

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2017



7350 N. Broadway, Denver, CO 80221 | www.mapleton.us

MAPLETON PUBLIC SCHOOLS
Adams County School District No. 1
Adams County, Colorado
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For The Fiscal Year Ended June 30, 2017

Prepared by: Department of Business Services

Shae Martinez, Chief Financial Officer
Michael Everest, Assistant Finance Director
Deb Braa, Payroll Supervisor
Sarah Martinez, Grant Accountant

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INTRODUCTORY SECTION



Mapleton Public Schools

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November 20, 2017

To the Citizens and Members of the Board of Education
Mapleton Public Schools
(Adams County School District No. 1)
Thornton, Colorado

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Mapleton Public Schools for the year ended June 30, 2017.

Colorado State law requires all public school districts to 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 (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Mapleton Public Schools, Adams County, Colorado, for the fiscal year ended June 30, 2017.

This report consists of Mapleton Public Schools administration's representations concerning the finances of the District. Consequently, the District's administration assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the entity's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Mapleton continues to maintain an efficient and streamlined system. As an organization, we believe the cost of internal controls should not outweigh their benefit. As a result, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds.

The District's financial statements have been audited by RubinBrown, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2017, are free of material misstatement. The independent audit involved examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded, that there was a

reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in the compliance section of this document.

The District's Comprehensive Annual Financial Report incorporates the reporting model prescribed by the Governmental Accounting Standards Board (GASB) Statement 34. This approach emphasizes the use of District-wide financial statements, in addition to fund financial statements, enabling the reader to obtain an overview of the District's financial position and results of operations.

The notes to the financial statements, including a summary of significant accounting policies of the District, are considered to be an integral part of the financial statements and contain certain information not shown on the face of the financial statements that is required to be disclosed under generally accepted accounting principles. Readers of the financial statements are encouraged to thoroughly review the information contained in the notes in connection with their overall review of the financial statements.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement Management's Discussion and Analysis and should be read in conjunction with it. This discussion and analysis can be found immediately following the Independent Auditor's Report on pages 1 and 2.

Profile of the School District

Mapleton Public Schools is one of seven school districts in Adams County, Colorado. At 25 square miles, it is one of the smallest districts in Adams County and is located in the southern section of the county. Ninety-five percent of the land within the District boundaries is considered fully developed.

The District is bordered on the east by Adams County School District No. 14 (Commerce City), on the west by Adams County School District No. 50 (Westminster), on the north by Adams County School District No. 12 (Northglenn-Thornton), and on the south by Denver Public Schools. The District is centrally located in the Denver metropolitan area with major transportation routes bisecting the district. The northern third of Mapleton Public Schools is within the boundary of the City of Thornton, while the southern two-thirds are located in unincorporated Adams County. The

portion located in Thornton is primarily residential, while the southern portion of the District is comprised of light to heavy industry.

Mapleton Public Schools is governed by a five-member Board of Education (the Board), whose members are elected by the qualified electors within the District's boundaries. Board of Education members have general duties that empower them to employ a Superintendent of Schools and approve the compensation of all personnel necessary to maintain the operations and carry out the educational programs of the District, to identify attendance boundaries, to establish annual budgets, to determine the educational programs to be carried on in the schools of the District, and to prescribe and approve the textbooks of any course of instruction or study in such educational programs. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding sources.

The District has reviewed its reporting entity definition in accordance with the GASB, which defines the governmental reporting entity. This report includes all funds, organizations and activities for which the Board has oversight responsibility as further described in Note 1 in the Notes to Financial Statements.

Mapleton Public Schools provides a full range of traditional and non-traditional education programs and services. These programs and services include preschool, elementary and secondary curriculum offerings at the college preparatory level, as well as a broad range of co-curricular and extra-curricular activities; special education programs; gifted and talented programs; and student support services. In school year 2006-07, the District completed its implementation of the *Small by Design/Choices for Learning* strategic reform plan, which eliminated internal attendance boundaries and allowed parents to choose from a variety of schools across the District. Today, choices include International Baccalaureate schools, a University Partnership school, Expeditionary Learning schools, Coalition of Essential Schools, Early College, Big Picture, Science, Technology, Engineering, and Math (STEM), and other choices. The District eliminated stand-alone middle school in favor of a combination of K-6, K-8 and K-12 schools. Transportation is provided to students living more than one mile from their school of choice.

Many of the school buildings in Mapleton were built between 1954 and 1962 with major renovations to the Welby school building in 2005 and to York International in 2011. The Skyview campus was completely renovated in 2011 with new buildings that house Academy High School and Clayton Partnership, Mapleton Early College (MEC) and Mapleton Expeditionary School of the Arts (MESA), as well as North Valley School for Young Adults (NVYAS) and a community library. As part of the successful 2016 District bond campaign, Adventure K-6 will be demolished after the construction of a new facility, the Global campus is being completely reimaged with the eventual demolition of the old building and the new construction of Global Primary, Global Intermediate, and Global Leadership Academy. The District was able to purchase and renovate the old Westwood College building on Broadway which is now home to Big Picture College and Career Academy, Administration, and the future home of the District's Career X program. An addition and renovation is currently underway for Welby Community School, the Skyview campus received a new track and field and 2 new schools are planned at Midtown and Homeplace. Several other schools will have renovations or replacements depending on additional funding through the Building Excellent Schools Today (BEST) grant program with the state of Colorado.

During the 2016-2017 school year, the District served 8,822 students in 17 District schools and one online contract school.

Major Initiatives

Mission:

The mission of Mapleton Public Schools, a community that embraces its children through high performing schools of choice, is to ensure that each student is empowered to achieve his or her dreams and contribute to his or her community and world through an education system distinguished by:

- A resourceful community working together to ensure that no obstacles impede student success;
- A tenacious pursuit of rigorous academics and personal development;
- An effective, student-focused and compassionate staff;
- Small family-like environments where relationships inspire achievement;
- Practices that honor the deeply-rooted history and diversity of our community.

School District Objectives

Mapleton Public Schools, through an exhaustive strategic planning process that included teachers, administrators, board members, parents and business leaders, developed the following objectives and strategies for FY 2016-17

- **One hundred percent** of Mapleton students will meet or exceed established expectations on any assessment approved by the District.
- **One hundred percent** of our students are experiencing success in the pursuit of their personal goals during and beyond their years in Mapleton Public Schools.
- **All students** will possess the character and personal attributes necessary to be responsibly contributing citizens.

School District Strategies

Strategy I: We will ensure the personal and academic achievement of all students.

Strategy II: We will ensure all staff are exceptional, caring, and capable of meeting our mission and objectives.

Strategy III: We will ensure all students possess the character and personal attributes necessary to realize their personal goals and potential.

Strategy IV: We will ensure motivating, supportive, and safe learning environments for all students.

Strategy V: We will establish and maintain effective internal and external communication.

Strategy VI: We will obtain and make maximum use of community support and involvement.

Strategy VII: We will enhance and align facilities to fulfill the mission of Mapleton Public Schools.

Strategy VIII: We will create and maintain an exemplary image of Mapleton Public Schools both internally and externally.

Factors Affecting Financial Condition

According to the Colorado Legislative Council's economic and revenue forecast for September 2017, the U.S. and Colorado economies are expected to follow a trajectory of moderate to steady growth through 2019. However, the national economy has structural dynamics that are now acting as constraints on growth. The most significant of these is the accelerating rate of demographic change. Thus far, the retirement by baby boomers has dampened wage growth and suppressed inflation. These effects will become more significant as additional workers leave the labor force. This is expected to peak in the early 2020's. The Federal Reserve has signaled its intention to incrementally tighten monetary policy, both with respect to interest rates and its balance sheet, by the end of the year. The difficulties associated with normalizing monetary policy at this point of the business cycle raise downside risks to the forecast, along with a fragile international economic expansion uncertain fiscal policy, and broader capacity constraints. These risks suggest that a recession is possible within the current forecast period.

Colorado's economy is slated to remain one of the strongest in the country. The state's unemployment rate is among the nation's lowest, contributing to high consumer confidence and more wage pressure than elsewhere. Additionally, Colorado's diverse collection of businesses make the state better equipped to weather shocks to individual industries. Increases in Front Range home prices have begun to slow and are expected to moderate further over the forecast period. Flattening prices confirm most economists' expectations that the torrid pace of appreciation in the Denver metro area in recent years is unsustainable. There is also a risk that real estate is presently overvalued and that prices will fall, a possibility that would sap currently high levels of consumer confidence if borne out. Colorado rental vacancies have also increased sharply after bottoming out last year.

Overall, the labor market in the Denver region remains healthy. Job gains have slowed reflecting population in-migration and an increasingly limited labor supply, which is expected to put upward pressure on wages. Contributing to slower population growth, rapid area home and rental price appreciation over the past five years has priced many workers out of the market and has pushed housing developments and commuters into surrounding areas. This phenomenon could be contributing to the enrollment growth in Mapleton. Following six years of strong gains, construction activity has leveled off in the metro Denver region. Residential permits have fallen in 2017 but remain at pre-recessionary highs, propped up primarily by strong multi-family building in the region.

Revenue in Colorado's state general fund that is subject to TABOR, is expected to fall short of the Referendum C cap by \$435.9 million. Exceeding this cap would trigger a TABOR refund obligation. Preliminary data indicate that a TABOR refund obligation is not expected through FY 2019-20, which is the end of the forecast period.

The Consumer Price Index for all Urban Consumers (CPI-U) for the Denver-Boulder-Greeley, Colorado metropolitan area is projected to increase for 2018 to 3.2 as estimated by the Colorado Legislative Council.

According to the Adams County Assessor, Mapleton's 2017 property values increased 20 percent, from \$569.2 million to \$682.5 million.

Mapleton continues to see growth in the number of students enrolled. In 2016-17 Mapleton Public Schools grew by a headcount of 91 students and in 2017-18, the unofficial October count shows growth in headcount of approximately 150, all of which are attributed to the core district. According to Adams County Economic Development Inc., Adams County will be one of the fastest growing counties in Colorado for the next 20 years. A study by Oxford Economics examined county level data to identify trends in growth and economic diversification. Suburban counties will likely have a large number of millennials, meaning suburban areas would begin growing faster than metropolitan areas. Adams County ranked No. 8 on the national list for strongest economic growth and was the only Colorado county that made the top nine.

There are four major projects impacting Adams County with FasTracks directly impacting Mapleton specifically. Construction of the North Metro Rail Line, an 18.5-mile-long commuter rail line, is well under way and is expected to run from Denver's Union Station through other communities into Thornton along 88th Avenue with a major stop adjacent to Mapleton Public Schools' Skyview Campus. Along with the rail extension into the community, an 88th Avenue station stop is proposed which is expected to include landscaping, plaza/walkway and a parking structure. Plans have also been proposed to build a mixed-use community adjacent to the rail station to include single-family homes, restaurants, and shopping. The redevelopment of this area and the properties east of the rail line will further reinvigorate the area. An additional stop is being developed near 104th and Steele which is also within the Mapleton boundaries and within walking distance of the proposed future home of Explore K-8. McStain Neighborhoods is planning a development of both multi and single family homes in the area.

Midtown, a new residential development, continues to be developed along West 68th Avenue and Pecos Street within the Mapleton Public Schools boundary. The 184-acre parcel, located 5 miles from downtown Denver, was vacant in unincorporated Adams County for many years. A new neighborhood of 850 energy efficient homes, priced from the low \$300,000s to \$700,000 plus, is partially occupied with new homes and businesses steadily being added. The neighborhood plans include a 47-acre park, a community center, community gardens, and an off-leash dog park. The development boasts that it is within walking distance to the future Light Rail Gold Line and Northwest Line that are expected to be completed in 2018. The development is expected by Adams County to deed or provide land to Mapleton Public Schools for a school site to serve the anticipated influx of students.

At the community's request, Mapleton Public Schools Board of Education placed a mill levy override and a \$150 million bond measure on the November 8, 2016 ballot. The mill levy, which will raise \$1 million the first year, \$2 million the second, and \$3 million each year after that, will be used to enhance classroom materials and equipment; create a high school career technology program; help maintain both existing and new school buildings and grounds; and attract and retain highly-qualified staff to work with Mapleton students. The bond proposal is a facilities reinvestment plan that will pay for replacements, renovations, and/or repairs to nearly every school in Mapleton. The Building Excellent Schools Today (BEST) Board and Colorado Board of Education approved Mapleton for a matching grant in the amount of \$6.6 million that will help replace the Adventure Elementary building. Many of the District's schools are more than 60 years old and in dire need of repair. It will also fund the construction of new schools which are planned

in the Midtown development and in the northern area of the District. Mapleton voters have approved both the mill levy override and the bond proposal. This means the District will be able to utilize the \$6.6 million it received from the BEST program.

District Funding

District funding is largely dependent upon enrollment. The table below outlines the school name, grade levels served, and enrollment as of the official count date in October 2016.

School	October 2013 Enrollment	October 2014 Enrollment	October 2015 Enrollment	October 2016 Enrollment	October 2017 Enrollment Projected
Achieve Academy (PK-8)	520	551	520	564	551
Adventure Elementary (PK-6)	415	452	399	408	372
Clayton Partnership School (K-8)	484	488	473	459	459
Explore Elementary (PK-6)	425	412	426	419	421
Welby Community School (PK-6)	284	259	266	253	250
Meadow Community School (PK-8)	514	529	508	510	504
Monterey Community School (PK-8)	471	471	488	484	481
Valley View (K-8)	483	485	452	438	428
Global Primary Academy (PK-3)	N/A	N/A	N/A	227	251
Global Intermediate Academy (4-8)	N/A	N/A	N/A	195	225
Global Leadership Academy (9-12)	N/A	N/A	N/A	199	244
Global Leadership Academy (PK-12)	600	592	646	N/A	N/A
York International School (K-12)	748	765	734	757	774
Mapleton Early College (9-12)	220	253	273	245	249
Big Picture College and Career (9-12)	N/A	N/A	N/A	92	154
Mapleton Exp. School of the Arts (7-12)	616	583	650	638	676
Academy High School (9-12)	379	382	404	435	447
North Valley School	88	49	72	73	78
Connections Academy (K-12) Online	2,161	2,375	2,420	2,426	2,344
New America Charter School (9-12)	N/A	N/A	N/A	N/A	N/A
Totals*	8,408	8,646	8,731	8,822	8,908

From FY 2012-13 to FY 2017-18, core District enrollment has increased by 5 percent (excluding Connections Academy). Fiscal year 2017-18 un-audited October count enrollments show a moderate amount of growth in Mapleton's core enrollment of about 150 pupils.

District Financial Rating

The District maintains an Aa2 rating through the Colorado State Intercept Program and underlying ratings of A+ from Standard and Poor's and Aa3 from Moody's.

District Budget Process

The District begins the budget development process in August of each year when state assessment results become available. Preliminary discussions are held to prioritize distribution of additional resources for sites in need. The budget process is continued in January by updating multi-year projections based on new assumptions including enrollment projections. February and March are

used to review funding needs and prioritize allocation of resources. Budget information is then distributed to schools and departments.

In the meantime, District administration conducts negotiation sessions with recognized employee groups. Licensed staffs are covered under a Master Agreement, whose bargaining unit is the Mapleton Education Association. Other staff groups negotiate on a more informal "meet and confer" process. Once negotiations are finalized and ratified by members and approved by the Board of Education, budget figures are adjusted for the new salaries.

The proposed budget book is produced after the schools and departments have completed their budgets. The proposed budget is reviewed by the District Accountability Advisory Committee and in May the Board of Education receives a copy of the proposed budget book. Within ten days after submission of the proposed budget, a public hearing notice is posted. The public budget hearing takes place in June followed by adoption of the final budget by the Board of Education.

Capital expenditures must also align with District strategic plans and/or school improvement plans. Capital equipment and site improvement requests are submitted through a zero-based budget process. Schools must show alignment of capital purchases with school improvement plans. Other District capital improvements are managed through the maintenance and operations department.

Financial Policies

Detailed descriptions of the District's accounting policies are contained in the Notes to the Financial Statements on pages 25-55 of this report. These policies describe the basis of accounting, funds and accounts used, valuation policies for inventories and investments, capital assets, and other significant accounting information.

The District maintains a number of budgetary controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at year-end.

Awards and Acknowledgements

Mapleton Public Schools received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2016. This award certified that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016, substantially conformed to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after an intensive review of

financial reports by an expert panel of certified public accountants and practicing school business officials.

The Government Finance Officers Association of the United States and Canada (GFOA) also awarded a Certificate of Achievement of Excellence in Financial Reporting to Mapleton Public Schools for its comprehensive annual financial report for the fiscal year ended June 30, 2016. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Excellence or a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. The CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

Certificates from both ASBO and GFOA are valid for a period of one year only. We believe our current report continues to conform to program requirements and we will submit to both ASBO and GFOA for review.

We want to thank the Board of Education for their leadership and support to the students, staff, and community of Mapleton Public Schools.

We extend special thanks to our independent certified public accountants, RubinBrown LLP, and their staff for their professional approach in the performance of the audit, and their assistance in the preparation of the CAFR.

Finally, we would like to offer special thanks to Ms. Deb Braa, Mr. Michael Everest, Ms. Sarah Martinez and the individuals who are employed in the District's Business Services Department. Their efforts and contributions made completion of the audit and preparation of this CAFR a success.

Respectfully submitted,

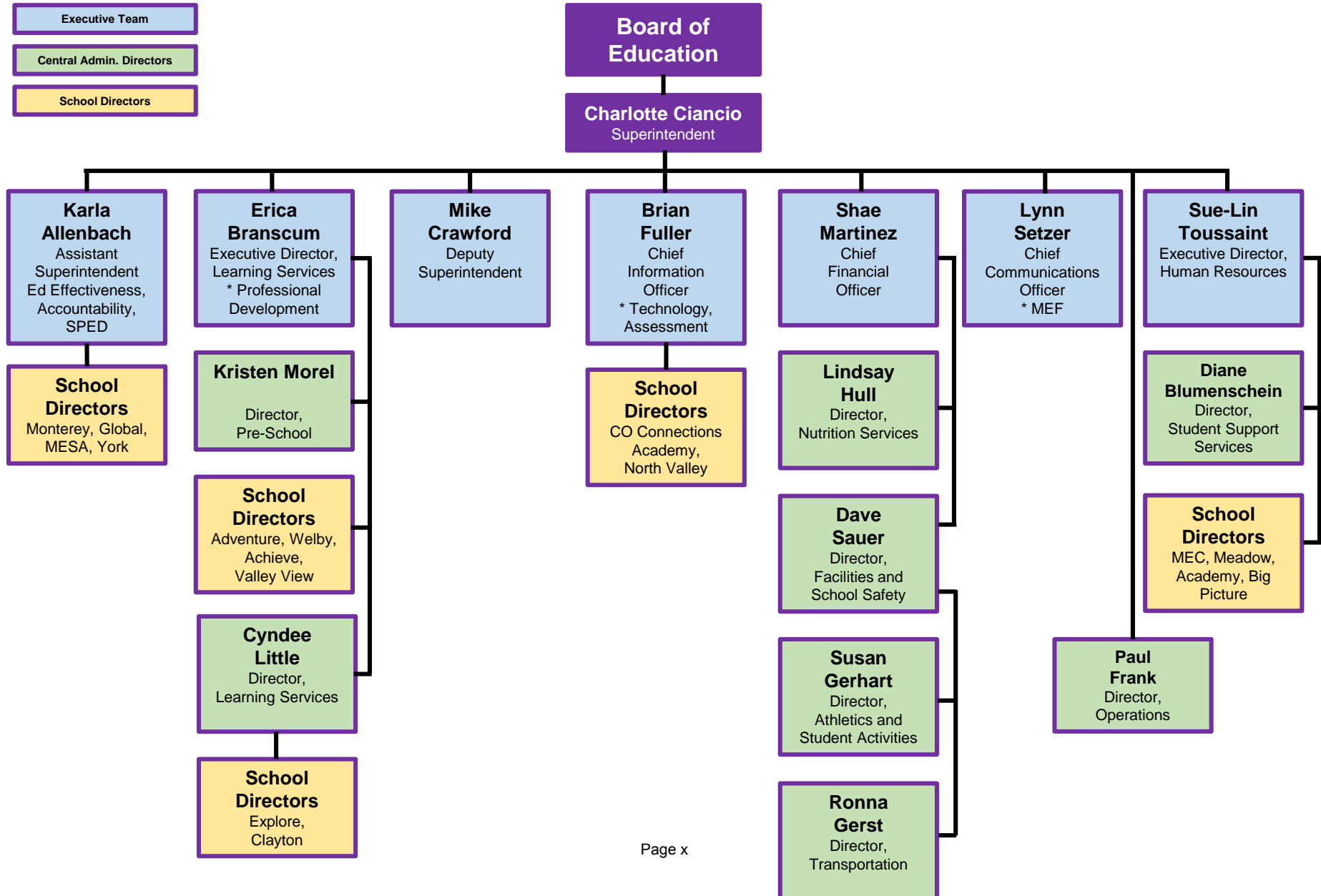


Charlotte Ciancio
Superintendent of Schools



Shae Martinez
Chief Financial Officer

Mapleton Public Schools Organization Chart June, 2017



ADAMS COUNTY SCHOOL DISTRICT NO.1
ADAMS COUNTY, COLORADO

ROSTER OF SCHOOL OFFICIALS
June 30, 2017

BOARD OF EDUCATION

Ken Winslow – President

Cindy Croisant – Vice President

Steve Donnell – Secretary

Sheila Montoya – Treasurer

Vacant – Asst/ Secretary/Treasurer

ADMINISTRATION

Charlotte Ciano, Superintendent

Mike Crawford, Deputy Superintendent

Karla Allenbach, Assistant Superintendent

Shae Martinez, Chief Financial Officer

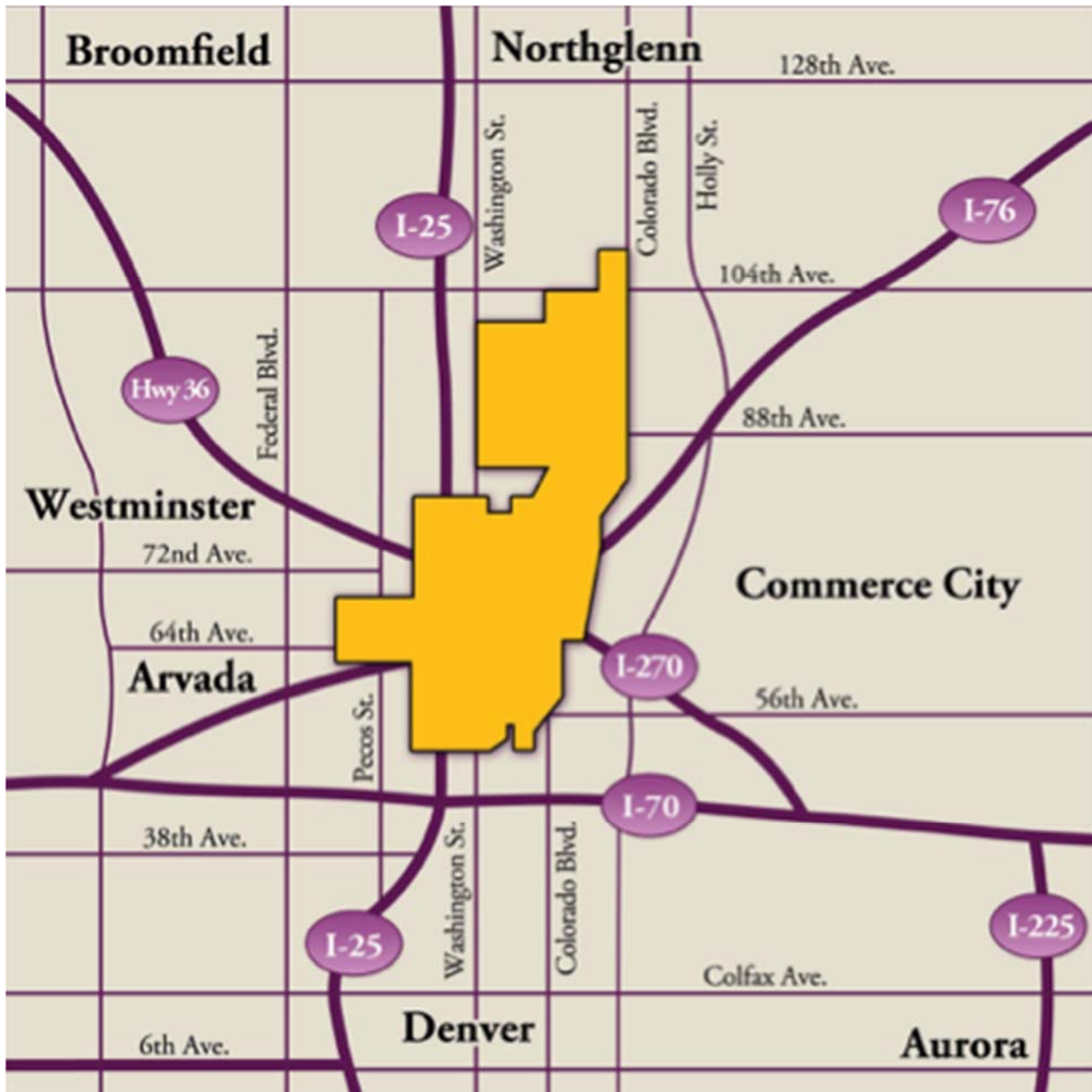
Brian Fuller, Chief Information Officer

Lynn Setzer, Chief Communications Officer

Sue-Lin Toussaint, Executive Director of Human Resources

Erica Branscum, Executive Director of Learning Services

District Map





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Mapleton Public Schools
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

A handwritten signature in black ink, reading "Jeffrey R. Emer".

