		181,215	85.21%		162,829	83.77%
Total		212,646	100.00%		194,355	100.00%

Source: Boulder County Business Report Book of Lists, Daily Camera and Colorado Department of Labor

# Boulder Valley School District RE-2

## DISTRICT EMPLOYEES - FULL TIME EQUIVALENTS

Last 10 Fiscal Years

(Unaudited)

	2005	2006	2007	2008	2009
Administrators					
Superintendent	1.00	1.00	1.00	1.00	1.00
Assistant Superintendent	6.80	5.00	6.40	9.50	13.80
Non-Instructional Director	18.20	21.40	21.50	22.70	18.90
Instructional Director	9.00	13.90	11.00	7.70	14.04
Principal	49.60	53.60	51.90	54.10	54.40
Assistant Principal	37.60	35.60	32.90	37.00	40.70
Instructional Program Coord.	1.00	2.40	2.00	2.50	2.00
Non-Instructional Program Coord.	-	-	-	-	-
Subtotal	123.20	132.90	126.70	134.50	144.84
Professional-Instructional					
Teacher, Regular	1,465.40	1,460.20	1,504.60	1,538.20	1,549.50
Teacher, Special Education	199.40	199.00	191.90	190.47	178.60
Teacher, Title I	11.80	15.40	13.50	16.10	15.70
Counselor	55.40	56.40	57.70	65.70	68.20
Curriculum Specialist Consultant	6.50	7.80	13.50	10.97	9.60
Dean	1.60	3.40	4.00	3.20	4.70
Education Diagnostician	-	-	2.60	4.33	4.60
Instructional Program Consultant	1.00	0.80	2.60	8.79	1.00
Librarian/Media Consultant	40.10	41.70	44.10	43.50	42.60
Teacher Mentor	40.60	45.70	58.40	54.90	49.20
Audiologist	2.00	2.00	2.00	1.52	2.06
Licensed Practical Nurse	-	-	1.10	2.10	-
Registered Nurse	13.50	13.40	11.30	15.74	14.91
Occupational Therapist	14.60	14.10	14.50	14.12	15.03
Physical Therapist	1.80	1.90	2.00	2.16	1.76
Psychologist	21.10	23.30	19.70	22.10	46.66
Social Worker	22.00	22.30	20.00	26.40	24.47
Speech-Language Pathologist	34.00	34.90	32.40	28.72	34.62
Subtotal	1,930.80	1,942.30	1,995.90	2,049.02	2,063.21
Professional-Other	87.60	107.10	96.90	112.40	132.75
Paraprofessionals	666.40	674.60	672.30	675.52	757.90
Office/Administrative Support	261.80	265.10	266.60	269.00	268.70
Crafts, Trades, and Services					
Bus Driver	163.20	152.10	164.20	165.80	198.00
Food Service Workers	55.70	44.60	55.70	78.30	84.50
Custodian	152.60	155.70	154.90	153.50	155.70
Maintenance Workers	131.30	125.60	119.00	101.40	95.90
Subtotal	502.80	478.00	493.80	499.00	534.10
Total	3,572.60	3,600.00	3,652.20	3,739.44	3,901.50

Source: Boulder Valley School District RE-2

Table 15

2010	2011	2012	2013	2014
1.00	1.00	1.00	1.00	1.00
12.30	10.50	10.60	11.80	10.80
17.50	17.30	16.60	16.80	15.90
15.57	15.02	13.00	11.61	12.90
54.80	54.80	52.50	52.50	54.20
38.70	37.60	41.10	41.10	41.40
2.00	2.48	5.60	5.83	3.90
-	-	3.77	2.90	3.10
141.87	138.70	144.17	143.54	143.20
1,517.40	1,490.20	1,493.00	1,503.90	1,484.60
180.16	172.87	191.57	188.68	187.53
18.90	21.80	22.70	18.50	18.80
61.80	54.80	66.00	64.20	57.30
4.70	4.10	3.50	3.90	8.60
3.00	2.10	2.00	2.40	2.20
2.76	-	-	-	-
1.25	-	2.00	2.00	-
41.60	40.30	39.00	37.80	40.10
48.90	45.77	45.98	33.90	34.20
1.98	1.50	1.29	1.50	1.50
-	-	-	-	0.46
14.73	12.60	14.86	15.11	13.90
15.13	14.30	15.43	15.57	14.81
2.06	2.00	2.30	2.30	2.30
25.81	26.04	28.80	24.32	21.01
21.63	18.60	18.71	16.90	18.50
29.73	36.26	37.99	44.36	42.02
1,991.54	1,943.24	1,985.13	1,975.34	1,947.83
132.36	130.46	134.56	138.18	135.10
727.88	686.77	708.69	668.55	634.46
254.77	241.58	238.32	253.92	250.88
196.10	190.60	176.90	178.90	165.90
100.60	91.80	81.70	89.20	91.00
160.30	150.70	145.70	150.90	149.20
92.10	88.60	88.60	84.10	87.30
549.10	521.70	492.90	503.10	493.40
3,797.52	3,662.45	3,703.77	3,682.63	3,604.87