Executive Director/CEO



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

Mapleton Public Schools

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

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



A handwritten signature in black ink, reading 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, reading 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



FINANCIAL SECTION



Mapleton Public Schools

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RubinBrown LLP
Certified Public Accountants
& Business Consultants

1900 16th Street
Suite 300
Denver, CO 80202

T 303.698.1883
F 303.777.4458

W rubinbrown.com
E info@rubinbrown.com

Independent Auditors' Report

Board of Education
Adams County School District No. 1
Denver, Colorado

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Adams County School District No. 1 (the District) as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2017, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17, the budgetary comparison information on pages 56 through 60, the schedule of the District's proportionate share of the net pension liability and the schedule of the District's contributions to the pension plan on pages 61 through 62 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, individual fund financial statements and schedules, statistical section, the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures report and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial statements and schedules, the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures and the schedule of expenditures of federal awards are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules, the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures and the schedule of expenditures of federal awards are 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 20, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 District's internal control over financial reporting and compliance.

RubinBrown LLP

November 20, 2017

Management's Discussion and Analysis

As management of Mapleton Public Schools (District), we offer readers of the District's Comprehensive Annual Financial Report (CAFR) this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-ix of this report.

Financial Highlights

- The total assets of the Primary Government, including land, buildings, equipment and deferred outflows of resources, were less than its total liabilities and deferred inflows of resources, including long term bonds payable, at the close of FY 2016-17 by \$80,873,122 (net position). The Primary Government's total net position decreased by \$35,856,581. Overall assets increased by \$134,334,683.
- At the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$142,391,512, an increase of \$119,657,896 from the prior year. The majority of this increase was in the Capital Projects/Building Fund due to the issuance of \$111.6 million of the \$150 million voter approved bonds. The General Fund balance decreased by \$333,631 in FY 2016-17 due to a budgeted spenddown for specific District initiatives.
- The governmental funds reported combined unassigned fund balance of \$2,929,572.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$2,935,809 or 5.3% of the total General Fund operating revenue not to include Self-Insurance or the Colorado Preschool Program Fund. Operating revenue consists of all District revenue minus the revenue passed through to Connections Academy (on-line school), which for FY 2016-17 totaled \$16,511,971. The total Nonspendable/Restricted/Committed/Assigned fund balances for FY 2016-17 are \$5,677,132, inclusive of restrictions of \$207,486 for the Insurance Fund and \$54,458 for the Colorado Pre-School Program Fund. Other restricted fund balances in governmental funds include: \$1,730,016 in the Capital Reserve Fund, \$118,693,344 in the Building Fund, \$1,851,085 in the Food Service Fund and \$11,504,126 in the Bond Redemption Fund.
- At June 30, 2017, \$2,460,021 of the \$8,612,941 fund balance of the General Fund was restricted for the emergency contingency required by Article X, Section 20 of the Colorado Constitution.
- The governmental activities total long-term debt excluding net pension liability increased by \$121,022,902 (333.3%) in FY 2016-17 due to the issuance of \$111.6 million in voter approved bonds.

Overview of the Financial Statements

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

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Mapleton Public Schools' finances in a manner similar to a private-sector business. They consist of two statements:

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Mapleton Public Schools 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 on a full accrual basis; or in other words, as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement 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 Mapleton Public Schools that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Mapleton Public Schools include instruction and support services of the District. As of July 1, 2014, the business-type activities of Mapleton Public Schools no longer include Child Nutrition Services. The activities in this fund were relocated to fund 21 which is a special revenue fund.

The government-wide financial statements can be found on pages 18-19 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. Mapleton Public Schools uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental Funds. Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial 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 the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Mapleton Public Schools maintains six individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balances for the General Fund, the Debt Service Fund, the Capital Reserve Fund, the Food Service Fund, the Building Fund and the Grants Fund, because all are considered to be major funds.

The governmental fund financial statements can be found on pages 20-22 of this report.

Proprietary Funds. Mapleton Public Schools maintains one type of proprietary fund. *Internal service funds* are accounting devices used to accumulate and allocate costs internally among Mapleton's various functions. The District uses an internal service fund to account for its risk-related activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. For reporting purposes, these activities are included with the General Fund. Mapleton previously reported its Food Service fund in an enterprise fund; however, as of July 1, 2014, it accounts for these activities in a special revenue fund.

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 statement because the resources of those funds are not available to support Mapleton Public Schools' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Fiduciary Fund financial statement can be found on page 23 of this report.

Notes to the Financial Statements. The notes 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 the basic financial statements can be found on pages 24-55 of this report.

Other Information. Mapleton Public Schools adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The combining statements referred to earlier, in connection with non-major governmental funds, are presented after the notes to the financial statements.

Primary Government Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	Total
	2017	2016	2017	2016	2017	2016
Current and Other Assets	151,295,714	29,800,991	0	0	151,295,714	29,800,991
Capital Assets, net of depreciation	96,883,282	84,043,322	0	0	96,883,282	84,043,322
Total Assets	248,178,996	113,844,313	0	0	248,178,996	113,844,313
Deferred Outflows of Resources	100,355,384	17,716,597	0	0	100,355,384	17,716,597

Long-term Liabilities Outstanding	157,327,814	36,304,912	0	0	157,327,814	36,304,912
Net Pension Liability	252,565,034	127,313,727	0	0	252,565,034	127,313,727
Other Liabilities	18,081,999	10,624,142	0	0	18,081,999	10,624,142
Total Liabilities	427,974,847	174,242,781	0	0	427,974,847	174,242,781

Deferred Inflows of Resources	1,432,655	2,334,670	0	0	1,432,655	2,334,670
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Net Position						
Invested in Capital, net of related debt	(66,782,401)	46,648,465	0	0	(66,782,401)	46,648,465
Restricted For:						
Debt Service	11,504,126	5,422,769	0	0	11,504,126	5,422,769
Capital Purposes	120,423,360	6,765,592	0	0	120,423,360	6,765,592
Multi-Year Contracts	993,550	993,550	0	0	993,550	993,550
Insurance Sub-fund	0	51,676	0	0	0	51,676
Preschool Sub-fund	54,458	46,910	0	0	54,458	46,910
Emergencies	2,460,021	2,212,782	0	0	2,460,021	2,212,782
Food Nutrition Program	1,649,353	1,342,025			1,649,353	1,342,025
Unrestricted	(151,175,589)	(108,500,310)	0	0	(151,175,589)	(108,500,310)
Total Net Position	(80,873,122)	(45,016,541)	0	0	(80,873,122)	(45,016,541)

Primary Government Condensed Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	Total
	2017	2016	2017	2016	2017	2016
Program Revenues:						
Charges for Services	900,788	666,057	0	0	900,788	666,057
Operating Grants and Contributions	11,858,368	11,569,723	0	0	11,858,368	11,569,723
Capital Grants and Contributions	503,581	164,257	0	0	503,581	164,257
General Revenues:						
Local Property Taxes	32,595,153	23,145,989	0	0	32,595,153	23,145,989
Specific Ownership Taxes	2,356,761	1,908,133	0	0	2,356,761	1,908,133
State Equalization	45,613,941	46,215,333	0	0	45,613,941	46,215,333
Other Revenues	2,070,457	1,921,651	0	0	2,070,457	1,921,651
Gain on Sale of Assets	3,246	6,499,713	0	0	3,246	6,499,713
Investment Earnings	564,937	(84,371)	0	0	564,937	(84,371)
Capital Contributions:						
Contributed Capital from Govt.	0	0	0	0	0	0
Total Program, General, and Capital Revenue	96,467,232	92,006,485	0	0	96,467,232	92,006,485
Expenses:						
Instruction	77,881,888	50,595,710	0	0	77,881,888	50,595,710
Supporting Services	50,421,213	36,480,329	0	0	50,421,213	36,480,329
Interest Expense	4,020,712	1,582,847	0	0	4,020,712	1,582,847
Food Services	0	0	0	0	0	0
Total Expenses:	132,323,813	88,658,886	0	0	132,323,813	88,658,886
Increase/(Decrease) in Net Position Before Transfers	(35,856,581)	3,347,599	0	0	(35,856,581)	3,347,599
Transfers	0	0	0	0	0	0
Change in Net Position	(35,856,581)	3,347,599	0	0	(35,856,581)	3,347,599
Net Position - July 1 (prior)	(45,016,541)	(48,364,140)	0	0	(45,016,541)	(48,364,140)
Net Position - July 1 (current)	(80,873,122)	(45,016,541)	0	0	(80,873,122)	(45,016,541)

Government-wide Financial Analysis

As noted earlier, *net position* may serve over time as a useful indicator of the District's financial position. In FY 2016-17, the District's assets were less than its liabilities by \$80,873,122. In FY 2015-2016, the District had a net position of (\$45,016,541) a decrease of \$35,856,581.

Explanations for the change in net position are found below.

Governmental Activities. Governmental activities decreased the District's net position by \$35,856,581. Key elements of governmental activity are as follows:

- Total Governmental Activities Program, General, and Capital Revenue increased by \$4,460,747 from FY 2015-16 to FY 2016-17.
- The increase within the Capital Grants and Contributions column, is directly attributed to the Building Excellent Schools Today (BEST) grant which was beginning to be utilized

in FY 16-17. In general revenues, the District realized a significant increase in the amount property taxes collected due to the passage of the bond and mill-levy override. The District saw an overall increase in assessed value of 13.4% in the 2017 collection year and an increase of over \$400k in specific ownership tax collections. The remainder of the increase is attributed to higher investment earnings due to bond investments. Some of the gain is offset by a decrease in the gain on sale of assets attributed to the sale of the Old Mapleton property in the last fiscal year. The Adams County Assessor's Office reported an increase in assessed valuation for Mapleton of \$67,453,350 which is approximately 13.4%. The preliminary assessed valuation for calendar year 2018 shows an increase of \$112,804,360 or 19.8%.

- Primary government expenses for FY 2016-17 were \$132,323,813, an increase of \$43,664,927 or 49.2% from FY 2015-2016 which is mostly attributed by the increase in unfunded pension liability for all staff.
- Instructional expenses increased by \$27,286,178 or 54% on a governmental wide basis. This increase is also due to the unfunded pension liability for educational staff members. A small portion of the increase is due to instructional spending related to the pupil count increase and incremental salary and benefits for instructional employees.
- Primary government supporting services expenses increased by \$13,940,884 or 38.2% also attributed to the unfunded pension liability for support staff.
- The Governmental Grants fund expenditures vary from year to year based on award amounts. Expenditures in the Capital Reserve fund increased by \$8,482,239 due to renovation of the newly acquired Broadway Building which houses Big Picture College and Career Academy as well as non-operational administration and the future home of the District's Career X vocational education program.
- The amount the District charges for services was \$900,788, an increase of 35.2% from FY 2015-2016.
- The federal and state governments subsidized certain programs with operating grants and contributions totaling \$11,858,368 an increase of 2.5% from FY 2015-2016. The District is in year 2 of receiving funds from the Tiered Intervention Grant for Global Intermediate and Global Leadership Academy which contributed to this increase.
- Most of the District's governmental activities were financed by District and state taxpayers. General revenues for governmental activities consist of \$37,590,554 in local revenues including property taxes and \$45,613,941 of state revenues including unrestricted state equalization based on the statewide education aid formula.

Business-Type Activities. After the reclassification of the District's Food Service Fund to a Special Revenue Fund, the District no longer reports business-type activities.

Financial Analysis of the Governmental Funds

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

As of the end of FY 2016-17, Mapleton Public Schools' governmental funds reported a combined ending fund balance of \$142,391,512, an increase of \$119,657,896 or 526%. The largest contributing factor is the addition of the Building Fund after the sale of \$111.6 million in voter approved bonds. Another significant increase is within the Bond Redemption Fund. The additional levy that local voters approved, collected additional funds for the principal and interest payments on the new bond. The Capital Reserve Fund balance was reduced by \$5 million, due to the planned expenditures related to the new Broadway Building. In the District's General Fund, only the restricted items are protected in un-expendable budget lines (Multi-Year Contracts, Emergency Reserves, etc.). The remaining unassigned fund balance is distributed throughout the District budget in accounts that are expendable or held as contingency.

General Fund

Revenues

The General Fund is the major operating fund of Mapleton Public Schools, providing the majority of the resources for educational and support programs. Revenues for the General Fund totaled \$75,736,259 before transfers in FY 2016-17. The following table reflects the amount of revenue from various sources:

General Fund Revenues:	FY 2017	FY 2016	Amount of Change	Percent of Change
Local Property Taxes	20,604,152	18,514,315	2,089,837	11.3
Specific Ownership Taxes	2,356,761	1,908,133	448,628	23.5
Other Local	2,573,546	2,035,103	538,443	26.4
State of Colorado				
Equalization	45,613,941	46,215,333	(601,392)	(1.3)
Other State	3,412,227	3,614,724	(202,497)	(5.6)
Federal- Title I	1,175,632	1,092,788	82,844	7.5
Totals	75,736,259	73,380,396	2,355,863	3.2

Property Taxes. The calendar year 2017 General Fund property tax revenues were based upon a levy of 36.739 mills applied against an assessed valuation of \$569,244,410. The 2016 mill levy was 36.518 mills applied against an assessed valuation of \$501,791,060. Collection amounts remained steady at 98.5%.

Specific Ownership Taxes. Specific ownership tax is applied to the fair value of vehicles registered in Colorado. The tax is collected when vehicle owners renew their vehicle registrations each year. Last year collections increased by \$406,118 and this year increased by \$448,628 or 23.5%.

State Equalization. State equalization revenue for kindergarten through 12th grade education is the primary revenue source for the General Fund. Payments are received monthly at generally 1/12th of the annual state estimated revenue. Total state equalization payments decreased by \$601,392 or 1.3% in FY 2016-17 due to the increased local property tax funding as the result of rapidly improving assessed value in the District. The District received more funding from local share; therefore, the state equalization amount was less. FY 2010-11 marked the end of the provision in Amendment 23 of the state constitution which required that base funding for K-12 education increase by the rate of inflation plus 1%. The base funding will continue to increase

by the rate of inflation annually. Inflation for the Denver/Boulder metro area was estimated at 2.8% for CY 2016. However, FY 2016-17 marks the eighth year that the state has applied the “Negative Factor” to the funding formula. In 2016-17, these reductions amounted to approximately 11.5% of the amount the District was supposed to receive. This equates to more than an \$8 million reduction to Mapleton.

Education of the Handicapped. The majority of the District’s revenue for education of disabled students is received in the fall of each year. Revenue received in FY 2016-17 was \$1,639,632 which was an increase of \$60,001 over FY 2015-2016.

Other State Sources. Other state sources consist of state English Language Proficiency (ELPA) revenue and transportation reimbursement revenue. Revenue received in FY 2016-17 for ELPA was \$781,041. Revenue received for the transportation reimbursement was \$501,054.

Expenditures

Expenditures in the General Fund, including the accrual for teacher salaries and benefits, totaled \$74,349,063 in FY 2016-17. This represents an increase of 5.6% from FY 2015-2016. The largest increase is recognized in instructional expenditures which included salary and benefit increases for certified staff along with the additional costs associated with the growth in pupil count.

General Fund Expenditures	FY 2017	FY 2016	Amount of Change	Percent of Change
Instruction	45,672,320	43,292,140	2,380,180	5.5%
Pupil Services	2,999,661	2,697,964	301,697	11.2%
Instructional Support	2,853,500	2,648,660	204,840	7.7%
General Administration	2,584,436	2,774,563	(190,127)	(6.8%)
School Administration	5,082,242	4,934,685	147,557	3.0%
Business Services	2,314,028	2,314,947	(919)	-
Operations and Maintenance	5,453,175	5,274,148	179,027	3.4%
Student Transportation	2,256,538	2,054,872	201,666	9.8%
Central Support	3,393,221	2,726,710	666,511	24.4%
Other Support	606,137	634,837	(28,700)	(4.5%)
Community Services	1,004,300	840,933	163,367	19.4%
Capital Outlay	81,084	177,556	(96,472)	(54.3%)
Debt Service	48,421	37,061	11,360	30.6%
Totals	74,349,063	70,409,076	3,939,987	5.6%

Transfers to Other Funds. During the year, the General Fund transferred \$38,586 to the Food Service Fund to cover uncollectable meal charges. The per pupil requirement for transfer to the Capital Reserve fund is no longer required; however, the General fund allocated \$1,748,541 of property tax revenues to the Capital Reserve Fund.

OTHER MAJOR FUNDS

Food Service Fund

The Food Service Fund's balance increased by \$252,402 in FY 2016-17. The department is anticipating a further spenddown of its reserves in the coming fiscal year as new equipment is purchased for various sites.

Bond Fund

The Bond Redemption Fund's balance increased by \$6,081,357 in FY 2016-17. The mills were adjusted to compensate for the payment of the GO Series 2017 Bond principal and interest payment which began in FY 2017. The revenue in this fund can also vary slightly due to percentage of property tax actually collected.

Governmental Grants Fund

The Grant Fund's balance has remained at \$0 for FY 2016-17. Activities from the Early Childhood Partnership of Adams County (ECPAC) were relocated from fund 73 to the Governmental Grant fund beginning in FY 2015.

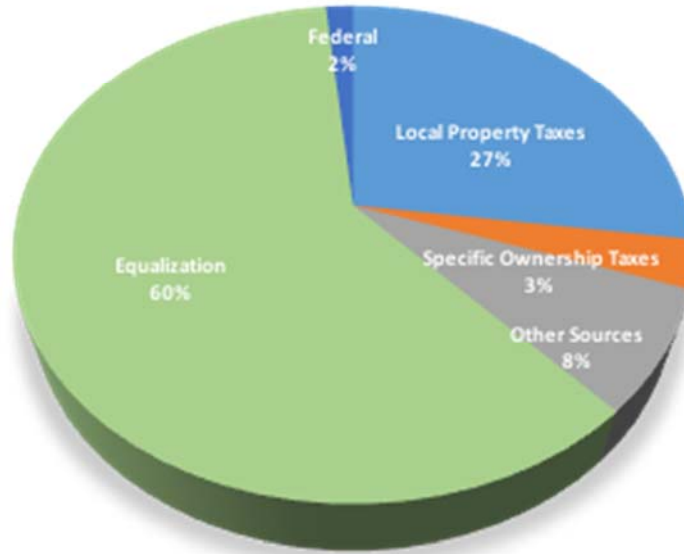
Capital Reserve Fund

The Capital Reserve Fund's balance decreased by \$5,035,576 in FY 2016-17. This was due to the planned expenditures related to the new Broadway Building. The General Fund allocated \$1,748,541 of Property Tax revenue to the Capital Reserve fund to address the capital needs of the District in FY 2016-17.

General Fund Budgetary Highlights

For audit purposes, the General Fund includes funds 10, 18, and 19. In the annual budget document, the funds are budgeted separately.

Mapleton Public Schools General Fund Revenues FY 2016-17



The original FY 2016-17 budget adopted by the Board of Education for the District as a whole totaled appropriations of \$106,860,445 million, including General Fund appropriations of \$78,924,600.

The final General Fund supplemental budget appropriation of \$79,913,159, reflected an increase in revenue due to the increased October pupil count of the District and Connections Academy.

FY 2016-17 budgeted Total Program Funding (including delinquent taxes from prior years) under the Public School Finance Act totaled \$68,275,947 while actual revenues totaled \$68,576,284.

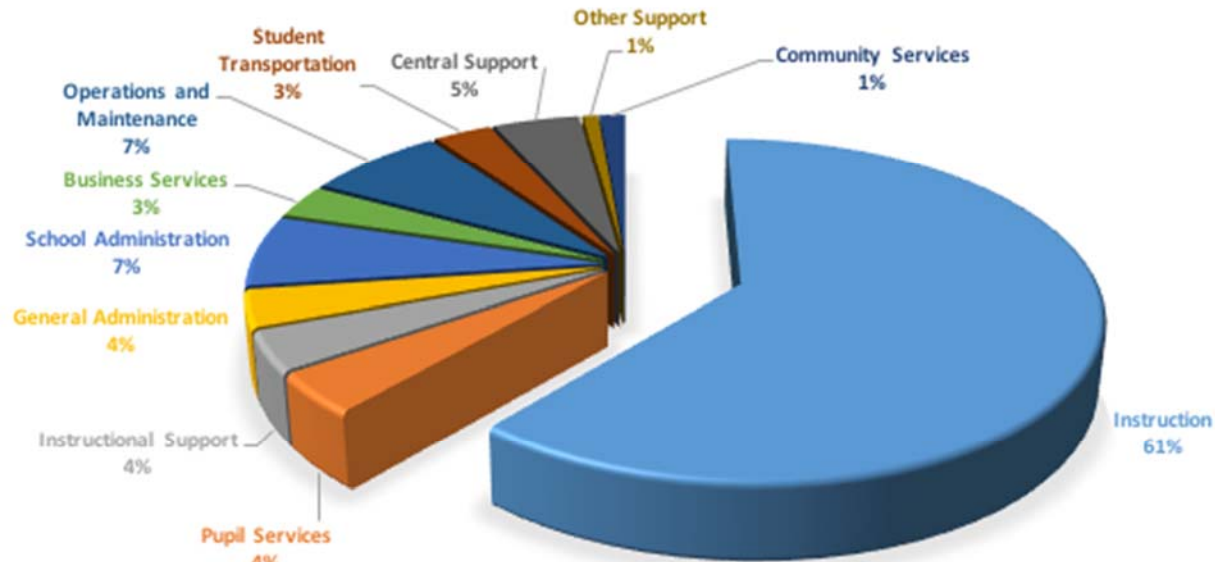
General Fund Budget vs. Actual Revenue*

General Fund Revenues:	Original Budget	Final Budget	Actual	Variance to Final
Local Property Taxes	22,426,650	20,549,420	20,605,582	56,162
Specific Ownership Taxes	1,600,000	2,100,000	2,356,761	256,761
Other Local	1,889,653	2,360,846	2,572,116	211,270
State of Colorado				
Equalization	48,081,574	45,626,527	45,613,941	(12,586)
Other State	3,551,634	3,508,340	3,412,227	(96,113)
Federal- Title I	1,118,569	1,118,569	1,175,632	57,063
Totals	76,006,000	75,263,702	75,736,259	472,557

*Before transfers

General Fund final budget to actual variance was \$472,557 or <1% over final budgeted revenues.