# Boulder Valley School District RE-2

## SCHOOL BUILDING INFORMATION

Last 10 Fiscal Years

(Unaudited)

School	2005	2006	2007	2008	2009	2010	2011
<u>Elementary Schools</u>							
Bear Creek							
Square Feet	39,549	39,549	39,549	39,549	39,549	39,549	54,853
Capacity	350	370	350	350	350	350	355
Enrollment	337	348	343	361	362	352	367
Birch							
Square Feet	44,714	44,714	44,714	44,714	44,714	44,714	51,192
Capacity	438	463	463	463	463	440	405
Enrollment	403	409	415	425	448	426	443
BCSIS							
Square Feet	25,922	25,922	25,922	25,922	25,922	31,745	31,745
Capacity	230	230	230	230	230	280	280
Enrollment	259	285	287	287	290	284	300
Coal Creek							
Square Feet	53,916	53,916	53,916	53,916	53,916	53,916	52,476
Capacity	460	460	465	465	465	485	490
Enrollment	511	491	478	470	470	448	464
Columbine							
Square Feet	48,078	48,078	48,078	48,078	48,078	50,938	68,294
Capacity	352	413	431	431	431	431	455
Enrollment	346	384	402	368	379	398	410
Community Montessori							
Square Feet	42,583	42,583	42,583	42,583	42,583	42,588	42,588
Capacity	140	180	200	200	200	280	280
Enrollment	148	193	215	228	225	237	251
Creekside							
Square Feet	46,976	46,976	46,976	46,976	46,976	46,976	50,661
Capacity	289	316	316	316	316	334	441
Enrollment	285	269	329	330	344	345	348
Crest View							
Square Feet	55,007	55,007	55,007	55,007	67,266	66,884	66,884
Capacity	485	510	530	530	530	595	670
Enrollment	494	501	510	511	532	594	627
Douglass							
Square Feet	54,772	54,772	54,772	54,772	54,772	54,901	54,901
Capacity	435	435	435	435	435	480	480
Enrollment	482	469	455	439	409	423	430
Eisenhower							
Square Feet	53,601	53,601	53,601	53,601	53,601	53,601	59,525
Capacity	548	500	525	525	525	555	580
Enrollment	436	449	440	468	453	445	474
Emerald							
Square Feet	56,300	56,300	56,300	56,300	56,300	56,300	62,542
Capacity	384	377	377	377	377	413	473
Enrollment	384	376	390	384	386	370	345
Fireside							
Square Feet	60,307	60,307	60,307	60,307	60,307	60,307	60,307
Capacity	465	460	440	440	440	465	515
Enrollment	454	449	433	444	418	437	445
Flatirons							
Square Feet	33,469	33,469	33,469	33,469	33,469	43,857	43,857
Capacity	295	315	320	320	320	305	325
Enrollment	297	298	307	295	288	272	279
Foothill							
Square Feet	57,819	57,819	57,819	57,819	57,819	75,951	76,021
Capacity	440	485	510	510	510	610	610
Enrollment	463	486	504	526	528	572	564

**Table 16**

<b>2012</b>	<b>2013</b>	<b>2014</b>
54,853	54,853	54,853
475	478	478
378	391	414
51,192	51,192	51,192
436	453	453
401	352	359
31,745	31,745	31,745
312	301	301
295	294	294
57,305	57,305	57,305
496	555	555
467	453	431
68,787	68,787	68,787
579	603	603
453	462	480
42,588	42,588	42,588
287	367	367
258	250	255
50,661	50,661	50,661
484	505	505
353	335	340
66,884	66,884	66,884
685	674	674
625	617	607
59,705	57,966	57,966
491	504	504
433	461	478
59,525	59,525	59,525
613	653	653
453	411	404
62,573	62,573	62,573
454	484	484
341	327	335
61,486	61,486	61,486
475	576	576
464	470	456
43,857	43,857	43,857
337	339	339
306	295	307
76,021	76,021	76,021
644	648	648
583	569	574

# Boulder Valley School District RE-2

## SCHOOL BUILDING INFORMATION

Last 10 Fiscal Years

(Unaudited)

School	2005	2006	2007	2008	2009	2010	2011
<u>Elementary Schools (continued)</u>							
Gold Hill							
Square Feet	3,316	3,316	3,316	3,316	3,316	3,316	3,316
Capacity	41	41	41	41	41	41	36
Enrollment	34	26	26	25	25	21	29
Heatherwood							
Square Feet	52,016	52,016	52,016	52,016	52,016	51,975	60,797
Capacity	312	319	321	321	321	440	540
Enrollment	332	323	340	368	382	363	385
High Peaks							
Square Feet	24,521	24,521	24,521	24,521	24,521	32,983	32,983
Capacity	240	287	240	240	240	280	280
Enrollment	296	299	293	299	301	311	306
Jamestown							
Square Feet	5,030	5,030	5,030	5,030	5,030	5,030	5,030
Capacity	18	18	18	18	18	18	18
Enrollment	12	15	16	22	21	27	25
Kohl							
Square Feet	54,113	54,113	54,113	54,113	54,113	54,113	57,417
Capacity	480	460	480	480	480	490	490
Enrollment	442	467	453	469	488	478	498
Lafayette							
Square Feet	56,764	56,764	56,764	60,673	67,638	62,208	62,203
Capacity	298	298	350	350	350	492	555
Enrollment	333	353	396	475	534	603	636
Louisville							
Square Feet	57,018	57,018	57,018	57,018	57,018	57,018	63,034
Capacity	460	460	460	460	460	485	535
Enrollment	432	404	409	427	440	459	502
Mesa							
Square Feet	45,670	45,670	45,670	45,670	45,670	45,670	54,963
Capacity	330	315	315	315	315	375	385
Enrollment	346	319	357	355	384	365	378
Nederland							
Square Feet	61,470	61,470	61,470	61,470	61,470	61,470	61,470
Capacity	332	345	355	355	355	375	405
Enrollment	331	317	319	285	307	278	287
Pioneer							
Square Feet	72,398	72,398	72,398	72,398	72,398	72,398	74,874
Capacity	329	341	348	348	348	419	391
Enrollment	396	404	427	414	429	433	423
Ryan							
Square Feet	49,176	49,176	49,176	49,176	49,176	49,352	54,913
Capacity	363	350	357	357	357	377	460
Enrollment	383	390	398	430	406	422	419
Sanchez							
Square Feet	49,887	49,887	49,887	49,887	49,887	49,900	55,320
Capacity	278	316	334	334	334	266	294
Enrollment	262	280	286	280	278	286	295
Superior							
Square Feet	69,765	69,765	69,765	69,765	69,765	69,725	69,673
Capacity	500	500	500	500	500	505	505
Enrollment	600	629	650	633	664	635	591
University Hill							
Square Feet	68,696	68,696	68,696	68,696	68,696	67,276	69,701
Capacity	492	314	375	375	375	402	427
Enrollment	391	307	322	306	321	338	358

**Table 16**  
**(continued)**

<b>2012</b>	<b>2013</b>	<b>2014</b>
3,316	3,293	3,293
37	41	41
26	29	23
60,797	60,797	60,797
552	555	555
381	378	390
32,983	32,983	32,983
312	301	301
303	299	297
5,030	5,032	5,032
19	21	21
21	20	21
57,417	57,417	57,417
521	525	525
473	506	485
62,203	62,203	62,203
623	628	628
606	619	583
63,034	63,034	63,034
572	628	628
540	572	600
55,195	55,195	55,195
485	494	494
371	352	341
61,470	61,470	61,470
432	468	468
280	280	282
74,864	74,864	74,864
477	525	525
422	419	448
54,912	54,912	54,912
512	530	530
443	454	408
55,320	55,320	55,320
301	330	330
330	320	321
71,464	71,464	71,464
521	525	525
573	553	556
69,701	69,701	69,701
426	474	474
385	366	419

# Boulder Valley School District RE-2

## SCHOOL BUILDING INFORMATION

Last 10 Fiscal Years

(Unaudited)