MAPLETON PUBLIC SCHOOLS GENERAL FUND EXPENDITURES FY 2016-17



General Fund Budget vs. Actual Expenditures

General Fund Expenditures:	Original Budget	Final Budget	Actual	Variance to Final
Instruction	47,406,274	46,687,549	45,672,320	(1,015,229)
Pupil Services	2,700,413	3,004,444	2,999,661	(4,783)
Instructional Support	2,824,103	3,037,291	2,853,500	(183,791)
General Administration	2,752,322	1,898,599	2,584,436	685,837
School Administration	4,820,620	5,091,797	5,082,242	(9,555)
Business Services	2,512,342	2,526,895	2,314,028	(212,867)
Operations and Maintenance	5,297,829	5,416,194	5,453,175	36,981
Student Transportation	2,097,920	2,192,228	2,256,538	64,310
Central Support	2,942,655	3,566,202	3,393,221	(172,981)
Other Support	558,730	632,632	606,137	(26,495)
Community Services	650,886	943,949	1,004,300	60,351
Contingency/Capital Outlay/Debt Service	0	1,053,931	129,505	(924,426)
Totals	74,564,094	76,051,711	74,349,063	(1,702,648)

General Fund final budget to actual variance was \$1,702,648 or 2.2% under final budgeted expenditures. The most significant variance was instructional expenditures which also contains the contingency for the General Fund. Some of the budget variance was due to changes submitted by Connections Academy contract school which are part of the overall budget appropriation, but not regulated by Mapleton's Board of Education.

Capital Asset and Debt Administration

Capital Assets. Mapleton Public Schools' investment in capital assets for its governmental as of June 30, 2017 amounts to \$96,883,282 (net of accumulated depreciation). This investment in capital assets includes land, buildings, service vehicles, buses, playgrounds, and office and instructional equipment.

	Governmental Activities	
	2017	2016
Land	4,767,114	864,824
Construction in Progress	8,875,743	342,282
Site Improvements	17,991,374	17,991,374
Buildings and Improvements	99,513,241	96,352,787
Equipment and vehicles	9,209,211	8,639,582
Depreciation	(43,473,401)	(40,147,527)
Total Capital Assets	96,883,282	84,043,322

Additional information on the District's capital assets can be found in Note 3 of this report.

Long-Term Debt. As of June 30, 2017, the district had outstanding debt of \$166,432,286. Of this amount, \$124,235,000 is general obligation bonded debt, which is backed by the full faith and credit of the District, \$19,147,212 in matching money bonds from the state of Colorado through the Building Excellent Schools Today program (BEST). In addition, the District maintains leases on lighting, buses, technology and computer upgrades in the amount of \$530,651. These leases are collateralized with the upgraded equipment and the voter-approved mill levy override (technology equipment only). In FY 2004-05, the District secured \$5,567,202 in debt proceeds (less discount) through Certificates of Participation (COPS), which was refinanced in FY 2015-16 and now appear as the 2015 COPS debt with a balance of \$2,680,000. In FY 2016-17, the District secured an additional COPS in the amount of \$4,200,000, for the purchase of the Broadway Building. The District's remaining long-term debt is illustrated in the table below.

	Governmental Activities	
	2017	2016
Governmental Activities		
General Obligation Bonds	124,235,000	14,420,000
Matching Money Bonds	19,147,212	20,147,274
Capital Leases	530,651	553,798
Certificates of Participation	6,690,000	2,940,000
Bond Premiums	14,620,004	951,219
COPS Discount	0	0
COPS Refunding Premium	78,408	88,209
Compensated Absences	1,131,011	982,847
Total Governmental Activities	166,432,286	40,083,347

As of June 30, 2017, the District's total long-term debt was 29.2% of the assessed valuation of \$569,244,410, or 5% of the actual valuation of \$3,268,307,094.

Mapleton Public Schools maintains an Aa2 rating through the Colorado State Intercept Program, and underlying ratings of A+ from Standard and Poor's and Aa3 from Moody's.

For more detailed information on debt administration, see Note 5 in the Notes to basic Financial Statements.

Economic Factors and Next Year's Budgets

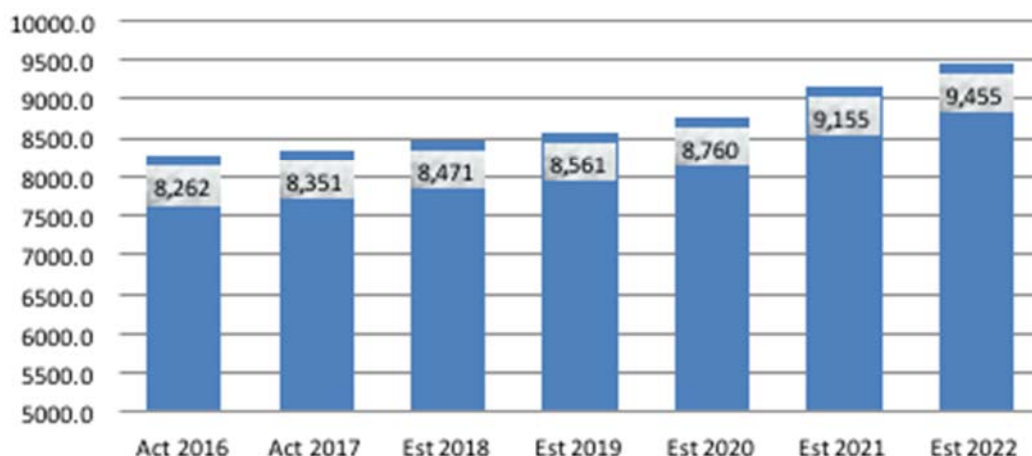
Colorado's economic growth has exhibited increased momentum thus far in 2017, led by the state's technology sector, new business formation, and growth in its skilled workforce. However, tight labor and housing market conditions are raising costs for individuals and businesses. According to the Governor's Office of State Planning and Budgeting (OSP), the economic growth rate for the nation overall has improved in 2017, but remains more modest than in Colorado. On a national level, although recession risk appears low, events could develop that would change this outlook. The Federal Reserve has indicated that monetary tightening will continue. Monetary tightening in the current environment of modest U.S. growth and tempered inflation may result in slowing economic conditions. The Governor's budget that was released in early November, showed an inflationary increase to base per pupil and categorical funding of 3.0% with an increase to the Negative Factor of \$70 million. This would result in an approximately \$343 per pupil increase for Mapleton.

Mapleton is experiencing growth as well. The District's core pupil count has increased by an estimated 317 students since FY 2012-13. Connections has grown by 183 students in the same period.

For calendar year 2017, the inflation rate is estimated at 2.8%. Early estimates indicate the inflation rate will increase to 3.2% in 2018.

At the close of the 2017-18 October count process, Mapleton Public Schools is anticipating an enrollment increase of approximately 120 students. The core District is increasing by approximately 170 students while Connections Academy enrollment decreased by 50 students.

Funded Pupil Count Projections FY 2016 - 2022



Salary adjustments for staff are the result of salary and compensation negotiations and discussions. For budget development purposes, salary and benefit amounts are primarily based on salary schedule increases consistent with the rate of increase in per pupil funding.

For FY 2017-18, the District agreed to funding a step and .5% for certified and classified employees as well as 3.3% for administrators. Employees who participate in the District's insurance saw an increase to their monthly insurance premiums as well.

On November 8, 2016, the District did successfully pass both a mill-levy override and a bond measure. The mill-levy override will raise \$1 million the first year, \$2 million the second year, and \$3 million for each subsequent year. The additional funds will be used to enhance classroom materials and equipment; create a middle/high school career technology program; help maintain both existing and new school buildings and grounds; and attract and retain highly-qualified staff to work with Mapleton students. The bond proposal is a facilities reinvestment plan that will pay for replacements, renovations, and/or repairs to nearly every school in Mapleton. The Building Excellent Schools Today (BEST) Board and Colorado Board of Education approved Mapleton for a partial matching grant in the amount of \$6.6 million that will help replace the Adventure Elementary building. Many of the District's schools are more than 60 years old and in dire need of repair. The bond proceeds will also fund the construction of new schools which are planned in the Midtown development and in the northern area of the District.

Requests for Information

This financial report is designed to provide a general overview of Mapleton Public Schools. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, 7350 N. Broadway, Denver, CO 80221 or (303) 853-1000.



BASIC FINANCIAL STATEMENTS



Mapleton Public Schools

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ADAMS COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF NET POSITION

June 30, 2017

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Assets	
Cash and investments (Note 2)	\$ 16,170,086
Restricted cash and investments (Note 2)	131,240,081
Deposit in insurance pool (Note 8)	207,486
Accounts receivable	290,532
Due from other government	4,943
Taxes receivable	980,833
Grants receivable	2,188,333
Other assets	5,451
Prepaid items	6,237
Inventories	201,732
Capital assets (Note 3):	
Not being depreciated	13,642,857
Depreciable	83,240,425
Total Assets	<u>248,178,996</u>
Deferred Outflows Of Resources	
Deferred loss on refunding	1,673,315
Deferred outflow pension (Note 9)	98,682,069
Total Deferred Outflows Of Resources	<u>100,355,384</u>
Liabilities	
Accounts payable	1,875,217
Accrued salaries and benefits	5,821,674
Unearned revenues	720,542
Accrued interest payable	560,094
Noncurrent liabilities:	
Long-term debt (Note 5):	
Due within one year	9,104,472
Due in more than one year	157,327,814
Pension liability (Note 8)	252,565,034
Total Liabilities	<u>427,974,847</u>
Deferred Inflows Of Resources	
Deferred gain on refunding	37,723
Deferred inflow pension (Note 9)	1,394,932
Total Deferred Inflows Of Resources	<u>1,432,655</u>
Net Position	
Net investment in capital assets	(66,782,401)
Restricted:	
Debt service	11,504,126
Capital purposes	120,423,360
Multi-year contracts	993,550
Preschool	54,458
Emergencies (Note 12)	2,460,021
Food Nutrition Program	1,649,353
Unrestricted	<u>(151,175,589)</u>
Total Net Position	<u>\$ (80,873,122)</u>

ADAMS COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF ACTIVITIES For The Year Ended June 30, 2017

	Program Revenues				Net Revenue (Expense) And Changes In Net Position
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Primary Government					
Governmental activities:					
Instruction	\$ 77,881,888	\$ 287,197	\$ 7,228,425	\$ —	\$ (70,366,266)
Supporting services	50,421,213	613,591	4,629,943	503,581	(44,674,098)
Interest expense	4,020,712	—	—	—	(4,020,712)
Total Governmental Activities	132,323,813	900,788	11,858,368	503,581	(119,061,076)
Total Primary Government	\$ 132,323,813	\$ 900,788	\$ 11,858,368	\$ 503,581	(119,061,076)
General Revenues					
Local property taxes					32,595,153
Specific ownership taxes					2,356,761
State equalization					45,613,941
Investment earnings					564,937
Other					2,070,457
Gain on sale of assets					3,246
Total General Revenues					83,204,495
Change In Net Position					(35,856,581)
Net Position - Beginning Of Year					(45,016,541)
Net Position - End Of Year					\$ (80,873,122)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2017

Assets													
	General Fund		Grants Fund		Food Nutrition Fund		Capital Reserve Fund		Capital Projects Fund		Bond Redemption Fund		Total
Cash and investments	\$	12,616,189	\$	197,455	\$	1,576,402	\$	1,780,040	\$	—	\$	—	\$ 16,170,086
Restricted cash and investments		—		—		—		—		119,945,034		11,295,047	131,240,081
Deposit in insurance pool		207,486		—		—		—		—		—	207,486
Accounts receivable		27,289		145		207,974		15,898		10,596		28,630	290,532
Due from other funds		1,377,364		—		—		1,936		—		—	1,379,300
Due from other governments		4,943		—		—		—		—		—	4,943
Taxes receivable		622,576		—		—		—		—		358,257	980,833
Grants receivable		469,398		1,549,572		9,611		—		159,752		—	2,188,333
Other asset		—		5,451		—		—		—		—	5,451
Prepaid items		—		6,237		—		—		—		—	6,237
Inventories		—		—		201,732		—		—		—	201,732
Total Assets	\$	15,325,245	\$	1,758,860	\$	1,995,719	\$	1,797,874	\$	120,115,382	\$	11,681,934	\$ 152,675,014
Liabilities, Deferred Inflows Of Resources And Fund Balances													
Liabilities:													
Accounts payable	\$	350,370	\$	46,170	\$	1,684	\$	54,955	\$	1,422,038	\$	—	\$ 1,875,217
Accrued salaries and benefits		5,821,674		—		—		—		—		—	5,821,674
Due to other funds		—		1,236,350		142,950		—		—		—	1,379,300
Unearned revenues		231,299		476,340		—		12,903		—		—	720,542
Total Liabilities		6,403,343		1,758,860		144,634		67,858		1,422,038		—	9,796,733
Deferred inflows of resources:													
Unavailable property tax - revenue		308,961		—		—		—		—		177,808	486,769
Fund balances:													
Nonspendable:													
Inventories		—		—		201,732		—		—		—	201,732
Prepaid items		—		6,237		—		—		—		—	6,237
Deposit in insurance pool		207,486		—		—		—		—		—	207,486
Restricted for debt service		—		—		—		—		—		11,504,126	11,504,126
Restricted for capital purposes		—		—		—		1,730,016		118,693,344		—	120,423,360
Restricted for multi-year contracts		993,550		—		—		—		—		—	993,550
Restricted for preschool		54,458		—		—		—		—		—	54,458
Restricted for TABOR		2,460,021		—		—		—		—		—	2,460,021
Restricted for Food Nutrition Program		—		—		1,649,353		—		—		—	1,649,353
Committed - Board of Education		1,946,193		—		—		—		—		—	1,946,193
Assigned - Insurance		15,424		—		—		—		—		—	15,424
Unassigned		2,935,809		(6,237)		—		—		—		—	2,929,572
Total Fund Balances		8,612,941		—		1,851,085		1,730,016		118,693,344		11,504,126	142,391,512
Total Liabilities And Fund Balances	\$	15,325,245	\$	1,758,860	\$	1,995,719	\$	1,797,874	\$	120,115,382	\$	11,681,934	\$ 152,675,014
Fund Balance Of Governmental Funds												\$	142,391,512
Amounts reported for governmental activities in the statement of net position are different because:													
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.													96,883,282
Other long-term assets are not available to pay for current-year expenditures and, therefore, are unavailable in the funds.													486,769
Pension plan accounts, such as deferred inflows/outflows and net pension liability, are not receivable or payable in the current period and, therefore, are not reported in the funds.													
Net pension liability													(252,565,034)
Deferred outflow of resources													98,682,069
Deferred inflow of resources													(1,394,932)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.													
The details of this difference are as follows:													
General obligations bonds payable													(143,382,212)
COP payable													(6,690,000)
Capital leases payable													(530,651)
Premiums													(14,698,412)
Deferred loss on refunding													1,673,315
Deferred gain on refunding													(37,723)
Accrued interest payable													(560,094)
Compensated absences													(1,131,011)
Net Position Of Governmental Activities												\$	(80,873,122)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For The Year Ended June 30, 2017

	General Fund	Grants Fund	Food Nutrition Fund	Capital Reserve Fund	Capital Projects Fund	Bond Redemption Fund	Total
Revenues							
Local sources	\$ 25,534,459	\$ 406,092	\$ 316,361	\$ 62,589	\$ 499,900	\$ 11,864,213	\$ 38,683,614
State sources	49,026,168	2,146,457	56,040	—	383,581	—	51,612,246
Federal sources	1,175,632	2,636,981	2,225,103	—	—	—	6,037,716
Total Revenues	75,736,259	5,189,530	2,597,504	62,589	883,481	11,864,213	96,333,576
Expenditures							
Current:							
Instruction	45,672,320	2,601,727	—	—	—	—	48,274,047
Supporting services	28,547,238	2,416,267	2,369,178	933,328	359,960	—	34,625,971
Capital outlay	81,084	171,536	14,510	9,352,831	6,835,611	—	16,455,572
Debt service:							
Principal	48,421	—	—	693,214	—	2,855,062	3,596,697
Interest and fiscal charges	—	—	—	196,372	—	2,927,794	3,124,166
Debt issuance costs	—	—	—	84,101	690,380	—	774,481
Total Expenditures	74,349,063	5,189,530	2,383,688	11,259,846	7,885,951	5,782,856	106,850,934
Excess (Deficiency) Of Revenues Over (Under) Expenditures	1,387,196	—	213,816	(11,197,257)	(7,002,470)	6,081,357	(10,517,358)
Other Financing Sources (Uses)							
Issuance of bonds	—	—	—	—	111,670,000	—	111,670,000
Issuance of COP	—	—	—	4,200,000	—	—	4,200,000
Premium on bonds issued	—	—	—	—	14,025,814	—	14,025,814
Issuance of capital lease	66,300	—	—	202,188	—	—	268,488
Transfers in	—	—	38,586	1,748,541	—	—	1,787,127
Transfers out	(1,787,127)	—	—	—	—	—	(1,787,127)
Sale of general capital assets	—	—	—	10,952	—	—	10,952
Total Other Financing Sources (Uses)	(1,720,827)	—	38,586	6,161,681	125,695,814	—	130,175,254
Net Change In Fund Balances	(333,631)	—	252,402	(5,035,576)	118,693,344	6,081,357	119,657,896
Fund Balances - Beginning Of Year	8,946,572	—	1,598,683	6,765,592	—	5,422,769	22,733,616
Fund Balances - End Of Year	\$ 8,612,941	\$ —	\$ 1,851,085	\$ 1,730,016	\$ 118,693,344	\$ 11,504,126	\$ 142,391,512

See the accompanying notes to basic financial statements.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For The Year Ended June 30, 2017

Net Change In Fund Balances - Governmental Funds **\$ 119,657,896**

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

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 capital outlay of \$16,366,626 exceeded depreciation expense of \$3,518,960. 12,847,666

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase net position. (7,706)

Revenues that do not provide current financial resources are deferred in the governmental funds. This amount represents the change in unavailable property taxes. 130,263

Pension expense does not use current financial resources and, therefore, is not reported as an expense in the governmental funds. (41,640,454)

The issuance of and repayments on long-term debt (e.g., bonds, leases, certificates of participation (COP)) provides and consumes current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums and discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of these items are as follows:

General obligation bonds principal payments	2,855,062
General obligation bonds and COP issued	(115,870,000)
Premium on general obligation bonds issued	(14,025,814)
COP principal payment	450,000
Capital lease principal payments	291,635
Capital lease issuance	(268,488)
Amortization of debt premiums	366,830
Amortization of deferred loss on refunding bonds	(99,403)
Amortization of deferred gain on refunding bonds	29,352
Change in accrued interest payable	(425,256)
Change in compensated absences	(148,164)

Change In Net Position Of Governmental Activities **\$ (35,856,581)**

ADAMS COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUND
June 30, 2017

	<u>Agency Fund</u>
Assets	
Cash and investments	\$ 264,094
Accounts receivable	<u> 127</u>
Total Assets	<u><u> \$ 264,221</u></u>
 Liabilities	
Accounts payable	\$ 1,058
Due to others	<u> 263,163</u>
Total Liabilities	<u><u> \$ 264,221</u></u>

ADAMS COUNTY SCHOOL DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

1. Summary Of Significant Accounting Policies

The accounting policies of the Adams County School District No. 1 (the District) conform to generally accepted accounting principles (GAAP) 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 and organizations for which the District is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. In addition, any legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization or if the organization provides benefits to or imposes financial burdens upon the District.

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. 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.

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 included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

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

Measurement Focus, Basis Of Accounting And Financial Statement Presentation

The government-wide financial statements and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when 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.

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

- *General Fund* - 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.
- *Special Revenue Funds* - The Grants Fund accounts for revenues and expenditures of specific local, state and federal grant awards. The District is considered the fiscal agent for the Early Childhood Partnership of Adams County that receives grants and donations to support a collaborative effort in Adams County to provide services and support for families with young children.

The Food Nutrition Fund accounts for the financial activities associated with the District's breakfast and lunch programs.

- *Capital Projects Funds* - The Capital Reserve Fund accounts for purchases of equipment for the District.

The Capital Projects Fund accounts for bond proceeds and other revenues used for the construction and acquisition of major capital facilities.

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

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Additionally, the District reports the following fund type:

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current 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.

Property taxes, specific ownership taxes, grants and interest associated with the current year are considered to be susceptible to accrual. Therefore, they have been recognized as revenues of the current year in the government-wide presentation. 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.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Assets, Liabilities And Net Position/Fund Balance

Cash And Cash Equivalents - Cash on hand, demand deposits and highly liquid investments with maturities of three months or less from date of purchase are considered to be cash equivalents.

- *Investments* - Investments are measured at net asset value (NAV), which approximates fair value, or at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, and as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.
- *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 but not received at year end are recorded as property taxes receivable. Any taxes not collected within 60 days after year end are recorded as unavailable revenue in the fund financial statements.
- *Inventories* - Food Nutrition Fund inventories consist of purchased and donated commodities. Purchased inventories are stated at average cost. Donated inventories, received at no cost under a program supported by the federal government, are valued based upon the cost furnished by the federal government, which approximates fair value. Inventory is recorded as an asset when individual items are purchased and as an expenditure when consumed.
- *Capital Assets* - Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value, as that term is defined in GASB 72, at the date of donation.

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

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

Site improvements	20 to 25 years
Buildings and improvements	15 to 50 years
Equipment	5 to 20 years

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

- *Accrued Salaries And Benefits* - Salaries and benefits of certain contractually employed personnel are paid over a 12-month period from September to August, but are earned during a school year of approximately 9 to 10 months. The accrued salaries and benefits earned but unpaid are reported as a liability of the General, Grants and Food Nutrition Funds.
- *Pensions* - The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments within SCHDTF are reported at fair value. Pension liabilities are liquidated primarily by the General Fund with lesser amounts liquidated by the Food Nutrition, Grants and Capital Projects funds.
- *Unearned Revenues* - Unearned revenues include grant funds that have been collected but corresponding expenditures have not been incurred.
- *Compensated Absences* - The District's policy allows certain classes of employees to accumulate sick and vacation leave. Classified employees may accumulate up to 150 sick days. A classified employee who has completed at least 7 years of service in the District shall be compensated for all unused sick leave at 60% of the employee's daily rate to a maximum of 90 days upon separation by voluntary resignation, retirement or disability. The District shall not pay for unused vacation time except upon termination of employment. An employee who resigns or whose employment is terminated shall receive full compensation for earned unused vacation time for which he/she is entitled at the time of severance to the nearest half day.