School	2005	2006	2007	2008	2009	2010	2011
<u>Elementary Schools (continued)</u>							
Whittier							
Square Feet	35,122	35,122	35,122	35,122	35,122	35,123	46,517
Capacity	320	300	325	325	325	325	380
Enrollment	328	319	323	320	347	334	369
<u>Middle Schools</u>							
Angevine							
Square Feet	121,676	121,676	121,676	121,676	121,676	121,676	121,676
Capacity	902	863	906	906	906	902	946
Enrollment	616	587	536	550	546	581	545
Broomfield Heights							
Square Feet	107,385	107,385	107,385	107,385	107,385	107,239	107,239
Capacity	914	914	914	914	914	932	932
Enrollment	562	555	565	523	536	530	526
Casey							
Square Feet	84,007	84,007	84,007	84,007	84,007	44,923	106,458
Capacity	612	612	535	535	535	521	743
Enrollment	361	366	313	345	292	349	440
Centennial							
Square Feet	99,556	99,556	99,556	99,556	99,556	99,515	99,515
Capacity	750	750	772	772	772	750	750
Enrollment	596	588	559	583	596	627	562
Louisville							
Square Feet	88,887	88,887	88,887	74,206	74,206	101,483	101,483
Capacity	651	651	651	651	651	669	669
Enrollment	541	546	560	567	548	569	603
Manhattan							
Square Feet	83,572	83,572	83,572	83,572	83,572	93,632	93,542
Capacity	579	605	618	618	618	638	642
Enrollment	449	443	422	413	455	498	468
Platt							
Square Feet	117,573	117,573	117,573	117,573	117,573	81,495	117,552
Capacity	729	707	707	707	707	888	827
Enrollment	524	531	549	556	540	546	533
Southern Hills							
Square Feet	72,260	72,260	72,260	70,194	70,194	98,342	98,340
Capacity	503	503	503	503	503	701	701
Enrollment	537	503	478	487	496	539	545
<u>High Schools</u>							
Boulder							
Square Feet	229,281	229,281	229,281	218,717	218,717	245,772	245,971
Capacity	2015	1994	1900	1900	1900	1900	1900
Enrollment	1970	1932	1093	1851	1808	1786	1775
Broomfield							
Square Feet	218,163	218,163	218,163	218,163	218,163	240,535	240,535
Capacity	1599	1599	1606	1606	1606	1805	1805
Enrollment	1375	1413	1407	1438	1388	1401	1437
Centaurus							
Square Feet	190,610	190,610	190,610	196,089	198,329	194,687	194,687
Capacity	1530	1607	1581	1581	1581	1874	1874
Enrollment	990	996	1051	1051	1135	1092	1029
Fairview							
Square Feet	256,392	256,392	256,392	256,392	256,392	262,019	264,007
Capacity	1861	1861	1840	1840	1840	1958	1990
Enrollment	1891	1871	1903	1907	1903	1913	1971
Monarch							
Square Feet	228,827	228,827	228,827	228,827	230,134	233,909	233,909
Capacity	1728	1728	1728	1728	1728	1728	1728
Enrollment	1679	1633	1562	1526	1508	1511	1527



**Table 16**  
**(continued)**

<b>2012</b>	<b>2013</b>	<b>2014</b>
46,517	46,517	46,517
371	412	412
394	401	389
121,961	121,961	121,961
968	962	962
587	573	611
111,379	111,379	111,379
935	935	935
561	531	552
106,458	106,458	106,458
743	743	743
546	582	608
117,772	117,772	117,772
750	750	750
554	548	581
101,483	101,483	101,483
673	691	691
623	632	631
93,542	93,551	93,551
642	642	642
466	487	547
123,958	123,958	123,958
860	860	860
502	510	510
98,340	98,340	98,340
701	683	683
535	542	550
245,971	245,971	245,971
1900	1900	1900
1790	1846	1938
240,535	240,535	240,535
1805	1762	1762
1329	1401	1429
194,687	194,687	194,687
1874	1874	1874
1008	999	1013
264,007	264,007	264,007
1990	1996	1996
2065	2132	2118
241,819	241,823	241,823
1728	1833	1833
1514	1576	1626

# Boulder Valley School District RE-2

## SCHOOL BUILDING INFORMATION

Last 10 Fiscal Years

(Unaudited)

School	2005	2006	2007	2008	2009	2010	2011
<u>High Schools (continued)</u>							
New Vista							
Square Feet	76,668	76,668	76,668	76,668	76,668	76,668	76,668
Capacity	637	659	659	659	659	659	659
Enrollment	341	339	337	324	324	317	299
<u>Combination Schools</u>							
Aspen Creek K-8							
Square Feet	114,478	114,478	114,478	115,918	115,918	115,918	115,917
Capacity	969	969	969	969	969	892	919
Enrollment	870	875	869	912	913	921	916
Eldorado K-8							
Square Feet	117,336	117,336	117,336	117,336	117,336	120,210	120,207
Capacity	942	876	876	876	876	926	926
Enrollment	938	935	994	1012	967	983	987
Halcyon							
Square Feet	8,736	8,736	8,736	8,736	8,736	10,168	10,203
Capacity	na	na	na	na	na	na	na
Enrollment	12	14	11	17	6	27	24
Monarch K-8							
Square Feet	108,802	108,802	108,802	108,802	108,802	108,802	108,802
Capacity	753	753	766	766	766	856	904
Enrollment	709	696	741	757	769	748	790
Nederland Middle/Senior							
Square Feet	97,080	97,080	97,080	97,080	97,080	97,080	97,080
Capacity	650	650	650	650	650	674	630
Enrollment	387	391	385	377	457	340	333
<u>Vocational/Technical Schools</u>							
Arapahoe Ridge and Technical Education Center							
Square Feet	129,579	129,579	129,579	129,579	129,579	130,707	152,954
Capacity	876	820	925	925	925	981	1099
Enrollment	281	279	223	216	199	175	204
<u>Charter Schools</u>							
Boulder Preparatory High School							
Square Feet	5,938	5,938	5,938	5,938	5,938	5,938	5,938
Capacity	na	na	na	na	na	na	na
Enrollment	88	103	125	149	131	158	142
Horizons K-8 School							
Square Feet	30,814	30,814	30,814	30,814	30,814	30,810	30,814
Capacity	351	315	342	342	342	404	404
Enrollment	309	321	320	340	324	325	332
Peak To Peak K-12 School							
Square Feet	116,679	116,679	116,679	116,679	116,679	134,284	139,990
Capacity	na	na	na	na	na	na	na
Enrollment	1175	1236	1292	1341	1405	1425	1443
Summit Middle School							
Square Feet	29,894	29,894	29,894	41,161	52,434	49,934	49,935
Capacity	337	337	337	337	337	480	493
Enrollment	309	307	312	312	319	324	336
Justice High 6-12 School							
Square Feet	na	na	na	2,409	2,409	2,409	6,590
Capacity	na	na	na	na	na	na	na
Enrollment	0	0	79	75	97	129	111

Source: Boulder Valley School District RE-2

**Table 16**  
(continued)

2012	2013	2014
77,966	77,966	77,966
654	654	654
309	301	280
122,111	122,111	122,111
990	1015	1015
929	917	942
123,343	123,343	123,343
1003	1006	1006
972	991	958
10,203	10,168	10,168
na	na	na
21	21	18
114,491	114,491	114,491
926	933	933
814	844	858
97,080	102,168	102,168
718	718	718
299	270	284
152,954	152,146	152,146
1099	1062	1062
200	147	130
5,938	5,938	5,938
na	117	117
122	117	107
43,426	52,009	52,009
440	414	414
332	340	348
139,990	139,990	139,990
na	1444	1444
1446	1444	1445
49,935	49,944	49,944
493	493	493
334	339	342
6,590	6,590	6,590
na	91	91
96	91	115

# Boulder Valley School District RE-2

## TEACHER STATISTICS

Last 8 School Years\*

(Unaudited)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Number of Teachers by Education Level				
Bachelor's Degree	143	141	151	141
Bachelor's Degree + 12 Hours	68	79	72	66
Bachelor's Degree + 24 Hours	68	73	62	58
Bachelor's Degree + 36 Hours	71	67	72	64
Bachelor's Degree + 48 Hours	267	250	247	233
Master's Degree	435	451	453	450
Master's Degree + 12 Hours	176	183	190	204
Master's Degree + 24 Hours	165	171	159	152
Master's Degree + 36 Hours	118	128	142	126
Master's Degree + 48 Hours	375	381	395	387
Master's Degree + 60 Hours	-	-	-	-
Doctorate	46	49	43	40
Other	4	4	5	4
Total	<u>1,936</u>	<u>1,977</u>	<u>1,991</u>	<u>1,925</u>
Average Teacher Pay by Education Level				
Bachelor's Degree	35,194	39,517	35,858	36,587
Bachelor's Degree + 12 Hours	37,886	42,872	38,946	44,281
Bachelor's Degree + 24 Hours	44,155	46,876	43,058	44,500
Bachelor's Degree + 36 Hours	45,156	49,058	44,033	48,101
Bachelor's Degree + 48 Hours	49,480	55,005	52,484	55,448
Master's Degree	45,738	51,828	47,307	51,033
Master's Degree + 12 Hours	51,169	58,454	50,784	54,896
Master's Degree + 24 Hours	56,258	61,068	55,917	59,145
Master's Degree + 36 Hours	57,464	65,306	56,713	62,768
Master's Degree + 48 Hours	61,999	68,787	65,072	70,096
Master's Degree + 60 Hours	-	-	-	-
Doctorate	61,776	68,954	63,710	65,547
Other	59,936	60,975	64,609	63,248

\* Amounts Prior to 2007 are not available

\*\*Licensed staff less than .5 FTE were paid \$40,000, prorated by FTE for 2013.  
Prior to and after 2013, they were included in the licensed salary schedule.