Certified employees may accrue a maximum of 150 sick days. Employees who retire from the District under favorable conditions (i.e., under conditions other than discharge or constructive discharge), after 20 years of experience within the District, will be compensated at the rate of 100% of the substitute teacher rate in effect on the employee's date of retirement for all unused cumulative leave.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Administrative employees may maintain a maximum of 50 days of cumulative leave or may request payment for any or all of their cumulative leave during the year. Any leave in excess of 50 days will result in a payment, annually in July, for administrators with 7 or more years of continuous, full-time employment as an administrator. Payment for unused days of cumulative leave will also occur when an administrator leaves District employment, if he/she has at least 7 years of service to the District as an administrator. All payments for cumulative leave days are subject to the following formula: 7 - 10 years, payment will be made at the rate of 50% of the administrator's latest regular daily salary for each unused day; 10 - 15 years, payment will be 65%; 15 - 20 years, payment will be 85%; and over 20 years, payment will be 100%.

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

- *Long-Term Debt* - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

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

- *Net Position/Fund Balance* - In the government-wide financial statements, net position is restricted when constraints placed on net position are externally imposed.

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

- Nonspendable fund balance - Cannot ever be spent, cannot currently be spent or legally required to be maintained intact
- Restricted fund balance - Amounts subject to externally enforceable legal restrictions
- Committed fund balance - Amounts whose use is constrained by limitations that the government imposes on itself. Decisions are made by the Board of Education.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

- Assigned fund balance - Intended use of resources established by the government itself
- Unassigned fund balance - Excess of total fund balance over all other designations

The District's fund balance policy requires Board of Education's, the highest level of decision-making authority for the District, approval via resolution to commit fund balance. Board resolution is also required to modify or rescind the commitment. The Board delegated the authority to authorize the assignment of fund balances to the Superintendent. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, if expenditures incurred for specific purposes exceed restricted, committed and assigned amounts for those purposes, a negative unassigned fund balance may be reported.

Property Taxes

Property taxes are levied on January 1, based on the assessed value of property as certified by the County Assessor. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the following day. The tax sale date is the first Thursday of November.

Property taxes are recorded initially at the budgeted collection rate as deferred revenue in the year levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected in the governmental funds and in the period in which the tax is levied in the government-wide financial statements. The District reports deferred inflows of resources in the governmental funds for property tax collection not yet available at year end.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

Deferred Outflows Of Resources And Deferred Inflows Of Resources

In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. For refunding of debt resulting in defeasance, deferred outflow of resources is the difference where net carrying value of the old debt is less than the reacquisition price. A deferred inflow of resources is the difference where net carrying value of the old debt is more than the reacquisition price in a refunding of debt resulting in defeasance. For pensions, these deferrals can result from the net difference between expected and actual experience, projected and actual earnings on pension plan investments, changes in the District's proportionate share of the net pension liability and changes of assumptions, as well as contributions made by the District to PERA after PERA's measurement date.

Generally, deferred inflows are not aggregated with deferred outflows.

2. Cash And Investments

At June 30, 2017, the District had the following cash and investments:

Cash on hand	\$ 23,560
Deposits	14,707,995
Investments	<u>132,942,706</u>
Total	<u>\$ 147,674,261</u>

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

Cash and investments	\$ 16,170,086
Restricted cash and investments	131,240,081
Fiduciary fund cash and investments	<u>264,094</u>
Total	<u>\$ 147,674,261</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2017, the District had bank deposits of \$16,700,874 collateralized with securities held by the financial institution's agent, but not in the District's name.

Investments

The District is required to comply with state statutes that specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following:

- 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' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

At June 30, 2017, the District had the following fair value investments:

Investment	Valuation Inputs			Total
	Level 1	Level 2	Level 3	
Money market fund	\$ 10,243,452	\$ —	\$ —	\$ 10,243,452
FNMA	—	1,051,595	—	1,051,595
Corporate notes and bonds	—	8,286,271	—	8,286,271
U.S. agency notes and bonds	—	12,461,277	—	12,461,277
U.S. treasury notes and bonds	10,513,685	—	—	10,513,685
Total Investments At Fair Value	\$ 20,757,137	\$ 21,799,143	\$ —	\$ 42,556,280

- *Interest Rate Risk* - State statutes limit investments in U.S. agency securities to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.
- *Credit Risk* - It is the District's policy to follow state statute. Colorado state statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of \$1 billion or the highest rating issued by a nationally recognized statistical rating organization.
- *Concentration Of Credit Risk* - State statutes do not limit the amount the District may invest in one issuer.
- *Local Government Investment Pool* - The District invests 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. COLOTRUST operates similarly to a money market fund with each share equal in value to \$1.00. 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. Substantially, all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the participating governments. To obtain more information, log on to COLOTRUST at www.colotrust.com.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (Continued)

COLOTRUST is routinely monitored by the Colorado Division of Securities with regard to its operations and investments, which are also subject to provisions of Colorado Revised Statutes (C.R.S.) Title 24, Article 75, Section 6. The fair value of the investments in COLOTRUST is the same as the value of the pool shares. None of these types of investments is categorized because they are not evidenced by securities that exist in physical or book entry form.

COLOTRUST is valued using NAV per share (or its equivalent) of the investments. COLOTRUST does not have any unfunded commitments, redemption restrictions or redemption notice periods. At June 30, 2017, the District's investments measured at NAV consist of \$90,386,426 with COLOTRUST, with a rating of AAAm.

Restricted Cash And Investments

Cash and investments of \$11,295,047 in the Bond Redemption fund are comprised of General Obligation Bond reserves restricted for use in accordance with applicable debt covenants. Cash and investments of \$119,945,034 in the Capital Projects Fund represents unspent bond proceeds reserved for capital purposes.

3. Capital Assets

Activity for capital assets of the District is summarized below:

	Balance June 30, 2016	Additions	Deletions	Transfers	Balance June 30, 2017
Governmental Activities					
Capital assets, not being depreciated:					
Construction in progress	\$ 342,282	\$ 8,875,743	\$ —	\$ (342,282)	\$ 8,875,743
Land	864,824	3,802,290	—	100,000	4,767,114
Total Capital Assets, Not Being Depreciated	1,207,106	12,678,033	—	(242,282)	13,642,857
Capital assets, being depreciated:					
Site improvements	17,991,374	—	—	—	17,991,374
Buildings and improvements	96,352,787	3,001,954	—	158,500	99,513,241
Equipment	8,639,582	686,639	(200,792)	83,782	9,209,211
Total Assets Being Depreciated	122,983,743	3,688,593	(200,792)	242,282	126,713,826
Less: Accumulated depreciation:					
Site improvements	(5,140,957)	(711,412)	—	—	(5,852,369)
Buildings and improvements	(30,651,204)	(2,153,636)	—	—	(32,804,840)
Equipment	(4,355,366)	(653,912)	193,086	—	(4,816,192)
Total Accumulated Depreciation	(40,147,527)	(3,518,960)	193,086	—	(43,473,401)
Total Capital Assets Being Depreciated, Net	82,836,216	169,633	(7,706)	242,282	83,240,425
Governmental Activities, Capital Assets, Net	\$ 84,043,322	\$ 12,847,666	\$ (7,706)	\$ —	\$ 96,883,282

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

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

Governmental Activities	
Instruction	\$ 3,139,942
Supporting services	<u>379,018</u>
Total	<u>\$ 3,518,960</u>

4. Short-Term Debt

During the year ended June 30, 2017, the District approved a resolution allowing, but did not utilize, a loan from the state-sponsored interest-free loan program to provide cash flow throughout the fiscal year.

5. Long-Term Debt

Following is a summary of long-term debt transactions of the District for the year ended June 30, 2017:

	Balance June 30, 2016	Additions	Payments	Balance June 30, 2017	Due Within One Year
Governmental Activities					
Matching Money Bonds 2010	\$ 20,147,274	\$ —	\$ 1,000,062	\$ 19,147,212	\$ 1,040,884
General Obligation Refunding Bonds 2013	3,145,000	—	1,550,000	1,595,000	1,595,000
General Obligation Bonds 2016	11,275,000	—	305,000	10,970,000	—
General Obligation Bonds 2017	—	111,670,000	—	111,670,000	5,400,000
Bond Premium 2013	135,858	—	60,382	75,476	—
Bond Premium 2016	815,361	—	45,298	770,063	—
Bond Premium 2017	—	14,025,814	251,349	13,774,465	—
Certificates of Participation 2016	—	4,200,000	190,000	4,010,000	155,000
Certificates of Participation Refunding 2015	2,940,000	—	260,000	2,680,000	265,000
Certificates of Participation Refunding Premium 2015	88,209	—	9,801	78,408	—
Capital leases	553,798	268,488	291,635	530,651	248,588
Compensated absences	982,847	506,001	357,837	1,131,011	400,000
Total	\$ 40,083,347	\$ 130,670,303	\$ 4,321,364	\$ 166,432,286	\$ 9,104,472

Compensated absences of the governmental activities are expected to be liquidated with revenues of the General and Food Nutrition Funds.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

General Obligation Bonds 2017

In February 2017, the District authorized issuance of General Obligation Bond, Series 2017 to the State of Colorado in the aggregate principal amount of \$111,670,000 for replacements, renovations and repairs to many school facilities within the District. In addition, it funded the construction of new schools in the Midtown development and in the northern area of the District. Interest payments are due semi-annually on June 1 and December 1 at rates ranging from 3.0% to 5.25%, commencing on June 1, 2017. Principal payments are due annually on December 1, commencing December 1, 2017, with final payment due on December 1, 2040. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2018	\$ 5,400,000	\$ 6,777,406	\$ 12,177,406
2019	5,685,000	4,955,288	10,640,288
2020	5,910,000	4,723,388	10,633,388
2021	1,925,000	4,566,688	6,491,688
2022	2,005,000	4,488,088	6,493,088
2023 - 2027	11,285,000	21,147,440	32,432,440
2028 - 2032	14,045,000	18,413,765	32,458,765
2033 - 2037	23,465,000	14,436,315	37,901,315
2038 - 2041	41,950,000	4,531,470	46,481,470
Total	\$ 111,670,000	\$ 84,039,848	\$ 195,709,848

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Certificates Of Participation 2016

On September 6, 2016, the District issued \$4,200,000 of Certificates of Participation, Series 2016, with an interest rate of 3.25%. Principal and interest payments are due annually on June 1, commencing June 1, 2017, with final payment due on June 1, 2036. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2018	\$ 155,000	\$ 65,887	\$ 220,887
2019	160,000	63,340	223,340
2020	165,000	61,044	226,044
2021	170,000	58,000	228,000
2022	175,000	55,207	230,207
2023 - 2027	980,000	409,795	1,389,795
2028 - 2032	1,145,000	254,190	1,399,190
2033 - 2037	1,060,000	71,482	1,131,482
Total	\$ 4,010,000	\$ 1,038,945	\$ 5,048,945

General Obligation Refunding Bonds 2016

In March 2016, the District issued \$11,275,000 of General Obligation Refunding Bonds, Series 2016, with interest rates ranging from 2.00% to 4.00%, for the purpose of advance refunding the General Obligation Bonds, Series 2011, with an interest rate of 6.25%. The proceeds of the 2016 General Obligation Refunding Bonds were deposited with the escrow bank and invested in government obligations maturing at such time and in such amounts as required to provide funds sufficient to pay the principal and interest on the refunded bonds as they become due. As a result, the 2011 General Obligation Refunding Bonds are considered defeased, and the related liability for the bonds has been removed from the District's liabilities. The refunding resulted in a present value savings from cash flow of \$1,582,217 and an economic gain on the refunding of \$2,041,621.

The proceeds from the refunding bonds were placed into an irrevocable trust to provide all future debt service payments on the old bonds. At June 30, 2017, the outstanding balance of the defeased bonds was \$9,670,000, and the market value of the irrevocable trust was \$11,126,580.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Principal payments on the General Obligation Refunding Bonds 2016 are due annually starting December 1, 2017, with final payment due on December 1, 2035. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2018	\$ —	\$ 422,150	\$ 422,150
2019	—	422,150	422,150
2020	90,000	422,150	512,150
2021	90,000	421,250	511,250
2022	95,000	419,450	514,450
2023 - 2027	495,000	2,068,300	2,563,300
2028 - 2032	4,045,000	1,964,225	6,009,225
2033 - 2035	6,155,000	659,800	6,814,800
Total	\$ 10,970,000	\$ 6,799,475	\$ 17,769,475

General Obligation Refunding Bonds 2013

In September 2013, the District issued its General Obligation Refunding Bonds, Series 2013, in the par amount of \$5,650,000, with an average interest rate of 3.0% for the purpose of advance refunding the General Obligation Refunding Bonds, Series 2003, with an interest rate of 5.0%. The proceeds of the 2013 General Obligation Refunding Bonds were deposited with the escrow bank and invested in government obligations maturing at such time and in such amounts as required to provide funds sufficient to pay the principal and interest on the refunded bonds as they become due. As a result, the 2003 General Obligation Refunding Bonds are considered defeased, and the related liability for the bonds was removed from the District's liabilities. As of June 30, 2017, the refunded 2003 bonds have been paid in full, and the escrow account was closed.

Principal payments on the General Obligation Refunding Bonds 2013 are due annually on December 1, with final payment due on December 1, 2017. The remaining bond payment is as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2018	\$ 1,595,000	\$ 23,925	\$ 1,618,925

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Matching Money Bonds

In November 2010, the District authorized issuance of General Obligation Bond, Series 2010, to the State of Colorado in the aggregate principal amount of \$22,031,271 to meet the 41% required match for the Colorado Building Excellent Schools Today (BEST) grant. The BEST grant included two new buildings on the Skyview site to house Skyview Academy, Clayton Partnership School, Mapleton Expeditionary School of the Arts and Mapleton Early College. The grant also requested funds for an addition to the existing Skyview building to house a media center and the North Valley School for Young Adults. The grant paid for demolition of the classroom sections of the Skyview building, as well as a limited amount of renovation to the remaining structure. Interest payments are due semi-annually on June 1 and December 1 at an annual rate of 4.082%, commencing on June 1, 2011. Principal payments are due annually on December 1, commencing December 1, 2014, with final payment due on December 1, 2030. Bond payments, to maturity, are as follows:

Fiscal Year				
Ended June 30,	Principal	Interest	Total	
2018	\$ 1,040,884	\$ 760,345	\$ 1,801,229	
2019	1,083,373	716,989	1,800,362	
2020	1,127,596	671,863	1,799,459	
2021	1,173,625	624,895	1,798,520	
2022	1,221,532	576,010	1,797,542	
2023 - 2027	6,897,579	2,074,007	8,971,586	
2028 - 2031	6,602,623	552,511	7,155,134	
Total	\$ 19,147,212	\$ 5,976,620	\$ 25,123,832	

Refunding Certificates Of Participation 2015

In July 2015, the District issued \$3,265,000 of Refunding Certificates of Participation, Series 2015, with interest rates ranging from 2.00% to 3.00%, as a current refunding of the Certificates of Participation, Series 2005, with interest rates ranging between 3.00% and 5.00%. The proceeds of the Refunding Certificates of Participation 2015 were deposited with an escrow bank and used to pay the principal and interest on the refunded certificates of participation on December 1, 2015. As a result, the 2005 Certificates of Participation are considered defeased, and the related liability was removed from the District's liabilities. The refunding resulted in a present value savings from cash flow of \$201,136 and an economic gain on the refunding of \$713,247.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Principal payments are due annually on December 1, with final payment due on December 1, 2025. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2018	\$ 265,000	\$ 76,425	\$ 341,425
2019	275,000	72,450	347,450
2020	275,000	64,200	339,200
2021	290,000	55,950	345,950
2022	295,000	47,250	342,250
2023 - 2026	1,280,000	97,500	1,377,500
Total	\$ 2,680,000	\$ 413,775	\$ 3,093,775

Capital Leases

The District entered into a lease agreement on July 1, 2013 in the amount of \$339,607 for technology equipment. The lease carries an interest rate of 4.368%. Lease payments of \$71,561 are due annually on July 1 through 2017. Capital assets of \$339,607 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$194,061 at June 30, 2017.

The District entered into a lease agreement on November 1, 2013 in the amount of \$398,093 for laptops and computer equipment. The lease carries an interest rate of 1.905%. Lease payments of \$82,238 are due annually on November 1, 2013, and each subsequent July 1 through 2017. Capital assets of \$397,893 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$291,788 at June 30, 2017.

The District entered into a lease agreement on March 3, 2014 in the amount of \$201,645 for a lighting system. The lease carries an interest rate of 4.95%. Lease payments of \$26,195 are due annually on March 3 through 2024. Capital assets of \$201,545 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$31,911 at June 30, 2017.

The District entered into a lease agreement on August 30, 2015 in the amount of \$54,756 for copiers. Lease payments of \$1,524 are due monthly on the 30th of each month through July 2019. Capital assets of \$54,756 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$16,849 at June 30, 2017.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

The District entered into a lease agreement on June 15, 2016 in the amount of \$66,300 for copiers. Lease payments of \$1,943 are due monthly on the 30th of each month through May 2019. Capital assets of \$66,300 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$12,155 at June 30, 2017.

The District entered into a lease agreement on July 10, 2016 in the amount of \$202,188 for buses. Lease payments of \$42,895 are due monthly on the 10th of each July through July 2020. Capital assets of \$202,188 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$20,480 at June 30, 2017.

The total gross cost of assets under capital lease totaling \$1,262,589 is included in Equipment in Note 3.

Minimum lease payments, to maturity, are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2018	\$ 264,492
2019	95,284
2020	71,033
2021	69,090
2022	26,195
2023 - 2024	52,390
Minimum lease payments	578,484
Less: Interest portion	47,833
Total	\$ 530,651

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

6. Interfund Transactions

Interfund balances, all of which are with major funds, for the year ended June 30, 2017, were comprised of the following:

Funds	Due From Other Funds	Due To Other Funds
General Fund	\$ 1,377,364	\$ —
Grants Fund	—	1,236,350
Food Nutrition Fund	—	142,950
Capital Reserve Fund	1,936	—
Total	\$ 1,379,300	\$ 1,379,300

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Interfund transfers, all of which are among major funds, for the year ended June 30, 2017, were comprised of the following:

Transfers In	Transfers Out	Amount
Capital Reserve	General Fund	\$ 1,748,541
Food Nutrition Fund	General Fund	38,586
Total		\$ 1,787,127

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the funds that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

7. Risk Management**Adams County BOCES Self-Insurance Pool**

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 transfer. The District participates in the Adams County Board of Cooperative Educational Services (BOCES) Self-Insurance Pool (the Pool) for property, liability and workers' compensation insurance coverage.

The BOCES consists of four school districts in Adams County including:

Adams 1 - Mapleton
Adams 12 - Northglenn-Thornton
Adams 50 - Westminster
Adams/Weld School District 27J

The Pool provides property and liability, workers' compensation, boiler and machinery, errors and omissions and school board legal liability insurances for its member districts. Annually, each district provides funding for the Pool based on a pre-established amount that covers the cost of insurance, claims and operation of the Pool. Also, each district receives annual financial information on the equity interest and gains or losses. Pool members and percentage shares are as follows:

Adams County School Districts	% Shares In Pool
No. 1	9.02
No. 12	52.73
No. 27J	18.82
No. 50	19.43
	<u>100.00</u>

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Following is an unaudited summary of financial information for the Pool as of and for the year ended June 30, 2017:

	District's Share	Total
Assets	\$ 757,628	\$ 8,398,865
Liabilities	550,142	6,548,720
Equity	\$ 207,486	\$ 1,850,145
Revenues	\$ 554,715	\$ 6,149,417
Expenditures	554,563	6,147,736
Net income	152	1,681
Reallocation	13,441	16,600
Surplus, Beginning	193,893	1,831,864
Surplus, Ending	\$ 207,486	\$ 1,850,145

Percentage shares are as of June 30, 2017. Percentages will vary slightly from year to year, depending upon premium allocation factors. The Pool's Board of Directors consists of one member appointed by the Board of Education of each participating school district. All members of the Pool's Board of Directors have an equal vote in the administration of the Pool's activities, are responsible for selection of management and have complete responsibility for all fiscal matters in the operation of the Pool. Separate financial statements for the Pool are available from the Adams County BOCES, 1400 W. 122nd Avenue, Suite 110, Westminster, Colorado 80234.

The District pays annual premiums for property, liability and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from Pool members. Any excess funds that the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula. The Pool, which is subject to actuarial review and annual audit, has various levels of self-insured retentions and purchases excess insurance for amounts above the retentions for liability, property and workers' compensation coverage.

The District continues to carry commercial insurance coverage for errors and omissions, risks of loss and employee health. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Dental Self-Insurance Plan

The District maintains a dental self-insurance plan (the Plan) for employees who elect to participate in the Plan. The District pays monthly premiums on behalf of the employees of \$24 per month. Dependent coverage is also available. The Plan limits participant claims to \$1,000 per year and a lifetime \$1,000 per person orthodontic claim. The District consults with Segal Company annually to evaluate the Plan. Liabilities and related claims expense as reported were estimated based on analysis of the dental providers' claims data as of June 30, 2017. Claims due and payable at year end are reported in the General Fund and statement of net position under current liabilities.

Balance		Claims		Claims		Balance
Beg of Year		Incurred		Paid		End of Year
\$ 7,145	\$	250,627	\$	(248,675)	\$	9,097
11,553		243,989		(248,397)		7,145

8. Defined Benefit Pension Plan**Plan Description**

Eligible employees of the District are provided with pensions through SCHDTF. Plan benefits are specified in Title 24, Article 51 of C.R.S., administrative rules set forth at 8 C.C.R. 1502-1 and applicable provisions of the federal Internal Revenue Code. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

PERA provides retirement, disability and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713 and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit
- An amount of \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases, the service retirement benefit is limited to 100% of the highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

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

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2%, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2% or the average CPI-W for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve for SCHDTF.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

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

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

Contributions

Eligible employees and the District are required to contribute to SCHDTF at a rate set by Colorado statute. The contribution requirements are established and may be amended under C.R.S. § 24-51-401, et seq. Eligible employees are required to contribute 8% of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	2017	2016
Employer Contribution Rate ¹	10.15%	10.15%
Amount of employer contribution apportioned to the Health Care Trust Fund (HCTF) as specified in C.R.S. § 24-51-208(1)(f) ¹	1.02%	1.02%
Amount apportioned to SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	5.00%	4.50%
Total Employer Contribution Rate To SCHDTF¹	18.63%	18.13%

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

Employer contributions are recognized by SCHDTF in the period in which the compensation becomes payable to the member, and the District is statutorily committed to pay the contributions to SCHDTF. Employer contributions recognized by SCHDTF from the District were \$7,186,237 for the year ended June 30, 2017.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Pension Liabilities, Pension Expense, Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions

At June 30, 2017, the District reported a liability of \$252,565,034 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The District proportion of the net pension liability was based on District contributions to SCHDTF for the calendar year 2016 relative to the total contributions of participating employers to SCHDTF.