Source: Boulder Valley School District RE-2

Table 17

2011	2012	2013	2014
144	137	132	118
63	70	63	52
56	53	55	48
52	44	47	46
217	216	201	155
450	467	459	383
198	207	202	201
142	151	152	170
132	154	152	161
413	411	409	190
-	-	-	345
42	45	38	40
4	3	15	2
1,913	1,958	1,925	1,911
37,280	38,096	42,338	44,511
42,411	42,170	47,234	49,219
44,701	47,842	49,315	52,454
46,883	46,682	51,771	52,806
56,109	56,472	60,979	64,829
51,143	50,470	55,473	59,475
54,988	56,963	63,676	65,249
61,192	60,165	65,841	69,071
61,602	61,704	66,512	70,632
69,845	69,924	73,997	77,767
-	-	-	81,869
68,594	68,211	74,199	82,048
63,248	62,089	43,269	65,745 **

# Boulder Valley School District RE-2

## MISCELLANEOUS STATISTICAL DATA

Last 10 School Years

(Unaudited)

	2005	2006	2007	2008
Student Teacher Ratio*				
Elementary	22.27	22.19	22.29	22.32
Middle	20.54	20.52	20.66	20.64
Senior	23.21	23.31	22.91	22.57
Governmental Activities Expenses	\$ 233,942,454	\$ 242,710,503	\$ 257,223,290	\$ 278,784,336
Cost Per Student	\$ 8,378	\$ 8,692	\$ 9,123	\$ 9,742
Enrollment Data				
Student Full Time Equivalent				
Elementary	10,950.0	10,921.5	11,147.0	11,331.0
Middle	6,528.5	6,420.5	6,324.0	6,385.5
Senior	9,102.5	9,146.0	9,155.5	9,204.0
Other	208.5	252.5	288.0	302.0
Total	26,789.5	26,740.5	26,914.5	27,222.5
Total Enrollment				
K-12 Enrollment	27,651.0	27,593.0	27,798.0	28,173.0
Pre-K Enrollment	271.0	329.0	398.0	445.0
Total	27,922.0	27,922.0	28,196.0	28,618.0
Number of Students Eligible to Receive				
School Lunches Free Or At Reduced Cost				
Elementary	2,249	2,460	2,498	2,544
Combination	204	224	221	191
Middle	818	895	877	900
Senior	818	895	777	963
Total	4,089	4,474	4,373	4,598
Percent of Students Receiving				
Free or Reduced Cost Meals	14.64%	16.02%	15.51%	16.07%

\* Budget amounts are used prior to 2010 and submitted amounts from the October count thereafter.

Source: Boulder Valley School District RE-2

Table 18

2009	2010	2011	2012	2013	2014
22.29	22.35	22.54	23.22	23.52	23.72
20.53	20.86	20.93	22.34	22.16	21.88
22.50	22.88	24.30	23.63	23.77	23.77
\$ 289,549,755	\$ 294,156,553	\$ 306,813,347	\$ 319,692,074	\$ 319,005,007	\$ 343,751,369
\$ 10,118	\$ 10,200	\$ 10,464	\$ 10,821	\$ 10,734	\$ 10,734
11,658.2	11,716.8	12,029.8	12,055.5	12,097.3	12,154.2
6,356.0	6,576.0	6,536.0	6,671.0	6,681.5	6,913.5
9,142.0	9,128.0	9,324.5	9,305.0	9,480.0	9,610.0
299.0	252.5	258.5	286.0	279.5	281.5
27,455.2	27,673.3	28,148.8	28,317.5	28,538.3	28,959.2
28,171.00	28,344.00	28,815.00	28,986.00	29,181.00	29,595.00
445.00	494.00	505.00	558.00	537.00	550.00
28,616.0	28,838.0	29,320.0	29,544.0	29,718.0	30,145.0
2,529	2,473	2,646	2,714	2,740	2,709
207	256	317	342	336	379
864	893	946	1,033	1,033	1,103
1,101	1,025	1,177	1,223	1,247	1,240
4,701	4,647	5,086	5,312	5,356	5,431
16.43%	16.11%	17.35%	17.98%	18.02%	18.02%



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## **SINGLE AUDIT**



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the Boulder Valley School District RE-2 as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Boulder Valley School District RE-2, and have issued our report thereon dated November 21, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Boulder Valley School District RE-2's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Boulder Valley School District RE-2's internal control. Accordingly, we do not express an opinion on the effectiveness of the Boulder Valley School District RE-2's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Boulder Valley School District RE-2's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the Boulder Valley School District RE-2's internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Boulder Valley School District RE-2's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Boulder Valley School District RE-2's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



November 21, 2014



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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE,  
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY OMB CIRCULAR A-133**

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

We have audited the Boulder Valley School District RE-2's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Boulder Valley School District RE-2's major federal programs for the year ended June 30, 2014. 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.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Boulder Valley School District RE-2's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Boulder Valley School District RE-2's compliance.