At December 31, 2016, the District's portion was 0.8482%, which was an increase of 0.0158% from its portion measured as of December 31, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$48,213,527. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 3,137,563	\$ 2,196
Net difference between projected and actual earnings on pension plan investments	8,300,588	—
Changes of assumptions or other inputs	81,952,314	1,117,665
Changes in portion and differences between District contributions and proportionate share of contributions	1,580,859	275,071
District's contributions subsequent to the measurement date	3,710,745	—
Total	\$ 98,682,069	\$ 1,394,932

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements *(Continued)*

The amount of \$3,710,745 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For The Year Ended June 30,	Amounts Reported As Collective Deferred Outflows And Collective Deferred Inflows Of Resources Recognized In Collective Pension Expense
2018	\$ 37,403,117
2019	37,491,684
2020	18,597,351
2021	84,240
2022	—
Thereafter	—
Total	\$ 93,576,392

Actuarial Assumptions

The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.80%
Real wage growth	1.10%
Wage inflation	3.90%
Salary increases, including wage inflation	3.90% - 10.10%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.50%
Discount rate	7.50%
Future post-retirement benefit increases:	
PERA benefit structure hired prior to January 1, 2007, and DPS benefit structure (automatic)	2.00%
PERA benefit structure hired after December 31, 2006 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumptions were adopted by PERA's Board on November 18, 2016 and were effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016:

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% - 9.70%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	5.26%
Future post-retirement benefit increases:	
PERA benefit structure hired prior to January 1, 2007, and DPS benefit structure (automatic)	2.00%
PERA benefit structure hired after December 31, 2006 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates used in the December 31, 2015 valuation were based on RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020, with Males set back one year and females set back two years. Active member mortality was based upon the same mortality rates but adjusted to 55% of the base rate for males and 40% of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back two years for males and set back two years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016. As a result of the October 28, 2016 actuarial assumptions workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed, effective December 31, 2016, as follows:

- Investment rate of return assumptions decreased from 7.50% per year, compounded annually, net of investment expenses to 7.25% per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.80% to 2.40% per year.
- Real rate of investment return assumption increased from 4.70% per year, net of investment expenses, to 4.85% per year, net of investment expenses.
- Wage inflation assumption decreased from 3.90% per year to 3.50% per year.

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	10-Year Expected Geometric Real Rate Of Return
U.S. equity - large cap	21.20%	4.30%
U.S. equity - small cap	7.42%	4.80%
Non-U.S. equity - developed	18.55%	5.20%
Non-U.S. equity - emerging	5.83%	5.40%
Core fixed income	19.32%	1.20%
High yield	1.38%	4.30%
Non U.S fixed income - developed	1.84%	0.60%
Emerging market bonds	0.46%	3.90%
Core real estate	8.50%	4.90%
Opportunity fund	6.00%	3.80%
Private equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

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

ADAMS COUNTY SCHOOL DISTRICT NO. 1

Notes To Financial Statements (*Continued*)

Discount Rate

The discount rate used to measure the total pension liability was 5.26%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, AED and SAED will each drop 0.50% every year until they are zero. Based on those assumptions, SCHDTF's fiduciary net position was projected to be depleted in 2041 and, as a result, the municipal bond index rate was used in the determination of the discount rate. The long-term expected rate of return of 7.25% on pension plan investments was applied to periods through 2041, and the municipal bond index rate, the December average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Board of Governors of the Federal Reserve System, was applied to periods on and after 2041 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.86% resulting in a discount rate of 5.26%.

As of the prior measurement date, the GASB Statement No. 67 projection test indicated the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments of 7.50% was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use a municipal bond index rate, and the discount rate was 7.50%.

Sensitivity Of The District's Proportionate Share Of The Net Pension Liability To Changes In The Discount Rate.

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate:

	1% Decrease (4.26%)	Current Discount Rate (5.26%)	1% Increase (6.26%)
Proportionate share of the net pension liability	\$ 317,594,837	\$ 252,565,746	\$ 199,603,150

Pension Plan Fiduciary Net Position

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

9. Post-Employment Health Care Benefits

Plan Description

The District contributes to HCTF, a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA-participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of C.R.S., as amended, establishes HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for HCTF. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy

The District is 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 C.R.S., as amended. The apportionment of the contributions to HCTF is established under Title 24, Article 51, Section 208, of C.R.S., as amended. The District's contributions to HCTF for the years ended June 30, 2017, 2016 and 2015 were \$398,786, \$377,785 and \$363,254, respectively, equal to the required contributions for each year.

10. Defined Contribution Pension Plan

Plan Description

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

Funding Policy

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of C.R.S., as amended. There is no employer match. For the year ended June 30, 2017, program members contributed \$280,252 to the Voluntary Investment Program.

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 entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2017, significant amounts of grant expenditures have not been audited, but the District believes that disallowed expenditures, if any, based on subsequent audits, will not have a material effect on the overall financial position of the District.

TABOR Amendment

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

In November 2002, voters within the District authorized the District to collect, retain and expend all excess revenues and other funds received from every source, without limitation, effective July 1, 2001, and each fiscal year thereafter without future voter approval, notwithstanding the limitations of the TABOR Amendment. The TABOR Amendment is subject to many interpretations, but the District believes it is substantially in compliance with the Amendment.

The TABOR Amendment requires the District to restrict an amount for emergencies.

Litigation

The District is involved in various lawsuits. In the opinion of management, any liability from claims or proceedings in excess of the amount covered by insurance will not have a material adverse effect on the District's net position, changes in net position or cash flows.

Environmental Remediation Loss Contingency

The District has several school buildings that contain asbestos and is a potentially responsible party regarding environmental impacts. Although a loss is probable at some point in the future, due to the uncertainty surrounding the timing and method of settlement, it is not possible to reasonably estimate the amount of any obligation for remediation that may be incurred at a future date.

12. Subsequent Events

Subsequent to June 30, 2017, the District entered into capital leases for one bus and four copiers. These leases were under terms substantially the similar to those for similar assets in capital leases described in Note 5.



REQUIRED SUPPLEMENTARY INFORMATION



Mapleton Public Schools

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ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

Page 1 Of 3
For The Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Property taxes	\$ 19,659,570	\$ 20,507,420	\$ 20,577,777	\$ 70,357
Specific ownership taxes	1,600,000	2,100,000	2,356,761	256,761
Delinquent taxes, penalties and interest	105,000	42,000	26,375	(15,625)
Other tuition	20,000	277,960	294,392	16,432
Other	1,869,653	2,082,886	2,279,154	196,268
Total Local Sources	23,254,223	25,010,266	25,534,459	524,193
State sources:				
State equalization	48,081,574	45,626,527	45,613,941	(12,586)
Equalization adjustment	—	—	—	—
Special education	1,636,660	1,645,977	1,639,632	(6,345)
English language learner	913,898	871,863	781,041	(90,822)
Transportation	490,000	500,000	501,054	1,054
Full-day kindergarten	92,015	92,984	92,984	—
At Risk	—	68,855	68,855	—
Read Act	347,156	328,661	328,661	—
Other	71,905	—	—	—
Total State Sources	51,633,208	49,134,867	49,026,168	(108,699)
Federal sources:				
Title I	1,118,569	1,118,569	1,175,632	57,063
Total Revenues	76,006,000	75,263,702	75,736,259	472,557
Expenditures				
Instruction:				
Salaries	22,792,469	23,843,654	26,537,128	(2,693,474)
Employee benefits	6,923,801	7,010,007	7,711,996	(701,989)
Purchased services	5,702,115	5,637,696	1,389,488	4,248,208
Supplies and materials	11,825,355	10,039,065	9,891,468	147,597
Property	139,934	136,723	122,689	14,034
Other	22,600	20,404	19,551	853
Total Instruction	47,406,274	46,687,549	45,672,320	1,015,229
Supporting services:				
Students				
Salaries	1,430,932	1,673,490	1,719,014	(45,524)
Employee benefits	447,039	498,191	506,233	(8,042)
Purchased services	799,642	811,431	753,233	58,198
Supplies and materials	19,800	18,332	18,442	(110)
Property	3,000	3,000	2,739	261
Total Students	2,700,413	3,004,444	2,999,661	4,783

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET TO ACTUAL - GENERAL FUND****Page 2 Of 3****For The Year Ended June 30, 2017**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued)				
Supporting services (Continued)				
Instructional staff:				
Salaries	\$ 1,686,740	\$ 1,796,607	\$ 1,790,628	\$ 5,979
Employee benefits	411,783	474,871	485,723	(10,852)
Purchased services	640,950	674,453	498,912	175,541
Supplies and materials	68,381	70,713	57,595	13,118
Property	16,199	20,597	20,597	—
Other	50	50	45	5
Total Instructional Staff	2,824,103	3,037,291	2,853,500	183,791
General administration:				
Salaries	348,624	328,567	332,729	(4,162)
Employee benefits	87,650	89,726	86,080	3,646
Purchased services	2,224,542	1,391,981	2,092,714	(700,733)
Supplies and materials	58,506	55,325	52,020	3,305
Other	33,000	33,000	20,893	12,107
Total General Administration	2,752,322	1,898,599	2,584,436	(685,837)
School administration:				
Salaries	3,560,592	3,651,711	3,678,800	(27,089)
Employee benefits	1,027,578	1,065,606	1,058,821	6,785
Purchased services	24,590	20,164	17,597	2,567
Supplies and materials	207,460	300,174	272,787	27,387
Other	400	54,142	54,237	(95)
Total School Administration	4,820,620	5,091,797	5,082,242	9,555
Business services:				
Salaries	580,399	610,467	1,098,047	(487,580)
Employee benefits	141,216	159,170	294,096	(134,926)
Purchased services	1,768,427	1,737,961	907,594	830,367
Supplies and materials	13,850	10,847	7,728	3,119
Property	3,000	3,000	2,279	721
Other	5,450	5,450	4,284	1,166
Total Business Services	2,512,342	2,526,895	2,314,028	212,867
Operations and maintenance:				
Salaries	2,447,512	2,492,644	2,395,905	96,739
Employee benefits	781,810	791,782	770,089	21,693
Purchased services	965,380	1,044,977	1,089,533	(44,556)
Supplies and materials	1,092,327	1,081,991	1,187,841	(105,850)
Property	7,800	1,700	6,782	(5,082)
Other	3,000	3,100	3,025	75
Total Operations And Maintenance	5,297,829	5,416,194	5,453,175	(36,981)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

Page 3 Of 3

For The Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued)				
Supporting services (Continued):				
Student transportation:				
Salaries	\$ 1,261,389	\$ 1,293,583	\$ 1,363,503	\$ (69,920)
Employee benefits	454,453	476,329	483,639	(7,310)
Purchased services	99,803	153,759	143,687	10,072
Supplies and materials	275,475	267,057	261,369	5,688
Property	5,400	—	2,850	(2,850)
Other	1,400	1,500	1,490	10
Total Student Transportation	2,097,920	2,192,228	2,256,538	(64,310)
Central support:				
Salaries	1,477,346	1,657,444	1,548,712	108,732
Employee benefits	426,265	481,260	449,125	32,135
Purchased services	869,912	1,252,637	1,215,745	36,892
Supplies and materials	51,107	50,699	46,510	4,189
Property	126,285	121,558	121,720	(162)
Other	(8,260)	2,604	11,409	(8,805)
Total Central Support	2,942,655	3,566,202	3,393,221	172,981
Other support:				
Salaries	478,040	529,692	516,793	12,899
Benefits	42,510	51,131	47,969	3,162
Purchased services	3,500	11,000	10,110	890
Supplies and materials	12,680	40,809	31,265	9,544
Other	22,000	—	—	—
Total Other Support	558,730	632,632	606,137	26,495
Community services:				
Salaries	273,426	513,913	584,910	(70,997)
Benefits	81,793	146,094	158,273	(12,179)
Purchased services	275,967	269,516	252,430	17,086
Supplies and materials	18,500	13,226	7,603	5,623
Other	1,200	1,200	1,084	116
Total Community Services	650,886	943,949	1,004,300	(60,351)
Total Supporting Services	27,157,820	28,310,231	28,547,238	(237,007)
Debt service				
Principal	—	—	48,421	(48,421)
Capital outlay	—	36,283	81,084	(44,801)
Contingency reserve	—	1,017,648	—	1,017,648
Total Expenditures	74,564,094	76,051,711	74,349,063	1,702,648
Excess (Deficiency) Of Revenues Over (Under) Expenditures	1,441,906	(788,009)	1,387,196	2,175,205
Other Financing Sources (Uses)				
Issuance of capital lease	—	66,300	66,300	—
Transfers out	(2,662,080)	(1,791,541)	(1,787,127)	4,414
Total Other Financing Uses	(2,662,080)	(1,725,241)	(1,720,827)	4,414
Net Change In Fund Balance	\$ (1,220,174)	\$ (2,513,250)	\$ (333,631)	\$ 2,179,619

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET TO ACTUAL - GRANTS FUND
For The Year Ended June 30, 2017**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Grants	\$ —	\$ 504,520	\$ 406,092	\$ (98,428)
State sources:				
Grants	—	2,843,904	2,146,457	(697,447)
Federal sources:				
Grants	4,219,041	3,021,452	2,636,981	(384,471)
Total Revenues	4,219,041	6,369,876	5,189,530	(1,180,346)
Expenditures				
Current:				
Local grants	—	2,806,952	2,016,880	790,072
State grants	—	369,935	364,557	5,378
Federal grants	4,219,041	3,021,453	2,636,557	384,896
Capital outlay	—	171,536	171,536	—
Total Expenditures	4,219,041	6,369,876	5,189,530	1,180,346
Net Change In Fund Balance	\$ —	\$ —	\$ —	\$ —

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - FOOD NUTRITION FUND For The Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Student and adult meals	\$ 267,751	\$ 234,875	\$ 308,061	\$ 73,186
Investment earnings	1,500	2,000	3,384	1,384
Other	14,100	28,560	4,916	(23,644)
State sources:				
State match	53,204	54,381	56,040	1,659
Federal sources:				
School lunch and breakfast program	1,898,303	1,934,533	2,014,376	79,843
Donated commodities	208,000	208,000	210,727	2,727
Total Revenues	2,442,858	2,462,349	2,597,504	135,155
Expenditures				
Supporting services:				
Salaries	633,571	1,047,554	954,037	93,517
Benefits	184,094	294,508	287,948	6,560
Purchased services	74,750	113,140	66,343	46,797
Supplies and materials	1,358,800	1,237,520	1,046,023	191,497
Small equipment	85,500	10,750	14,827	(4,077)
Capital outlay	—	64,510	14,510	50,000
Contingency reserve	300,000	300,000	—	300,000
Total Expenditures	2,636,715	3,067,982	2,383,688	684,294
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(193,857)	(605,633)	213,816	819,449
Other Financing Sources				
Transfers in	40,000	20,000	38,586	18,586
Net Change In Fund Balance	\$ (153,857)	\$ (585,633)	\$ 252,402	\$ 838,035

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

For The Year Ended December 31, 2016 (Measurement Date)

Employee Pension Plan

Year Three⁽¹⁾

	2016	2015	2014
District's portion of the net pension liability	0.84827995740%	0.83242631120%	0.8368239563%
District's proportionate share of the net pension liability	\$ 252,565,034	\$ 127,313,727	\$ 113,417,755
District's covered-employee payroll	\$ 38,072,316	\$ 36,276,775	\$ 35,056,996
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	663%	351%	324%
Plan fiduciary net position as a percentage of the total pension liability	43.10%	59.20%	62.84%

1. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TO THE PENSION PLAN**

For The Fiscal Year Ended June 30, 2017

Employee Pension Plan

Year Three⁽¹⁾

	2017	2016	2015
Contractually required contribution	\$ 7,186,564	\$ 6,569,899	\$ 6,014,516
Contributions in relation to the contractually required contribution	<u>7,186,564</u>	<u>6,569,899</u>	<u>6,014,516</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
District's covered-employee payroll	\$ 39,096,710	\$ 37,037,755	\$ 35,613,107
Contributions as a percentage of covered-employee payroll	18.38%	17.74%	16.89%

1. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

ADAMS COUNTY SCHOOL DISTRICT NO. 1
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2017

1. Stewardship, Compliance And Accountability

Budgets And Budgetary Accounting

Budgets are required by state statutes for all of the District's funds. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles. Capital outlay and debt principal payments are budgeted as expenditures.

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

- By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. The Colorado Department of Education also requires a Budget Summary report to be filed with the adopted budget beginning July 1, 2012.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education. All annual appropriations lapse at fiscal year end.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.



SUPPLEMENTARY INFORMATION



Mapleton Public Schools

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ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - CAPITAL RESERVE FUND For The Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Investment earnings	\$ 8,500	\$ 8,500	\$ 24,813	\$ 16,313
Other	33,000	33,000	37,776	4,776
Total Revenues	41,500	41,500	62,589	21,089
Expenditures				
Support services:				
Operations and maintenance	—	527,979	524,907	3,072
Purchased services	—	33,190	51,860	(18,670)
Small equipment	—	356,561	356,561	—
Capital outlay:				
Land and site improvements	4,029,661	10,332,749	9,352,831	979,918
Debt service:				
Principal	460,319	693,214	693,214	—
Interest and fiscal charges	100,406	198,268	196,372	1,896
Debt issuance costs	—	100,000	84,101	15,899
Contingency reserve	—	513,672	—	513,672
Total Expenditures	4,590,386	12,755,633	11,259,846	1,495,787
Deficiency Of Revenues				
Under Expenditures	(4,548,886)	(12,714,133)	(11,197,257)	1,516,876
Other Financing Sources				
Proceeds from COP issuance	—	4,200,000	4,200,000	—
Issuance of capital lease	—	—	202,188	202,188
Transfers in	960,050	1,748,541	1,748,541	—
Proceeds from sale of assets	—	—	10,952	10,952
Total Other Financing Sources	960,050	5,948,541	6,161,681	213,140
Net Change In Fund Balance	\$ (3,588,836)	\$ (6,765,592)	\$ (5,035,576)	\$ 1,730,016

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET TO ACTUAL - BOND REDEMPTION FUND
For The Year Ended June 30, 2017**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Property taxes	\$ 4,521,772	\$ 12,037,258	\$ 11,860,738	\$ (176,520)
Investment earnings	3,000	1,000	3,475	2,475
Total Revenues	4,524,772	12,038,258	11,864,213	(174,045)
Expenditures				
Debt service:				
Principal	3,151,973	2,855,062	2,855,062	—
Interest and fiscal charges	1,173,711	3,220,858	2,927,794	293,064
Contingency reserve	500,000	11,385,107	—	11,385,107
Total Expenditures	4,825,684	17,461,027	5,782,856	11,678,171
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(300,912)	(5,422,769)	6,081,357	11,504,126
Net Change In Fund Balance	\$ (300,912)	\$ (5,422,769)	\$ 6,081,357	\$ 11,504,126

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET TO ACTUAL - CAPITAL PROJECTS FUND
For The Year Ended June 30, 2017**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Investment earnings	\$ —	\$ 569,266	\$ 499,900	\$ (69,366)
State source	—	—	383,581	383,581
Total Revenues	—	569,266	883,481	314,215
Expenditures				
Support services:				
Operations and maintenance	—	408,552	359,960	48,592
Capital outlay:				
Land and site improvements	—	4,364,840	2,461,417	1,903,423
Equipment	—	437,590	1,412,934	(975,344)
Other	—	4,762,686	2,961,260	1,801,426
Debt service:				
Debt issuance cost	—	176,548	690,380	(513,832)
Contingency reserve	—	349,784	—	349,784
Total Expenditures	—	10,500,000	7,885,951	2,614,049
Deficiency Of Revenues Under Expenditures	—	(9,930,734)	(7,002,470)	2,928,264
Other Financing Sources				
Proceeds from issuance of bonds	—	111,670,000	111,670,000	—
Bond issuance premium	—	14,025,814	14,025,814	—
Total Other Financing Sources	—	125,695,814	125,695,814	—
Net Change In Fund Balance	\$ —	\$ 115,765,080	\$ 118,693,344	\$ 2,928,264

ADAMS COUNTY SCHOOL DISTRICT NO. 1

**COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUND
For The Year Ended June 30, 2017**

	Balance				Balance
	June 30, 2016	Additions	Deletions		June 30, 2017
Assets					
Cash and investments	\$ 276,891	\$ 480,574	\$ (493,371)	\$	264,094
Accounts receivable	50	127	(50)		127
Total Assets	\$ 276,941	\$ 480,701	\$ (493,421)	\$	264,221
Liabilities					
Accounts payable	\$ 1,317	\$ 562,156	\$ (562,415)	\$	1,058
Due to others	275,624	263,163	(275,624)		263,163
Total Liabilities	\$ 276,941	\$ 825,319	\$ (838,039)	\$	264,221



STATISTICAL SECTION



Mapleton Public Schools

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STATISTICAL SECTION (Unaudited)

Financial Trends Information

These tables contain trend information to help the reader understand how the District's financial condition has changed over time.

Revenue Capacity Information

These tables contain information to help the reader assess the District's largest revenue sources, state equalization and property taxes.

Debt Capacity Information

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.

Demographic And Economic Information

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

Operating Information

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.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 1
FINANCIAL TRENDS INFORMATION
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental activities										
Invested in capital assets, net of related debt	\$ (66,782,401)	\$ 46,648,465	\$ 45,604,092	\$ 44,415,402	\$ 45,701,054	\$ 27,954,269	\$ 5,555,270	\$ 11,850,684	\$ 11,094,653	\$ 10,126,511
Restricted	137,084,868	16,835,304	10,473,375	7,454,509	5,199,727	27,808,529	14,268,895	4,424,339	2,665,931	3,856,473
Unrestricted	(151,175,589)	(108,500,310)	(104,441,607)	2,973,457	5,109,023	2,504,531	5,268,470	5,071,781	3,552,095	2,334,921
Total governmental activities net position	<u>(80,873,122)</u>	<u>(45,016,541)</u>	<u>(48,364,140)</u>	<u>54,843,368</u>	<u>56,009,804</u>	<u>58,267,329</u>	<u>25,092,635</u>	<u>21,346,804</u>	<u>17,312,679</u>	<u>16,317,905</u>
Business-type activities *										
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ 449,806	\$ 459,841	\$ 219,536	\$ 225,654	\$ 198,384	\$ 122,479	\$ 95,872
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	1,703,289	1,838,679	1,909,596	1,666,621	1,469,462	1,139,166	761,700
Total business-type activities net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,153,095</u>	<u>2,298,520</u>	<u>2,129,132</u>	<u>1,892,275</u>	<u>1,667,846</u>	<u>1,261,645</u>	<u>857,572</u>
Primary government										
Invested in capital assets, net of related debt	\$ (66,782,401)	\$ 46,648,465	\$ 45,604,092	\$ 44,865,208	\$ 46,160,895	\$ 28,173,805	\$ 5,780,924	\$ 12,049,068	\$ 11,217,132	\$ 10,222,383
Restricted	137,084,868	16,835,304	10,473,375	7,454,509	5,199,727	27,808,529	14,268,895	4,424,339	2,665,931	3,856,473
Unrestricted	(151,175,589)	(108,500,310)	(104,441,607)	4,676,746	6,947,702	4,414,127	6,935,091	6,541,243	4,691,261	3,096,621
Total primary government net position	<u>\$ (80,873,122)</u>	<u>\$ (45,016,541)</u>	<u>\$ (48,364,140)</u>	<u>\$ 56,996,463</u>	<u>\$ 58,308,324</u>	<u>\$ 60,396,461</u>	<u>\$ 26,984,910</u>	<u>\$ 23,014,650</u>	<u>\$ 18,574,324</u>	<u>\$ 17,175,477</u>

* In FY2015 Food Services was reclassified as a Special Revenue Fund and those activities are included in the Governmental Activities section.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 2 FINANCIAL TRENDS INFORMATION CHANGE IN NET POSITION Last Ten Fiscal Years (Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
EXPENSES										
Governmental activities										
Instruction	\$ 77,881,888	\$ 50,595,710	\$ 48,951,658	\$ 44,896,378	\$ 38,754,152	\$ 40,274,131	\$ 39,930,886	\$ 29,594,379	\$ 27,123,016	\$ 25,581,215
Support Services	50,421,213	36,480,329	31,508,828	24,692,561	25,080,848	22,051,318	21,968,000	19,427,967	19,982,005	19,081,344
Interest and finance charges	4,020,712	1,582,847	1,725,634	2,078,174	2,121,114	2,281,419	1,545,860	987,181	947,677	1,032,912
Total governmental activities expenses	<u>132,323,813</u>	<u>88,658,886</u>	<u>82,186,120</u>	<u>71,667,113</u>	<u>65,956,114</u>	<u>64,606,868</u>	<u>63,444,746</u>	<u>50,009,527</u>	<u>48,052,698</u>	<u>45,695,471</u>
Business-type activities*										
Food Services	-	-	-	2,578,674	2,555,978	2,103,366	2,162,960	1,791,626	1,733,535	1,735,717
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,578,674</u>	<u>2,555,978</u>	<u>2,103,366</u>	<u>2,162,960</u>	<u>1,791,626</u>	<u>1,733,535</u>	<u>1,735,717</u>
Total primary government expenses	<u>132,323,813</u>	<u>88,658,886</u>	<u>82,186,120</u>	<u>74,245,787</u>	<u>68,512,092</u>	<u>66,710,234</u>	<u>65,607,706</u>	<u>51,801,153</u>	<u>49,786,233</u>	<u>47,431,188</u>
PROGRAM REVENUES										
Governmental activities										
Charges for services - tuition and other fees	900,788	666,057	555,344	212,317	155,048	156,030	143,608	32,241	70,923	101,667
Operating grants and contributions	12,361,949	11,733,980	10,061,871	6,200,651	6,326,820	40,278,006	10,262,482	6,964,660	5,196,366	4,822,546
Total governmental activities revenues	<u>13,262,737</u>	<u>12,400,037</u>	<u>10,617,215</u>	<u>6,412,968</u>	<u>6,481,868</u>	<u>40,434,036</u>	<u>10,406,090</u>	<u>6,996,901</u>	<u>5,267,289</u>	<u>4,924,213</u>
Business-type activities										
Charges for services	-	-	-	311,958	310,532	425,303	422,788	325,573	428,929	371,127
Operating grants, Capital grants and contributions - food services	-	-	-	2,108,975	2,401,582	1,902,055	1,953,851	1,861,512	1,697,929	1,463,609
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,420,933</u>	<u>2,712,114</u>	<u>2,327,358</u>	<u>2,376,639</u>	<u>2,187,085</u>	<u>2,126,858</u>	<u>1,834,736</u>
Net (expense) / revenue										
Governmental Activities	(119,061,076)	(76,258,849)	(71,568,905)	(65,254,145)	(59,474,246)	(24,172,832)	(53,038,656)	(43,012,624)	(42,785,409)	(40,771,258)
Business-type Activities	-	-	-	(157,741)	156,136	223,992	213,679	395,459	393,323	99,019
Total primary government net (expense) / revenue	<u>(119,061,076)</u>	<u>(76,258,849)</u>	<u>(71,568,905)</u>	<u>(65,411,886)</u>	<u>(59,318,110)</u>	<u>(23,948,840)</u>	<u>(52,824,977)</u>	<u>(42,617,165)</u>	<u>(42,392,086)</u>	<u>(40,672,239)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Local Property Taxes	32,595,153	23,145,989	21,870,499	21,160,470	19,572,699	19,392,086	19,444,193	18,956,654	16,904,387	16,238,559
Specific Ownership Taxes	2,356,761	1,908,133	1,502,015	1,626,191	1,433,644	1,435,894	1,339,392	1,263,777	1,380,960	1,431,022
State Equalization	45,613,941	46,215,333	44,457,398	40,196,378	34,502,795	34,939,835	34,404,313	25,485,071	24,330,678	22,611,911
Other Revenues	2,070,457	1,921,651	1,780,795	1,627,746	1,700,328	2,251,776	1,584,880	(1,167)	1,152,363	314,492
Investment Earnings	564,937	(84,371)	(96,229)	28,092	18,005	10,604	22,456	1,353,165	22,545	160,782
Transfers in (out)/Loss on Asset	3,246	6,499,713	-	(10,750)	(10,750)	(682,669)	(10,750)	(10,750)	(10,750)	(10,750)
Total governmental activities	<u>83,204,495</u>	<u>79,606,448</u>	<u>69,514,478</u>	<u>64,628,127</u>	<u>57,216,721</u>	<u>57,347,526</u>	<u>56,784,484</u>	<u>47,046,750</u>	<u>43,780,183</u>	<u>40,746,016</u>
Business-type activities										
Other Revenues	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	1,566	2,502	2,115	-	-	-	-
Transfers in (out)	-	-	-	10,750	10,750	10,750	10,750	10,750	10,750	10,750
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,316</u>	<u>13,252</u>	<u>12,865</u>	<u>10,750</u>	<u>10,750</u>	<u>10,750</u>	<u>10,750</u>
Total primary government general revenues	<u>83,204,495</u>	<u>79,606,448</u>	<u>69,514,478</u>	<u>64,640,443</u>	<u>57,229,973</u>	<u>57,360,391</u>	<u>56,795,234</u>	<u>47,057,500</u>	<u>43,790,933</u>	<u>40,756,766</u>
CHANGE IN NET POSITION										
Governmental activities	(35,856,581)	3,347,599	(2,054,427)	(626,018)	(2,257,525)	33,174,694	3,745,828	4,034,125	994,774	(25,241)
Business-type activities	-	-	-	(145,425)	169,388	236,857	224,429	406,209	404,073	109,769
Total primary government	<u>\$ (35,856,581)</u>	<u>\$ 3,347,599</u>	<u>\$ (2,054,427)</u>	<u>\$ (771,443)</u>	<u>\$ (2,088,137)</u>	<u>\$ 33,411,551</u>	<u>\$ 3,970,257</u>	<u>\$ 4,440,334</u>	<u>\$ 1,398,847</u>	<u>\$ 84,528</u>

* In FY2015 Food Services was reclassified as a Special Revenue Fund and those activities are included in the Governmental Activities section.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 3
FINANCIAL TRENDS INFORMATION
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Unaudited)

	2017*	2016*	2015*	2014*	2013*	2012*	2011*	2010	2009	2008
General Fund										
Reserved	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 2,473,229	\$ 1,515,463	\$ 2,095,923
Nonspendable	207,486	175,634	305,467	2,858	-	-	-	-	-	-
Restricted for Debt Service	-	-	420,538	420,538	-	-	-	-	-	-
Restricted for Multi-Year Contracts	993,550	993,550	993,550	1,093,550	1,093,550	1,193,550	800,000	-	-	-
Restricted for Pre-School	54,458	46,910	46,563	91,690	54,798	53,449	15,078	-	-	-
Restricted for Insurance	-	51,676	110,595	59,816	163,077	60,614	53,775	-	-	-
Restricted for TABOR	2,460,021	2,212,782	2,091,129	1,895,195	1,699,040	1,599,619	1,564,487	-	-	-
Committed for Board Reserve	1,946,193	2,199,420	1,371,100	1,314,173	1,149,640	1,120,970	1,508,277	-	-	-
Assigned for Property Tax	-	-	-	-	307,200	307,200	307,200	-	-	-
Assigned for Insurance	15,424	-	-	-	-	-	-	-	-	-
Unreserved/Unassigned	2,935,809	3,266,600	1,998,906	2,165,245	2,751,660	2,118,730	2,875,841	4,359,615	2,785,765	2,337,904
Total general fund	<u>8,612,941</u>	<u>8,946,572</u>	<u>7,337,848</u>	<u>7,043,065</u>	<u>7,218,965</u>	<u>6,454,132</u>	<u>7,124,658</u>	<u>6,832,844</u>	<u>4,301,228</u>	<u>4,433,827</u>
All Other Governmental Funds										
Reserved	-	-	-	-	-	-	-	2,258,309	1,822,045	1,760,550
Nonspendable	207,969	256,658	188,028	-	-	-	-	-	-	-
Restricted for Debt Service	11,504,126	5,422,769	4,162,952	3,653,732	2,190,260	2,130,495	2,175,563	-	-	-
Restricted for Capital Purposes	120,423,360	6,765,592	1,135,124	239,988	2,215,629	21,342,632	31,691,263	-	-	-
Restricted for Food Nutrition Program	1,649,353	1,342,025	1,512,924	-	-	-	-	-	-	-
Unreserved/Unassigned, reported in:										
Special Revenue Funds	(6,237)	-	-	-	-	-	310,286	329,677	294,257	282,445
Total all other governmental funds	<u>133,778,571</u>	<u>13,787,044</u>	<u>6,999,028</u>	<u>3,893,720</u>	<u>4,405,889</u>	<u>23,473,127</u>	<u>34,177,112</u>	<u>2,587,986</u>	<u>2,116,302</u>	<u>2,042,995</u>
Governmental funds										
Reserved	-	-	-	-	-	-	-	4,731,538	3,337,508	3,856,473
Nonspendable Prepaid Items	415,455	432,292	493,495	2,858	-	-	-	-	-	-
Restricted for Multi-Year Contracts	993,550	993,550	993,550	1,093,550	1,093,550	1,193,550	800,000	-	-	-
Restricted for Pre-School	54,458	46,910	46,563	91,690	54,798	53,449	15,078	-	-	-
Restricted for Insurance	-	51,676	110,595	59,816	163,077	60,614	53,775	-	-	-
Restricted for TABOR	2,460,021	2,212,782	2,091,129	1,895,195	1,699,040	1,599,619	1,564,487	-	-	-
Restricted for Debt Service	11,504,126	5,422,769	4,583,490	4,074,270	2,190,260	2,130,495	2,175,563	-	-	-
Restricted for Capital Purposes	120,423,360	6,765,592	1,135,124	239,988	2,215,629	21,342,632	31,691,263	-	-	-
Restricted for Food Nutrition Program	1,649,353	1,342,025	1,512,924	-	-	-	-	-	-	-
Committed for Board Reserve	1,946,193	2,199,420	1,371,100	1,314,173	1,149,640	1,120,970	1,508,277	-	-	-
Assigned for Property Tax	-	-	-	-	307,200	307,200	307,200	-	-	-
Assigned for Insurance	15,424	-	-	-	-	-	-	-	-	-
Unreserved/Unassigned	2,929,572	3,266,600	1,998,906	2,165,245	2,751,660	2,118,730	3,186,127	4,689,292	3,080,022	2,620,349
Total governmental funds	<u>\$ 142,391,512</u>	<u>\$ 22,733,616</u>	<u>\$ 14,336,876</u>	<u>\$ 10,936,785</u>	<u>\$ 11,624,854</u>	<u>\$ 29,927,259</u>	<u>\$ 9,420,830</u>	<u>\$ 9,420,831</u>	<u>\$ 6,417,530</u>	<u>\$ 6,476,822</u>

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 4
FINANCIAL TRENDS INFORMATION
CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
REVENUES										
Local sources	\$ 38,683,614	\$ 28,289,884	\$ 26,775,575	\$ 25,039,511	\$ 23,936,037	\$ 24,216,975	\$ 22,539,851	\$ 21,502,857	\$ 19,920,552	\$ 19,202,402
State sources	51,612,246	51,589,831	48,428,042	42,778,251	36,649,663	70,399,554	37,839,279	27,504,514	26,201,243	24,293,252
Federal sources	6,037,716	5,618,822	5,099,399	3,203,409	3,524,317	3,900,334	6,510,633	4,932,847	2,813,665	2,212,517
Total Revenues	<u>96,333,576</u>	<u>85,498,537</u>	<u>80,303,016</u>	<u>71,021,171</u>	<u>64,110,017</u>	<u>98,516,863</u>	<u>66,889,763</u>	<u>53,940,218</u>	<u>48,935,460</u>	<u>45,708,171</u>
EXPENDITURES										
Current										
Instruction	48,274,047	45,313,279	43,561,154	41,197,719	36,026,121	35,713,291	36,741,052	28,230,060	26,477,947	24,859,903
Supporting services	34,625,971	32,066,481	29,556,747	24,349,415	21,473,386	21,884,859	19,993,502	18,909,013	18,951,701	17,760,315
Capital Outlay	16,455,572	1,987,352	897,077	3,012,656	20,795,774	45,035,525	3,127,535	1,407,218	501,714	650,269
Debt Service										
Principal retirement	3,596,697	2,998,889	3,263,398	2,268,458	1,975,392	2,224,942	2,193,631	2,108,301	2,093,542	1,987,598
Interest and fiscal charges	3,124,166	1,453,865	1,857,558	2,055,014	2,154,150	2,260,672	1,581,489	940,824	959,100	1,038,236
Bond issuance costs	774,481	248,748	-	131,908	-	-	-	-	-	-
Other	-	-	-	-	-	-	301,854	-	-	-
Total Expenditures	<u>106,850,934</u>	<u>84,068,614</u>	<u>79,135,934</u>	<u>73,015,170</u>	<u>82,424,823</u>	<u>107,119,289</u>	<u>63,939,063</u>	<u>51,595,416</u>	<u>48,984,004</u>	<u>46,296,321</u>
OTHER FINANCING SOURCES (USES)										
Issuance of bonds	111,670,000									
Proceeds from refunding bonds		14,540,000		5,650,000						
Capital lease issued	268,488	48,633	54,583	1,183,024		-	-	668,950	-	-
Certificates of Participation issued	4,200,000	-				-	-	-	-	-
Bonds Issued		-				-	31,701,271	-	-	-
Debt discount/premium	14,025,814	924,242		301,908		-	318,166	-	-	-
Payment to refunded bond escrow		(15,636,032)		(5,820,000)		-	-	-	-	-
Proceeds from asset sale	10,952	7,089,974	197	1,748	23,151					
Transfers in	1,787,127	1,411,140	2,420,600	1,030,062	2,019,720	2,465,628	2,090,590	2,169,175	1,350,000	1,732,350
Transfers out	(1,787,127)	(1,411,140)	(2,420,600)	(1,040,812)	(2,030,470)	(5,237,713)	(5,179,788)	(2,179,925)	(1,360,750)	(1,743,100)
Total other financing sources (uses)	<u>130,175,254</u>	<u>6,966,817</u>	<u>54,780</u>	<u>1,305,930</u>	<u>12,401</u>	<u>(2,772,085)</u>	<u>28,930,239</u>	<u>658,200</u>	<u>(10,750)</u>	<u>(10,750)</u>
NET CHANGE IN FUND BALANCES	<u>119,657,896</u>	<u>8,396,740</u>	<u>1,221,862</u>	<u>(688,069)</u>	<u>(18,302,405)</u>	<u>(11,374,511)</u>	<u>31,880,939</u>	<u>3,003,002</u>	<u>(59,294)</u>	<u>(598,900)</u>
Debt service as a percentage of non-capital expenditures	<u>8.29%</u>	<u>5.73%</u>	<u>6.55%</u>	<u>6.18%</u>	<u>6.70%</u>	<u>7.23%</u>	<u>6.21%</u>	<u>6.08%</u>	<u>6.30%</u>	<u>6.63%</u>

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 5.1
FINANCIAL TRENDS INFORMATION
SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES - GENERAL FUND
Last Ten Fiscal Years
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Instruction	\$ 45,672,320	\$ 43,292,140	\$ 41,724,157	\$ 39,105,415	\$ 33,769,562	\$ 33,141,979	\$ 33,109,351	\$ 25,661,866	\$ 24,254,757	\$ 22,704,809
Support Services										
Pupil Services	2,999,661	2,697,964	2,601,223	2,588,597	2,588,597	2,077,621	2,009,832	2,071,907	1,831,137	2,186,707
Instructional Staff	2,853,500	2,648,660	2,545,275	2,374,854	2,374,854	2,283,781	2,236,278	1,883,042	2,175,735	2,188,079
General Administration	2,584,436	2,774,563	2,783,640	1,410,476	1,410,476	1,295,903	1,686,965	766,222	768,268	1,076,229
School Administration	5,082,242	4,934,685	4,808,046	4,662,244	4,662,244	4,208,783	4,005,553	3,676,383	3,708,436	3,660,321
Business Services	2,314,028	2,314,947	2,271,839	2,222,060	2,222,060	1,669,734	1,629,692	650,891	597,027	638,707
Operations & Maintenance	5,453,175	5,274,148	5,039,088	5,235,307	5,235,307	4,378,389	4,806,062	4,674,396	4,465,927	4,465,532
Student Transportation	2,256,538	2,054,872	1,948,911	1,884,824	1,884,824	1,680,480	1,917,628	1,950,188	1,855,186	1,654,066
Central Support	3,393,221	2,726,710	2,397,138	2,129,422	2,129,422	2,214,104	1,271,109	2,044,915	1,618,323	1,473,095
Other Support	606,137	634,837	566,113	436,421	436,421	457,481	23,997	752,008	394,960	348,739
Community Services	1,004,300	840,933	431,014	338,860	338,860	292,297	1,133,121	237,705	142,468	74,765
Total Support Services	\$ 28,547,238	\$ 26,902,319	\$ 25,392,287	\$ 23,283,065	\$ 23,283,065	\$ 20,558,573	\$ 20,720,237	\$ 18,707,657	\$ 17,557,467	\$ 17,766,240
Debt Service/Capital Outlay	129,505	214,706	47,982	73,697	73,697	38,510	41,330	30,000	32,500	-
Other Financing Uses	(1,720,827)	(1,362,507)	(2,366,017)	(1,040,812)	(1,970,422)	(1,858,302)	(5,179,788)	(2,179,925)	(1,360,750)	(1,743,100)
Total Expenditures and Other Financing Uses	\$ 72,628,236	\$ 69,046,658	\$ 64,798,409	\$ 61,421,365	\$ 55,155,902	\$ 51,880,760	\$ 48,691,130	\$ 42,219,598	\$ 40,483,974	\$ 38,727,949

Source: School District Financial Records/Financial Audits

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 5.2
FINANCIAL TRENDS INFORMATION
SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES PER PUPIL - GENERAL FUND
Last Ten Fiscal Years
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Instruction	\$ 5,497	\$ 5,266	\$ 5,112	\$ 4,952	\$ 4,472	\$ 4,554	\$ 4,631	\$ 4,813	\$ 4,545	\$ 4,449
Support Services										
Pupil Services	361	328	319	328	343	286	281	389	343	429
Instructional Staff	343	322	312	301	314	314	313	353	408	429
General Administration	311	337	341	179	187	178	236	144	144	211
School Administration	612	600	589	590	617	578	560	689	695	717
Business Services	279	282	278	281	294	229	228	122	112	125
Operations & Maintenance	656	642	617	663	693	602	672	877	837	875
Student Transportation	272	250	239	239	250	231	268	366	348	324
Central Support	408	332	294	270	282	304	178	384	303	289
Other Support	73	77	69	55	58	63	3	141	74	68
Community Services	121	102	53	43	45	40	158	45	27	15
Total Support Services	\$ 3,436	\$ 3,272	\$ 3,111	\$ 2,948	\$ 3,083	\$ 2,825	\$ 2,898	\$ 3,509	\$ 3,290	\$ 3,482
Debt Service/Capital Outlay	16	26	6	9	10	5	6	6	6	0
Other Financing Uses	(207)	(166)	(290)	(132)	(261)	(255)	(724)	(409)	(255)	(342)
Total Expenditures and Other Financing Uses	\$ 8,741	\$ 8,398	\$ 7,940	\$ 7,778	\$ 7,304	\$ 7,129	\$ 6,810	\$ 7,918	\$ 7,586	\$ 7,589
Funded Pupil Count	8,308.5	8,221.5	8,161.5	7,897.0	7,551.5	7,277.0	7,149.5	5,332.0	5,336.5	5,103.0

Source: School District Financial Records/Financial Audits

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.1
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS
Last Ten Fiscal Years
(Unaudited)

	Asset Sufficiency Ratio	Debt Burden Ratio	Operating Reserve Ratio	Operating Margin Ratio	Deficit Fund Balance Ratio	Fund Balance Ratio
2017	2.3933	2.6780	0.1131	-0.0053	0.0000	-0.0373
2016	2.5414	1.5782	0.1246	0.0213	0.0000	0.2192
2015	2.3842	1.3572	0.1055	-0.0020	0.0000	-0.0182
2014	2.5047	1.4009	0.1109	-0.0028	0.0000	-0.0244
2013	2.3691	1.3745	0.1282	0.0134	0.0000	0.1185
2012	2.0929	1.2211	0.1197	-0.0116	0.0000	-0.0941
2011	2.2439	1.9333	0.1374	0.0051	0.0000	0.0427
2010	2.2823	1.6245	0.1504	0.0528	0.0000	0.5885
2009	1.9073	1.1905	0.0991	-0.0031	0.0000	-0.0299
2008	2.0675	1.1415	0.1081	-0.0094	0.0000	-0.0792

The Fiscal Health Program was developed by the Office of the State Auditor to help identify negative financial trends in local governments. The program is ratio-based and the financial data is derived from the audited financial report. The ratios are based on governmental funds balance sheet information, revenues, expenditures, fund balance information, and debt information. The ratios are calculated and analyzed for trends over three-year periods. Defined benchmarks are used to determine the threshold for negative indicators in these trends.

The following 6 pages present details and explanations for each ratio.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.2
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS - ASSET SUFFICIENCY RATIO (ASR)
Last Ten Fiscal Years
(Unaudited)

2017	$\frac{15,325,245}{6,403,343}$	=	2.3933
2016	$\frac{15,221,419}{5,989,451}$	=	2.5414
2015	$\frac{13,118,988}{5,502,574}$	=	2.3842
2014	$\frac{12,403,963}{4,952,293}$	=	2.5047
2013	$\frac{12,491,571}{5,272,606}$	=	2.3691
2012	$\frac{12,359,721}{5,905,589}$	=	2.0929
2011	$\frac{12,852,415}{5,727,757}$	=	2.2439
2010	$\frac{12,161,245}{5,328,400}$	=	2.2823
2009	$\frac{9,841,274}{5,159,899}$	=	1.9073
2008	$\frac{8,587,197}{4,153,370}$	=	2.0675

Formula:
$$\frac{\text{General Fund Total Assets}}{\text{General Fund Total Liabilities}}$$

Description: Indicates the coverage of general fund assets to general fund liabilities

Benchmark: An ASR of 1 would indicate that total assets equals total liabilities

Negative Indicators: ASR < 1 (liabilities exceed assets)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.3
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS - DEBT BURDEN RATIO (DBR)
Last Ten Fiscal Years
(Unaudited)

2017	$\frac{18,088,483}{6,754,467} = 2.6780$
2016	$\frac{13,168,612}{4,671,424} = 2.8190$
2015	$\frac{6,913,573}{5,094,060} = 1.3572$
2014	$\frac{7,016,181}{5,008,404} = 1.4009$
2013	$\frac{5,640,084}{4,103,235} = 1.3745$
2012	$\frac{5,477,339}{4,485,614} = 1.2211$
2011	$\frac{5,879,380}{3,041,064} = 1.9333$
2010	$\frac{4,860,106}{2,991,716} = 1.6245$
2009	$\frac{3,615,849}{3,037,342} = 1.1905$
2008	$\frac{3,453,871}{3,025,834} = 1.1415$

Formula:
$$\frac{\text{Revenue of Funds Paying Debt Service}}{\text{Total Governmental Debt Service Payments}}$$

Description: Indicates the coverage of revenue of fund(s) paying debt service to the annual principal and interest payments, including leases.