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

In our opinion, the Boulder Valley School District RE-2 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2014-001. Our opinion on each major federal program is not modified with respect to these matters.

The Boulder Valley School District RE-2's response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. The Boulder Valley School District RE-2's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of the Boulder Valley School District RE-2 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Boulder Valley School District RE-2's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Boulder Valley School District RE-2's internal control over compliance.

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

Our consideration of the Boulder Valley School District RE-2's internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the Boulder Valley School District RE-2 as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Boulder Valley School District RE-2. We issued our report thereon dated November 21, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Boulder Valley School District RE-2's basic financial statements.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Swanlund & Company LLC*

November 21, 2014

**BOULDER VALLEY SCHOOL DISTRICT RE-2**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended June 30, 2014**

**Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: unmodified

Internal control over financial reporting:

- Material weaknesses identified? ☐ yes ☒ no
- Significant deficiencies 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 federal programs:

- Material weaknesses identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

☒ yes ☐ no

Identification of major federal programs:

10.553 School Breakfast Program  
10.555 National School Lunch Program  
10.559 Summer Food Service Program for Children  
84.010 Title I

Dollar threshold used to distinguish between type A and type B programs: \$398,259

Auditee qualified as low-risk auditee? ☒ yes ☐ no

**Financial Statement Findings**

The audit of the financial statements did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose fraud, violations of provisions of contracts and grant agreements, or abuse that were material to those financial statements.

(Continued)



**BOULDER VALLEY SCHOOL DISTRICT RE-2**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended June 30, 2014**

**Federal Awards Findings and Questioned Costs**

**2014-001 Procurement and Suspension and Debarment**

U.S. Department of Agriculture  
Passed through Colorado Department of Education  
CFDA 10.553 School Breakfast Program  
CFDA 10.555 National School Lunch Program  
CFDA 10.559 Summer Food Service Program for Children

Criteria	Recipients of federal awards must follow federal laws and regulations applicable to procurement as outlined in the A-102 Common Rule. Specifically, entities are prohibited from contracting with outside parties for goods or services used in federally-funded programs that are suspended or debarred or whose principals are suspended or debarred.
Condition	The District paid certain vendors in excess of \$25,000 during the fiscal year without verifying that the vendors and their principals were not suspended or debarred from participating in federally-funded transactions.
Questioned Costs	None. The vendors paid by the District were not included on the System for Award Management (SAM) list of suspended or debarred entities.
Context	During the audit process, we tested ten vendors paid in excess of \$25,000 during the fiscal year. For eight of these vendors, the District did not verify that the vendors were not suspended or debarred from receiving federal funding.
Effect	The District could have used federal grants to pay ineligible vendors, which increases the risk that substandard goods or services could be provided.
Cause	The District's Food Services Department implemented a healthy food program and frequently purchased food in smaller quantities from multiple local vendors. Department personnel were not aware of the requirements related to vendor suspension and debarment when the vendors were paid in excess of \$25,000.
Recommendation	When the District enters into transactions that utilize federal grant funding of \$25,000 or more, the District must verify that the vendor is not suspended or debarred or otherwise excluded. This verification may be accomplished by checking the System for Award Management (SAM) maintained by the General Services Administration (GSA), collecting a certification from the vendor, or adding a clause or condition to the contract with that vendor. In addition, District personnel responsible for federal grant administration should receive ongoing training to understand the laws and regulations that apply to its federal grant awards.

**Views of Responsible Officials and Planned Corrective Actions**

See the accompanying Corrective Action Plan.

### **Corrective Action Plan**

Effective July 1, 2014, all Food Service Request for Proposals and Bids have included the following language "Suspension and Debarment List- Vendors may not be listed on Federal Suspended or Debarred list. Vendors must fill out the Suspension and Debarment Certification and include with your bid response."