Benchmark: A DBR of 1 would indicate that debt service equals the annual revenue of the fund supporting the debt.

Negative Indicators: DBR < 1 (debt service exceeds revenue)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.4
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS - OPERATING RESERVE RATIO (ORR)
Last Ten Fiscal Year
(Unaudited)

2017	$\frac{8,612,941}{76,136,190}$	=	0.1131
2016	$\frac{8,946,572}{71,820,305}$	=	0.1246
2015	$\frac{7,337,848}{69,530,443}$	=	0.1055
2014	$\frac{7,043,065}{63,502,989}$	=	0.1109
2013	$\frac{7,218,965}{56,307,067}$	=	0.1282
2012	$\frac{6,454,132}{53,903,546}$	=	0.1197
2011	$\frac{7,124,658}{51,847,008}$	=	0.1374
2010	$\frac{6,832,845}{45,431,760}$	=	0.1504
2009	$\frac{4,301,228}{43,381,747}$	=	0.0991
2008	$\frac{4,433,827}{41,034,439}$	=	0.1081

Formula:
$$\frac{\text{General Fund Fund Balance}}{\text{Total General Fund Expenditures +/- Transfers}}$$

Description: Indicates the amount the general fund ending balance will cover the current year general fund expenditures, including transfers

Benchmark: An ORR of 0.0192 (1/52, or one week) equates to one week of reserves for current expenditures and transfers.

Negative Indicators: ORR < .0192

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.5
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS - OPERATING MARGIN RATIO (OMR)
Last Ten Fiscal Years
(Unaudited)

2017	$\frac{(399,931)}{75,736,259} =$	-0.0053
2016	$\frac{1,560,091}{73,380,396} =$	0.0213
2015	$\frac{(136,296)}{69,394,147} =$	-0.0020
2014	$\frac{(175,900)}{63,327,089} =$	-0.0028
2013	$\frac{764,833}{57,101,900} =$	0.0134
2012	$\frac{(670,526)}{57,852,657} =$	-0.0116
2011	$\frac{291,813}{57,318,609} =$	0.0051
2010	$\frac{2,531,318}{47,963,078} =$	0.0528
2009	$\frac{(132,599)}{43,249,148} =$	-0.0031
2008	$\frac{(381,223)}{40,653,217} =$	-0.0094

Formula:
$$\frac{\text{General Fund Total Revenues} - (\text{General Fund Total Expenditures} +/- \text{Transfers})}{\text{General Fund Total Revenues}}$$

Description: Indicates for every dollar produced in total general fund gross revenue the amount that results in net income.

Benchmark: An OMR of 0.01 would indicate that \$.01 would result in net income for every \$1 produced in gross revenue.

Negative Indicators: OMR < 0.0

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.6
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS -
DEFICIT FUND BALANCE RATIO (DFBR)
Last Ten Fiscal Years
(Unaudited)

2017	<u>None</u>	=
2016	<u>None</u>	=
2015	<u>None</u>	=
2014	<u>None</u>	=
2013	<u>None</u>	=
2012	<u>None</u>	=
2011	<u>None</u>	=
2010	<u>None</u>	=
2009	<u>None</u>	=
2008	<u>None</u>	=

Formula:
$$\frac{-(\text{Total Deficit Fund Balances} - \text{Positive General Fund Balance})}{\text{Total Revenue in Deficit Fund Balances}}$$

Description: Indicates how many months or partial months of revenue in the next year are required to cover the deficit fund balance (in excess of the deficit covered by the existing general fund balance).

Benchmark: A DFBR of .25 (1/4) would equate to three months of revenue in the subsequent year to cover the deficit fund balance(s).

Negative Indicators: Deficit fund balances.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 6.7
FINANCIAL TRENDS INFORMATION
FISCAL HEALTH TRACKING RATIOS -
CHANGE IN FUND BALANCE RATIO (CFBR)
Last Ten Fiscal Years
(Unaudited)

2017	$\frac{(333,631)}{8,946,572}$	-0.0373
2016	$\frac{1,608,724}{7,337,848}$	0.2192
2015	$\frac{(136,296)}{7,474,144}$	-0.0182
2014	$\frac{(175,900)}{7,218,965}$	-0.0244
2013	$\frac{764,833}{6,454,132}$	0.1185
2012	$\frac{(670,526)}{7,124,658}$	-0.0941
2011	$\frac{291,813}{6,832,845} =$	0.0427
2010	$\frac{2,531,316}{4,301,526} =$	0.5885
2009	$\frac{(132,599)}{4,433,827} =$	-0.0299
2008	$\frac{(381,223)}{4,815,050} =$	-0.0792

Formula:
$$\frac{\text{Current Year Change in General Fund Balance}}{\text{Prior Year General Fund Balance}}$$

Description: Indicates the change in the general fund balance from one year to the next in relationship to the prior year fund balance.

Benchmark: A CFBR of 0 would indicate that the fund balance had not changed from the prior year

Negative Indicators: CFBR < 0 (this would be a negative fund)

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 7
REVENUE CAPACITY INFORMATION
SUMMARY OF REVENUES BY SOURCE AND OTHER FINANCING SOURCES - GENERAL FUND
Page 1 Of 2
Last Ten Fiscal Years
(Unaudited)

	2017		2016		2015		2014		2013						
Revenue from Local Sources															
Property Taxes	\$	20,577,777	80.6%	\$	18,432,058	25.1%	\$	17,481,575	25.2%	\$	16,341,404	25.8%	\$	16,534,619	29.0%
Specific Ownership Taxes		2,356,761	9.2%		1,908,133	2.6%		1,502,015	2.2%		1,626,191	2.6%		1,433,644	2.5%
Delinquent Taxes, Penalties and Interest		26,375	0.1%		82,257	0.1%		50,545	0.1%		289,290	0.5%		258,395	0.5%
Full Day Kindergarten		-	0.0%		-	0.0%		-	0.0%		-	0.0%		-	0.0%
Other Tuition		294,392	1.2%		274,117	0.4%		275,885	0.4%		248,197	0.4%		192,113	0.3%
All Other Local Revenue		2,279,154	8.9%		1,760,986	2.4%		1,511,757	2.2%		1,317,713	2.1%		1,240,215	2.2%
Total Local Sources		25,534,459	33.7%		22,457,551	30.6%		20,821,777	30.0%		19,822,795	31.3%		19,658,986	34.4%
State Sources															
State Equalization		45,613,941	93.0%		46,215,333	63.0%		44,457,398	64.1%		40,196,378	63.5%		34,502,795	60.4%
Vocational Education		-	0.0%		-	0.0%		-	0.0%		-	0.0%		-	0.0%
Exceptional Children's Education Act		1,639,632	3.3%		1,579,631	2.2%		1,702,202	2.5%		1,320,598	2.1%		1,051,773	1.8%
English Language Proficiency Act		781,041	1.6%		1,039,922	1.4%		248,207	0.4%		210,092	0.3%		204,016	0.4%
Transportation		501,054	1.0%		483,394	0.7%		473,508	0.7%		489,452	0.8%		492,995	0.9%
All Other State Revenue		490,500	1.0%		511,777	0.7%		509,351	0.7%		262,321	0.4%		100,035	0.2%
Total State Sources		49,026,168	64.7%		49,830,057	67.9%		47,390,666	68.3%		42,478,841	67.1%		36,351,614	63.7%
Federal Sources															
		1,175,632	1.6%		1,092,788	1.5%		1,181,704	1.7%		1,025,453	1.6%		1,091,300	1.9%
Total Revenue	\$	75,736,259	100.0%	\$	73,380,396	100.0%	\$	69,394,147	100.0%	\$	63,327,089	100.0%	\$	57,101,900	100.0%
Table 7 Continued															

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 7
REVENUE CAPACITY INFORMATION
SUMMARY OF REVENUES BY SOURCE AND OTHER FINANCING SOURCES - GENERAL FUND
Page 2 Of 2
Last Ten Fiscal Years
(Unaudited)

	2012		2011		2010		2009		2008						
Revenue from Local Sources															
Property Taxes	\$	16,225,756	28.0%	\$	16,083,474	28.1%	\$	17,088,027	35.7%	\$	15,071,739	34.8%	\$	14,625,382	25.6%
Specific Ownership Taxes		1,435,894	2.5%		1,339,393	2.3%		1,263,777	2.6%		1,380,960	3.2%		1,431,022	2.5%
Delinquent Taxes, Penalties and Interest		142,297	0.2%		108,629	0.2%		56,000	0.1%		8,425	0.0%		18,171	0.0%
Full Day Kindergarten		-	0.0%		-	0.0%		-	0.0%		62,929	0.1%		87,904	0.2%
Other Tuition		188,600	0.3%		143,608	0.3%		32,241	0.1%		7,994	0.0%		13,763	0.0%
All Other Local Revenue		1,989,277	3.4%		1,309,216	2.3%		941,725	2.0%		610,520	1.4%		375,945	0.7%
Total Local Sources		19,981,824	34.5%		18,984,320	33.1%		19,381,769	40.4%		17,142,567	39.6%		16,552,187	29.0%
State Sources															
State Equalization		34,939,835	60.4%		34,738,946	60.6%		25,485,071	53.2%		24,330,678	56.3%		22,611,911	55.7%
Vocational Education		-	0.0%		-	0.0%		-	0.0%		2,153	0.0%		0	0.0%
Exceptional Children's Education Act		1,022,114	1.8%		1,019,710	1.8%		972,924	2.0%		1,216,585	2.8%		951,421	1.7%
English Language Proficiency Act		253,978	0.4%		220,128	0.4%		230,745	0.5%		181,421	0.4%		170,550	0.3%
Transportation		477,399	0.8%		408,483	0.7%		402,715	0.8%		375,744	0.9%		367,141	0.6%
All Other State Revenue		98,684	0.2%		(231,781)	-0.4%		93,385	0.2%		0	0.0%		7	0.0%
Total State Sources		36,792,010	63.6%		36,155,486	63.1%		27,184,840	56.7%		26,106,581	60.4%		24,101,030	42.2%
Federal Sources		1,078,823	1.9%		2,178,803	3.8%		1,396,469	2.9%		0	0.0%		0	0.0%
Total Revenue	\$	57,852,657	100.0%	\$	57,318,609	100.0%	\$	47,963,079	100.0%	\$	43,249,148	100.0%	\$	40,653,217	71.2%

Source: School District Financial Records/Financial Audits

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 8
REVENUE CAPACITY INFORMATION
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Collection Year	Assessed Valuation (1)	Tax Rate per 1,000 of Valuation	Estimated Actual Value (2)	Ratio of Total Assessed to Total Estimated Actual Value (2)
2016	2017	569,244,410	57.878	3,268,307,094	17.42%
2015	2016	501,791,060	45.629	3,008,240,798	16.68%
2014	2015	461,017,130	47.787	2,597,937,191	17.75%
2013	2014	458,786,800	46.794	2,554,675,286	17.96%
2012	2013	452,371,640	43.906	2,572,602,240	17.58%
2011	2012	453,631,720	43.740	2,558,091,852	17.73%
2010	2011	454,043,440	43.605	2,586,117,461	17.56%
2009	2010	475,774,830	40.118	2,661,838,608	17.87%
2008	2009	477,132,910	35.852	2,844,401,158	16.77%
2007	2008	447,036,230	36.454	2,739,616,336	16.32%

Notes:

- (1) Source: Adams County Assessor's Office
- (2) The assessment ratios for all taxable property in the State of Colorado are as follows:

Adams County Property Assessment Ratios

Collection Year	Residential	Commercial
2017	7.96%	29.00%
2016	7.96%	29.00%
2015	7.96%	29.00%
2014	7.96%	29.00%
2013	7.96%	29.00%
2012	7.96%	29.00%
2011	7.96%	29.00%
2010	7.96%	29.00%
2009	7.96%	29.00%
2008	7.96%	29.00%
2007	7.96%	29.00%

The difference between estimated actual value and current market value of taxable property in the District is

- (3) The Estimated Actual Value is as calculated by Adams County Assessor's Office.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 9
REVENUE CAPACITY INFORMATION
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER \$1,000 OF ASSESSED VALUATION
Last Ten Calendar Years
(Unaudited)

For Collections Year:

Government Entity	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Mapleton Public Schools										
General Fund	36.739	36.518	37.880	36.798	36.946	36.861	36.915	36.508	32.214	32.816
Debt Service Fund	21.139	9.111	9.907	9.996	6.960	6.879	6.690	3.61	3.638	3.638
Total	57.878	45.629	47.787	46.794	43.906	43.740	43.605	40.118	35.852	36.454
Adams County	27.055	26.817	27.042	26.815	26.903	26.806	26.883	26.824	26.809	26.899
City of Thornton	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210
Crestview Water and Sanitation District	4.547	4.428	4.789	4.590	4.416	4.057	3.754	3.664	3.343	3.165
Crestview Sewer	0.490	0.477	0.497	0.478	0.464	0.960	0.899	0.857	0.813	0.770
Hyland Hills Recreation District	5.359	5.372	5.565	5.515	5.587	5.588	5.557	5.617	5.541	5.571
North Lincoln Water & Sanitation District	4.712	4.315	4.421	5.645	5.645	5.645	5.645	5.645	5.645	5.645
North Metro Fire Rescue	14.810	14.713	14.903	11.246	11.375	11.176	11.225	11.307	11.268	11.301
North Metro Pension	0.000	0.000	0.000	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Adams County Fire Protection District	16.841	16.892	17.276	17.274	17.344	17.318	17.403	13.335	13.451	13.562
North Washington Water & Sanitation District	0.924	0.924	0.924	0.933	0.943	0.943	0.949	0.949	1.095	1.174
Rangeview Library FKA Adams Library	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.504
Southwest Adams Fire District #2	0.000	16.892	18.800	17.800	17.800	18.800	18.800	18.800	13.190	13.190
Southwest Adams Fire Bond	0.000	0.000	1.000	1.000	1.000	1.000	1.000	1.000	1.780	0.890
Urban Drainage and Flood Control	0.559	0.553	0.632	0.608	0.599	0.566	0.523	0.508	0.528	0.507
Urban Drainage, South Platte	0.061	0.058	0.068	0.064	0.058	0.057	0.053	0.061	0.063	0.061

Notes:

- (1) Source: Adams County Assessor's Office and Adams County CAFR.
- (2) Totals are not shown since individual properties are not subject to all levies.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 10
REVENUE CAPACITY INFORMATION
PRINCIPAL TAXPAYERS (BASED ON PROPERTY VALUATIONS)
Current Collection Year And Nine Years Ago
(Unaudited)

Taxpayer	CY 2017				CY 2008			
	Assessed Valuation (1)	Rank	% of Total Valuation	Estimated Actual Value	Assessed Valuation (1)	Rank	% of Total Valuation	Estimated Actual Value
Xcel Energy Co (Public Service CO)	128,839,720	1	22.63%	444,274,889	60,003,010	1	13.42%	206,906,930
Denver Post, LLC (Denver Newspaper Agency)	6,627,030	2	1.16%	22,851,827	17,741,230	2	3.97%	61,176,650
Denver Mart, LLC	6,423,230	3	1.13%	22,149,095	5,483,600	3	1.23%	18,908,960
Indigo Creek Holdings LLC	3,774,950	4	0.66%	47,424,030				
5990 Washington Street LLC	3,540,350	5	0.62%	12,208,077				
Crossroads Commerce Park Industrial, LLC	3,414,750	6	0.60%	11,774,979				
North Washington Properties	3,178,830	7	0.56%	10,961,476	3,147,950	4	0.70%	10,855,010
Owens coming Roofing and Asphalt, LLC	2,921,690	8	0.51%	10,074,830				
Franklin Industrial Group, LTD	2,724,830	9	0.48%	9,395,971				
Furniture Row Colorado, LLC	2,686,560	10	0.47%	9,263,992				
Clear Creek Business Center, LLC					2,734,230	5	0.61%	9,428,370
WPC Corporate I, LLC					2,624,330	6	0.59%	9,049,390
Indigo Creek holdings, LLC					2,568,560	7	0.57%	32,268,240
7350 Broadway Associates, LP					2,554,610	8	0.57%	8,809,000
Total	164,131,939		28.83%	600,379,166	96,857,520		21.67%	357,402,550

Source: Adams County Assessor's Office

Note: (1) Based on January 1, 2016 assessment for taxes due in 2017

(2) Total District assessed value = 569,244,410

Source: Adams County Assessor's Office

Note: (1) Based on January 1, 2006 assessment for taxes due in 2007

(2) Total District assessed value = 447,036,230

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 11
REVENUE CAPACITY INFORMATION
PROPERTY TAX LEVIES AND COLLECTIONS - GENERAL FUND
Last Ten Calendar Years
(Unaudited)

Calendar Year	Collection Year	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Levy
2016	2017	20,913,407	20,604,446	98.52%	26,375	20,630,821	98.65%
2015	2016	18,324,406	18,221,925	99.44%	69,917	18,291,842	99.82%
2014	2015	17,463,330	17,221,160	98.61%	50,546	17,271,706	98.90%
2013	2014	16,882,437	16,332,688	96.74%	253,378	16,586,066	98.24%
2012	2013	16,713,323	16,534,619	98.93%	150,206	16,684,825	99.83%
2011	2012	16,721,319	16,225,756	97.04%	162,716	16,388,472	98.01%
2010	2011	16,761,014	16,083,474	95.96%	55,720	16,139,194	96.29%
2009	2010	17,369,587	16,873,977	97.15%	36,835	16,910,812	97.36%
2008	2009	15,370,360	15,071,739	98.06%	6,119	15,077,858	98.10%
2007	2008	14,669,941	14,448,276	98.49%	15,604	14,463,880	98.60%

Source Adams County Assessor's Office and District financial records

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 12
DEBT CAPACITY INFORMATION
PERCENT OF NET GENERAL OBLIGATION BONDED DEBT TO
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA AND PER FUNDED PUPIL
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	District Population (1)	October Head Count	December Assessed Valuation	Estimated Real Property Value	Gross Bonded Debt	Less Debt Service Funds Available	Net Bonded Debt	Percent of Net Bonded Debt to Real Value	Net Bonded Debt Per Capita	Net Bonded Debt per Pupil
2017	33,868	8,822.0	569,244,410	3,268,307,094	158,002,216	11,504,126	146,498,090	4.4824%	4,326	16,606
2016	33,136	8,738.0	501,791,060	3,008,240,798	35,518,493	5,422,769	30,095,724	1.0004%	908	3,444
2015	32,342	8,670.0	461,017,130	2,597,937,191	35,786,511	4,176,936	31,609,575	1.2167%	977	3,646
2014	32,801	8,408.0	458,786,800	2,574,291,470	38,396,332	3,656,973	34,739,359	1.3495%	1,059	4,132
2013	31,275	8,052.0	452,371,640	2,572,602,240	39,636,547	2,190,260	37,446,287	1.4556%	1,197	4,651
2012	31,275	7,760.0	453,631,720	2,583,361,765	40,949,514	2,130,495	38,819,019	1.5027%	1,241	5,002
2011	30,734	7,634.0	454,043,440	2,586,519,231	41,793,595	2,175,563	39,618,032	1.5317%	1,289	5,190
2010	30,589	5,775.0	475,774,830	2,661,838,608	9,978,026	1,474,160	8,503,866	0.3195%	278	1,473
2009	31,581	5,794.0	477,132,910	2,844,401,158	12,097,322	1,400,468	10,696,854	0.3761%	339	1,846
2008	30,823	5,493.0	447,036,230	2,739,616,336	11,951,018	1,325,747	10,625,271	0.3878%	345	1,934

Source: Adams County Assessor's Office and District financial reports

Note: (1) District population data prior to 2010 has been restated using updated census estimates. Subsequent District population estimates are taken from the US Census Bureau's Small Area Income and Poverty Estimates available at <http://www.census.gov/did/www/saipe/data/schools/data/index.html>. Retrieved 2015-09-27.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 13
DEBT CAPACITY INFORMATION
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Obligation/ Matching Money Bonds	Certificates of Participation	Other	Capital Leases	Total	Assessed Value	Population(1)	Percentage of Personal Income (3)	Per Capita
2017	143,382,212	6,690,000	14,698,412	530,651	165,301,275	569,244,410	33,868	13.20%	4,881
2016	34,567,274	2,940,000	1,039,428	553,798	39,100,500	501,791,060	33,136	3.12%	1,180
2015	34,988,114	3,595,000	782,851	1,153,214	40,519,179	461,017,130	32,342	3.46%	1,253
2014	37,351,271	3,850,000	1,027,749	1,743,971	43,972,991	458,786,800	32,801	3.86%	1,341
2013	38,821,271	4,095,000	796,198	1,284,306	44,996,775	452,371,640	31,275	4.35%	1,439
2012	40,066,271	4,330,000	862,399	1,779,698	47,038,368	453,631,720	31,275	4.60%	1,504
2011	41,251,271	4,560,000	519,714	2,589,639	48,920,624	454,043,440	30,734	4.98%	1,592
2010	9,978,026	4,780,000	245,774	3,418,269	18,422,069	475,774,830	30,589	1.82%	602
2009	11,795,000	4,995,000	276,180	3,530,925	20,597,105	477,132,910	31,581	2.00%	652
2008	11,951,018	5,205,000	306,586	3,899,624	21,362,228	447,036,230	30,823	2.21%	693

Source: Adams County Assessor's Office and District financial reports

Note: (1) District population data prior to 2010 has been restated using updated census estimates. Subsequent District population estimates are taken from the US Census Bureau's Small Area Income and Poverty Estimates available at <http://www.census.gov/did/www/saipe/data/schools/data/index.html>. Retrieved 2015-09-27.

Note (2) Source: Bureau of Economic Analysis. Per capita figures for Adams County, CO multiplied by district estimated population

Note: (3) See Table 17 Demographic Data-Adams County

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 14
DEBT CAPACITY INFORMATION
COMPUTATION OF DIRECT AND OVERLAPPING DEBT -
GENERAL OBLIGATION BONDED DEBT
As Of June 30, 2017
(Unaudited)

	Direct Debt (1)	Percentage Applicable to Mapleton Public Schools (2)	Amount Applicable to Mapleton Public Schools
<u>Governmental Unit</u>			
Direct:			
Mapleton Public Schools	\$ 158,002,216	100.00%	\$ 158,002,216
Overlapping:			
Hyland Hills Metropolitan Parks and Recreation District	\$ 7,315,000	0.15%	10,973
Adams County Fire Protection District	3,039,537	67.03%	2,037,402
North Metro Fire Rescue District	20,365,000	0.77%	156,811
Total Overlapping Debt	<u>\$ 30,719,537</u>		<u>\$ 2,205,185</u>
Totals	<u><u>\$ 188,721,753</u></u>		<u><u>\$ 160,207,401</u></u>

(1) Revenue bonds and other self-supporting debt are not included. Overlapping governments without general obligation debt are not shown.