**Boulder Valley School District RE-2**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended June 30, 2014**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass- Through Entity Grant Code	Accrued (Deferred) Revenue 6/30/2013	Receipts	Disbursements	Accrued (Deferred) Revenue 6/30/2014
<b>U.S. Department of Education</b>						
Direct Programs						
Indian Education	84.060		\$ 4,062	\$ 13,647	\$ 11,617	\$ 2,032
Passed Through State Department of Education						
Adult Education	84.002	5002	7,727	102,794	95,067	-
Title I	84.010	4010/5010	609,418	2,710,426	2,437,675	336,667
Special Education	84.027	4027	1,432,574	5,720,868	4,884,951	596,657
Special Education Preschool	84.173	4173	33,721	138,061	113,147	8,807
Safe and Drug-Free Schools and Communities	84.184	9184	-	335,572	359,206	23,634
Education for Homeless Children and Youth	84.196	5196	4,323	45,624	46,153	4,852
21st Century Community Learning Centers	84.287	5287/6287	241,067	1,069,963	983,276	154,380
Special Education-State Personnel Development	84.323	6323	3,000	3,000	1,000	1,000
Advanced Placement Program	84.330	5330	-	5,170	5,170	-
English Language Acquisition	84.365	4365/7365	119,464	281,382	197,961	36,043
Improving Teacher Quality	84.367	4367	114,649	685,341	691,229	120,537
Race to the Top	84.413	4413	52,703	104,600	63,572	11,675
Passed Through State Department of Human Services						
Vocational Rehabilitation	84.126		75,234	220,901	205,953	60,286
Passed Through State Community College System						
Career and Technical Education	84.048		43,031	125,824	129,724	46,931
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<u>2,740,973</u>	<u>11,563,173</u>	<u>10,225,701</u>	<u>1,403,501</u>
<b>U.S. Department of Agriculture</b>						
Passed Through State Department of Human Services						
Donated Commodities	10.555		-	361,124	361,124	-
Passed Through State Department of Public Health and Environment						
Child and Adult Care Food Program	10.558		8,142	43,128	34,986	-
Passed Through State Department of Education						
Team Nutrition	10.574	4574	2,949	2,949	-	-
Farm to School	10.575	4575	-	2,679	9,277	6,598
National School Lunch Program	10.555	4555	189,538	1,971,210	2,028,216	246,544
School Breakfast Program	10.553	4553	53,927	509,553	531,954	76,328
Summer Food Service Program for Children	10.559	4559	6,443	24,223	27,366	9,586
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u>260,999</u>	<u>2,914,866</u>	<u>2,992,923</u>	<u>339,056</u>
<b>U.S. Department of Homeland Security</b>						
Passed Through State Department of Public Safety						
Disaster Grants-Public Assistance	97.036		-	30,334	30,334	-
<b>U.S. Department of Transportation</b>						
Passed Through State Department of Transportation						
Highway Planning and Construction	20.205		8,795	35,145	26,350	-
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<u>\$ 3,010,767</u>	<u>\$ 14,543,518</u>	<u>\$ 13,275,308</u>	<u>\$ 1,742,557</u>

See the accompanying Independent Auditors' Report.

**Boulder Valley School District RE-2**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended June 30, 2014**

**NOTE 1:**      **BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, using the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

## **STATE COMPLIANCE**



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**Colorado Department of Education**  
**Auditors Integrity Report**

District: 0480 - BOULDER VALLEY RE 2  
Fiscal Year 2013-14  
Colorado School District/BOCES

**Revenues, Expenditures, & Fund Balance by Fund**

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
<b>Governmental</b>				
10 General Fund	28,116,942	253,581,107	254,434,391	27,263,658
18 Risk Mgmt Sub-Fund of General Fund	181,961	8,275,950	8,182,938	274,972
19 Colorado Preschool Program Fund	33,714	1,062,386	1,063,727	32,373
<b>Sub- Total</b>	<b>28,332,617</b>	<b>262,919,442</b>	<b>263,681,056</b>	<b>27,571,003</b>
11 Charter School Fund	7,899,995	23,531,020	23,388,706	8,042,309
20,26-29 Special Revenue Fund	0	0	0	0
21 Capital Reserve Spec Revenue Fund	0	0	0	0
22 Govt Designated-Purpose Grants Fund	0	11,294,568	11,294,568	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	894,884	13,382,319	13,553,163	724,040
31 Bond Redemption Fund	24,492,573	28,432,486	28,102,930	24,822,129
39 Non-Voter Approved Debt Service Fund	0	0	0	0
41 Building Fund	2,747,039	34,051	1,549,959	1,231,131
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	1,935,013	2,545,157	3,626,233	853,937
<b>Totals</b>	<b>66,302,121</b>	<b>342,139,044</b>	<b>345,196,617</b>	<b>63,244,548</b>
<b>Proprietary</b>				
51 Food Service Fund	187,103	6,954,013	6,939,928	201,187
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	6,158,465	443,053	1,216,602	5,384,916
<b>Totals</b>	<b>6,345,567</b>	<b>7,397,066</b>	<b>8,156,530</b>	<b>5,586,103</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	1,155,766	197,651	20,700	1,332,717
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	3,722,227	12,119,946	11,891,860	3,950,313
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
<b>Totals</b>	<b>4,877,992</b>	<b>12,317,598</b>	<b>11,912,559</b>	<b>5,283,031</b>
<b>FINAL</b>				

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



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