(2) The percentage in this column reflects the portion of the general obligation debt which is secured by taxable real estate located within the District.

Source: Adams County Finance Office and the individual governmental entities.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 15
DEBT CAPACITY INFORMATION
COMPUTATION OF LEGAL DEBT MARGIN
As Of June 30, 2017
Last Ten Fiscal Years
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 164,376,980	\$ 170,664,069	\$ 159,710,316	\$ 155,167,048	\$ 153,485,511	\$ 154,356,134	\$ 154,356,134	\$ 155,876,231	\$ 180,494,448	\$ 196,098,426
Total net debt applicable to limit	11,951,018	12,097,322	9,978,026	41,251,271	47,838,003	44,996,775	43,972,991	40,519,179	35,518,493	158,002,216
Legal debt margin	\$ 152,425,962	\$ 158,566,747	\$ 149,732,290	\$ 113,915,777	\$ 105,647,508	\$ 109,359,359	\$ 110,383,143	\$ 115,357,052	\$ 144,975,955	\$ 38,096,210
Total net debt applicable to the limit as a percentage of debt limit	7.27%	7.09%	6.25%	26.59%	31.17%	29.15%	28.49%	25.99%	19.68%	80.57%

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 16
DEBT CAPACITY INFORMATION
PERCENT OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT
TO GENERAL FUND EXPENDITURES
Last Ten Fiscal Years
(Unaudited)

	Principal	Interest and Fiscal Charges	Total Debt Service	General Fund Expenditures	Percent of Debt Service to General Fund Expenditures
2017	2,885,062	2,927,794	5,812,856	74,349,063	7.82%
2016	2,025,840	1,336,802	3,362,642	70,409,165	4.78%
2015	2,363,157	1,637,356	4,000,513	65,034,277	6.15%
2014	1,300,000	1,790,496	3,090,496	60,491,549	5.11%
2013	1,245,000	1,936,566	3,181,566	52,569,562	6.05%
2012	1,185,000	1,936,566	3,121,566	52,005,811	6.00%
2011	1,145,000	1,094,504	2,239,504	49,879,989	4.49%
2010	1,100,000	524,075	1,624,075	41,553,910	3.91%
2009	1,065,000	562,050	1,627,050	40,242,501	4.04%
2008	1,020,000	603,525	1,623,525	37,904,825	4.28%

Source: District financial records

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 17
DEMOGRAPHIC AND ECONOMIC INFORMATION
DEMOGRAPHIC DATA - ADAMS COUNTY
Last Ten Fiscal Years
(Unaudited)

Calendar	Population	Median Age (3)	Enrollment	Unemployment	Personal Income (5)	Per Capita
2017	33,868	34.3	8,822.0	2.70%	1,251,829,016	36,962
2016	33,136	34.1	8,738.0	3.80%	1,183,087,744	35,704
2015	32,342	33.8	8,670.0	4.30%	1,094,776,700	33,850
2014	32,801	33.6	8,408.0	5.50%	1,138,030,695	34,695
2013	31,275	33.3	8,052.0	8.00%	1,033,982,775	33,061
2012	31,275	33.1	7,760.0	9.20%	1,021,623,901	32,666
2011	30,734	32.8	7,634.0	9.40%	982,619,124	31,972
2010	30,589	32.5	5,775.0	10.00%	1,010,079,369	33,021
2009	31,581	32.3	5,794.0	8.70%	1,029,572,181	32,601
2008	30,823	32.1	5,493.0	5.40%	968,242,899	31,413
2007	30,227	32.1	5,595.0	4.20%	921,379,414	30,482

Note: (1) All data represents calendar year information, except school enrollment which is presented on a fiscal year basis

Note: (2) District population data prior to 2010 has been restated using updated census estimates. Subsequent District population estimates are taken from the US Census Bureau's Small Area Income and Poverty Estimates available at <http://www.census.gov/did/www/saipe/data/schools/data/index.html>. Retrieved 2013-10-02.

Note: (3) Source: State Demography Office. Retrieved: 2017-09-10.

Note: (4) Source Bureau of Labor Statistics for July 2016. Retrieved: 2017-09-10.

Note: (5) Personal Income for the District is calculated by multiplying the Population estimated by the Per Capita Personal Income for Adams County.

Note: (6) US Department of Commerce, Bureau of Economic Analysis for Adams County, Colorado. Retrieved: 2016-10-28.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 18
DEMOGRAPHIC AND ECONOMIC INFORMATION
ASSESSED/ACTUAL VALUE OF TAXABLE PROPERTY - ADAMS COUNTY, COLORADO (1)
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Residential Property	Commercial Property	Industrial Property	Vacant Land	Agricultural Acre Valuation	Natural Resources	State Assessed Property	Total Taxable Assessed Value	Total Direct Tax Rate (2)
2017	141,078,660	196,774,980	21,843,620	10,497,600	2,318,690	74,500	21,475,530	394,063,580	57.878
2016	137,602,850	192,650,360	19,716,680	13,059,580	2,330,240	74,500	5,010,690	370,444,900	45.629
2015	108,363,130	179,880,370	19,363,990	10,059,650	2,095,860	74,500	5,606,320	325,443,820	47.787
2014	106,716,460	181,483,050	19,815,830	10,138,900	2,249,810	74,500	5,849,380	326,327,930	46.794
2013	111,054,060	176,771,250	18,590,700	9,574,340	2,391,890	72,740	5,349,310	323,804,290	43.906
2012	110,938,420	173,617,340	18,792,280	9,624,480	2,393,330	72,740	5,301,880	320,740,470	43.740
2011	111,947,280	172,626,340	19,231,900	10,385,210	2,419,640	72,740	3,998,670	320,681,780	43.605
2010	111,989,780	172,279,490	19,573,520	10,878,850	2,412,800	72,740	4,304,060	321,511,240	40.118
2009	131,487,540	163,525,880	19,240,180	11,443,980	2,445,400	72,740	3,194,020	331,409,740	35.852
2008	131,377,710	157,971,650	19,283,830	11,502,730	2,445,940	72,740	3,266,850	325,921,450	36.454

MAPLETON PUBLIC SCHOOLS
Actual Value of Taxable Property for Mapleton Public Schools (1)
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Residential Property	Commercial Property	Industrial Property	Vacant Land	Agricultural Acre Valuation	Natural Resources	State Assessed Property	Total Actual Valuation
2017	1,772,344,975	678,534,414	75,322,828	36,198,621	7,995,483	256,897	74,053,552	2,644,706,768
2016	1,728,679,020	664,311,586	67,988,552	45,033,034	8,035,310	256,897	17,278,241	2,531,582,641
2015	1,361,345,854	620,277,138	66,772,379	34,688,448	7,227,103	256,897	19,332,138	2,109,899,958
2014	1,340,659,045	625,803,621	68,330,448	34,961,724	7,757,966	256,897	20,170,276	2,097,939,976
2013	1,395,151,508	609,556,034	64,105,862	33,014,966	8,247,897	250,828	18,445,897	2,128,772,990
2012	1,393,698,744	598,680,483	64,800,966	33,187,862	8,252,862	250,828	18,282,345	2,117,154,089
2011	1,406,372,864	595,263,241	66,316,897	35,811,069	8,343,586	250,828	13,788,517	2,126,147,002
2010	1,406,906,784	594,067,207	67,494,897	37,513,276	8,320,000	250,828	14,841,586	2,129,394,577
2009	1,651,853,518	563,882,345	66,345,448	39,462,000	8,432,414	250,828	11,013,862	2,341,240,414
2008	1,650,473,744	544,729,828	66,495,966	39,664,586	8,434,276	250,828	11,265,000	2,321,314,226

(1) The County assesses property frequently; therefore assessed and actual are substantially equal.

(2) Tax rate is per \$1,000 of assessed value

Source: Adams County Abstract of Assessment and Tax Levies

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 19
DEMOGRAPHIC AND ECONOMIC INFORMATION
ADAMS COUNTY PRINCIPAL EMPLOYERS - PRIVATE SECTOR
Calendar Years 2016 And 2007
(Unaudited)

Employer	2016			2007		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
University of Colorado Hospital	6,550	1	3.26%			
Children's Hospital	5,250	2	2.62%	3000	2	1.40%
United Parcel Service	2,680	3	1.33%	3500	1	1.64%
Sturgeon Electric	1,270	4	0.63%			
HealthOne: North Suburban Medical Center	900	5	0.45%	630	8	0.29%
ADS Alliance Data Systems	840	6	0.42%			
Shamrock Foods	800	7	0.40%	650	6	0.30%
SROriginals	790	8	0.39%			
Centura St Anthony Hospital North	790	8	0.39%	625	10	0.29%
Platte Valley Medical Center	650	10	0.32%			
Avaya Communications				1000	4	0.47%
Wagner Equipment				630	8	0.29%
EchoStar				1,400	3	0.65%
Western Distributing				750	5	0.35%
T-Mobile				650	6	0.30%
Total	<u>20,520</u>		<u>10.22%</u>	<u>12,835</u>		<u>6.00%</u>
Total County Employment	200,762			213,923		

Source: Adams County CAFR for Calendar Year 2016

Does not include governmental entity employers.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 20
DEMOGRAPHIC AND ECONOMIC INFORMATION
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
(Unaudited)

Site	School(s)	Sq Ft	Enrollment FTE	Teacher	Pupil/Teacher Ratio	% Free/ Reduced Lunch
Bertha Heid Building (1956)		57,184				
	Achieve Academy		469.5	24.0	19.6	61.2%
Clayton Building (1960)		23,484				
	Explore Elementary		334.0	19.6	17.0	66.1%
Meadow Building (1962)		47,155				
	Meadow Community Elementary		431.0	23.0	18.7	75.9%
Monterey Building (1960)		40,397				
	Monterey Community Elementary		412.0	23.5	17.5	76.2%
Valley View Building (1959)		34,190				
	Valley View Elementary		421.0	24.6	17.1	74.7%
Western Hills Building (1957)		49,488				
	Adventure Elementary		323.0	19.5	16.6	74.0%
John Dewey Building (1962)		78,473				
	Global Primary Academy		163.5	10.3	15.8	72.2%
	Global Intermediate Academy		195.0	10.0	19.4	84.6%
	Global Leadership Academy		198.0	10.6	18.6	76.9%
York Building (1955)		81,011				
	York International		729.0	37.0	19.7	65.5%
Skyview Campus (2012)		290,511				
	Mapleton Expeditionary School of the Arts		638.0	29.3	21.7	63.3%
	Mapleton Early College		245.0	13.3	18.4	60.4%
	Academy High School		434.5	15.3	28.3	54.5%
	Clayton Partnership School		438.5	23.5	18.7	71.0%
	North Valley School for Young Adults		57.5	3.8	15.1	43.1%
	Big Picture College and Career Academy		92.0	5.0	18.4	72.8%
	Skyview Center		N/A			31.3%
Welby Building (1954)		33,924				
	Welby Community Elementary		174.0	15.0	11.6	60.5%
Other						
	Connections Academy		2,366.0			
	Non-District Schools		0.0			
Main Administration Building		10,792				
Transportation Building		5,820				
Maintenance Shed		9,640				
Professional Development Center		5,000				
		767,069				

Source: District Facilities Maintenance

Note: Year of original construction is shown in parenthesis.

8,121.5

62.8%

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 21 DEMOGRAPHIC AND ECONOMIC INFORMATION TEACHER SALARY RANGES 2016 - 2017 (Unaudited)

BA	\$38,500	to	\$51,741
BA20	\$40,500	to	\$66,941
MA	\$42,500	to	\$76,760
MA20	\$44,500	to	\$85,267
MA40	\$46,775	to	\$89,626
MA60/DOC	\$49,000	to	\$91,154

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 22
DEMOGRAPHIC AND ECONOMIC INFORMATION
TEACHER SALARY SCHEDULE PLACEMENT (SCATTERGRAM) 2016 - 2017
(Unaudited)

	BA	BA20	MA	MA20	MA40	MA60/DOC
0	18.0	0.0	8.0	0.0	0.0	1.0
1	28.0	3.0	5.0	1.0	0.0	0.0
2	16.0	0.0	7.0	3.0	2.0	1.0
3	18.0	1.0	11.0	2.0	0.0	1.0
4	16.0	2.0	15.0	2.0	0.0	1.0
5	0.0	0.0	13.0	4.0	0.0	0.0
6	10.0	2.0	1.0	0.0	0.0	1.0
7	4.0	2.0	13.0	2.0	2.0	2.0
8	3.0	1.0	10.0	3.0	3.0	1.0
9	4.0	1.0	8.0	1.0	0.0	4.0
10	10.0	3.0	13.0	1.0	0.0	2.0
11	0.0	0.0	9.0	4.0	4.0	1.0
12	0.0	1.0	7.0	2.0	3.0	0.0
13	0.0	1.0	8.0	0.0	4.0	0.0
14	0.0	1.0	3.0	1.0	1.0	3.0
15	0.0	3.0	3.0	6.0	1.0	4.0
16	0.0	0.0	3.0	4.0	2.0	1.0
17	0.0	3.0	2.0	4.0	1.0	2.0
18	0.0	0.0	3.0	2.0	1.0	1.0
19	0.0	0.0	2.0	0.0	1.0	3.0
20	0.0	0.0	3.0	1.0	1.0	3.0
21	0.0	0.0	0.0	0.0	2.0	8.0
22	0.0	0.0	0.0	1.0	10.0	0.0
23	0.0	0.0	0.0	0.0	0.0	0.0
	127.0	24.0	147.0	44.0	38.0	40.0

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 23
DEMOGRAPHIC AND ECONOMIC INFORMATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Instructional Services										
1 Administrators	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
2 Principals and Asst. Principals	28.0	32.0	28.0	28.0	24.0	21.0	21.0	21.5	22.0	20.0
3 Teacher, Regular Ed	334.5	338.1	318.3	318.0	299.8	288.7	291.7	286.9	279.8	271.1
4 Teacher, English Lang. Learners	1.1	2.6	4.8	2.8	4.0	5.1	5.3	4.4	5.9	5.2
5 Teacher, Special Ed	26.2	28.0	27.0	26.0	22.5	22.5	22.5	26.9	30.6	33.4
6 Special Ed Other Instruction	15.5	14.0	15.5	16.5	8.4	2.7	9.5	9.1	8.0	6.6
7 Guidance Counselors	11.2	14.5	10.5	10.6	6.6	4.0	6.0	8.0	4.5	4.5
8 Curriculum Specialists	5.0	4.0	4.0	3.9	1.4	10.7	11.7	11.4	11.1	16.0
9 Mentor Coach	7.5	5.6	7.1	5.4	4.0	3.1	2.7	3.0	2.0	2.0
10 Psychologists, social workers	9.8	8.8	10.8	9.6	8.1	7.6	8.5	8.5	7.8	9.0
11 Paraprofessionals, Library	2.7	2.7	3.4	3.3	3.0	5.6	5.0	4.7	5.4	5.3
12 Paraprofessionals, Regular Ed	26.7	37.0	35.9	36.6	33.0	32.1	33.3	34.5	34.8	30.6
13 Paraprofessionals, ELL Ed	2.0	2.0	3.2	4.2	4.5	3.8	6.1	5.7	8.6	11.1
14 Paraprofessionals, Special Ed	57.0	58.8	56.2	52.7	43.6	37.2	20.1	19.8	22.6	30.7
15 Paraprofessionals, Health	7.6	8.2	7.3	7.3	7.3	7.2	5.7	7.4	6.8	6.7
16 Paraprofessionals, Transport.	8.1	4.0	2.5	1.5	1.5	1.5	3.4	3.8	3.8	2.5
Support Services										
18 Administrators	19.1	16.7	25.0	26.0	21.0	18.0	16.0	14.0	12.0	12.6
19 Computer system support	10.0	10.0	10.0	10.0	9.0	9.0	10.0	11.3	10.0	10.0
20 Community Liaison	0.9	1.9	1.0	1.8	1.8	1.3	0.5	0.7	1.0	1.0
21 Bookkeeping/payroll	8.5	8.5	8.0	7.8	5.5	4.9	5.0	4.9	4.0	4.0
22 General secretary	54.0	59.5	47.2	47.7	43.2	48.6	50.8	49.1	47.0	47.6
23 Bus Driver	20.4	20.0	18.5	17.0	17.0	21.8	23.0	22.5	22.1	20.9
24 Cook	30.8	37.0	31.4	38.0	39.0	33.2	34.2	31.8	30.1	28.7
25 Custodian	38.0	39.0	34.0	33.9	33.0	31.0	41.0	41.0	36.5	40.5
26 Facilities maintenance	12.8	12.0	13.0	10.0	9.0	12.0	11.0	9.0	9.0	11.0
27 Staff leads	4.0	3.0	4.0	4.9	4.9	4.8	3.9	3.9	4.0	4.0
28 Mechanic	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
29 Security	5.0	5.0	4.0	4.0	4.0	3.0	2.9	3.0	3.0	2.8
Total	750.3	777.0	733.6	730.1	662.1	643.4	649.8	635.4	640.8	625.8

Source: District Financial System

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 24 OPERATING INFORMATION OPERATING INDICATORS BY FUNCTION/PROGRAM Last Ten Fiscal Years (Unaudited)

Instruction

Colorado Measures of Academic Success (CMAS)
Percent Met or Exceeded Expectations

Assessment	State Avg*		Mapleton* State Avg*		2015
	2017	2017	2016	2016	
3rd Grade English Language Arts	37	25	37.4	21.7 p	37.7
3rd Grade Mathematics	40	27	38.9	27.8	28.4
4th Grade English Language Arts	44	27	43.9	25.2	21.3
4th Grade Mathematics	34	21	33.3	22.2	17.2
5th Grade English Language Arts	46	27	41.2	24.3	15.9
5th Grade Mathematics	34	18	34.3	18.4	12.1
5th Grade Science	35	18	33.6	15.2	12.7
6th Grade English Language Arts	40	19	38.3	18.8	23.2
6th Grade Mathematics	31	11	31.0	11.9	18.1
7th Grade English Language Arts	45	23	41.0	27.4	22.4
7th Grade Mathematics	26	12	26.2	11.9	14.5
8th Grade English Language Arts	43	26	41.6	20.3	21.3
8th Grade Mathematics	21	12	20.4	9.5	13.1
8th Grade Science	31	12	30.2	12.1	12.1
9th Grade English Language Arts	36	26	37.2	24.8	29.3
Algebra I	33	12	33.4	12.9	NA**
Geometry	61	13	66.3	21.6	NA**
Algebra II	77 < 16 Stdnts		52.4	62.5	NA**
11th Grade Science	24	20	24.3	23.7	NA

* In 2015, the Colorado Department of Education switched to the PARRC for student evaluation for Language Arts and Mathematics. Results from the new assessments should not be compared to previous TCAP and CSAP results.

p = Additional psychometric procedures were applied in 2016 to increase the comparability between online and paper-based forms of the assessments. This district or school had 80% or more of their students take the assessment using a paper form in 2015 when these additional procedures were not applied. This school or district may show a decline in scores in part due to the change in the procedure, rather than a change in student performance.

** = The results for 2015 high school math are suppressed because the populations tested in 2015 and 2016 are not comparable. In 2016 10th and 11th graders were not included in testing.

Source: Colorado Department of Education

Language Arts and Math: <https://www.cde.state.co.us/assessment/cmasparccstatesummary2016>

Science: <https://www.cde.state.co.us/assessment/cmasstatesummary2016>

(1) CMAS is the Colorado Measures of Student Success Assessment program, required of all Colorado public school students

Instruction

TCAP/CSAP(1) Summary Results
Percent Proficient or Advanced

	2014	2013	2012	2011	2010	2009	2008	2007
3rd Grade Writing	40	37	39	33	34	34	30	33
3rd Grade Writing (Spanish)	X	55	59	53	50	53	26	53
3rd Grade Reading	55	54	57	58	45	50	45	54
3rd Grade Reading (Spanish)	X	48	53	52	52	73	43	52
3rd Grade Math	62	63	54	53	52	47	41	41
4th Grade Writing	30	37	30	31	28	28	28	25
4th Grade Writing (Spanish)	X	X	X	X	X	X	X	X
4th Grade Reading	42	49	47	41	41	35	41	41
4th Grade Reading (Spanish)	X	X	X	X	X	X	X	X
4th Grade Math	53	58	55	52	50	49	43	45
5th Grade Writing	38	40	40	43	36	36	34	40
5th Grade Reading	54	51	51	50	50	46	43	48
5th Grade Math	51	48	44	48	43	44	39	44
5th Grade Science	X	23	25	26	18	19	12	15
6th Grade Writing	40	41	41	45	36	38	37	40
6th Grade Reading	59	60	58	51	55	48	46	49
6th Grade Math	46	41	42	43	39	32	35	31
7th Grade Writing	46	42	46	41	33	38	33	34
7th Grade Reading	54	51	52	51	44	42	40	45
7th Grade Math	30	32	31	28	21	21	15	18
8th Grade Writing	39	40	35	34	31	30	25	26
8th Grade Reading	50	48	50	47	44	42	37	42
8th Grade Math	27	27	28	24	21	22	18	18
8th Grade Science	X	28	23	25	16	22	15	22
9th Grade Writing	36	38	33	33	26	25	21	19
9th Grade Reading	52	56	53	48	49	43	38	33
9th Grade Math	17	19	15	16	15	12	15	8
10th Grade Writing	37	33	35	30	26	29	17	19
10th Grade Reading	61	58	56	51	51	51	35	46
10th Grade Math	16	14	16	11	11	6	5	5
10th Grade Science	X	32	31	28	24	28	21	17

Source: Colorado Department of Education

"X" indicates a sample size too low for comparison or test results not available.

Grey shaded boxes indicate years in which no state test was administered for that subject

(1) CSAP is the Colorado Student Assessment Program, required of all Colorado public school students

ADAMS COUNTY SCHOOL DISTRICT NO. 1

TABLE 25
OPERATING INFORMATION
OTHER OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Support	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Graduation Rate*	N/A*	64.60%	58.30%	52.50%	47.80%	42.50%	44.30%	42.10%	49.70%	48.12%
Postsecondary Classes Passed	95.60%	89.60%	87.6%	75.6%	87.0%	90.0%	83.5%	93.0%	97.0%	95.0%
Staff Development Expenditures per Teacher	6,792	6,503	6,552	6,109	5,886	6,801	5,727	5,838	10,466	5,900
Grant Revenue Received per Pupil	811	758	743	677	731	508	686	742	750	653
Maintenance Expenditures per Pupil	609	637	614	654	601	619	612	773	824	835
Bus Miles Traveled	291,410	348,952	361,245	326,944	299,910	321,494	332,379	357,015	323,068	385,864
Average Teacher Salary	53,500	53,219	51,988	51,458	51,601	52,532	51,793	51,189	51,232	49,854
Percentage Teachers "Highly Qualified"	100%	100%	99%	100%	100.0%	100.0%	99.7%	99.7%	98.0%	99.0%
Percentage Teachers w/ Advance Degree	59%	57%	58%	58%	55.0%	71.0%	54.1%	57.0%	61.0%	58.0%
Meals Served per Pupil per Day	0.733	0.755	0.757	0.716	0.800	0.650	0.63782	0.937	0.875	0.813
Free & Reduced Counts	5,104	5,345	4,048	5,466	5,205	4,127	5,197	3,769	3,772	3,424
Free & Reduced Percentage	62.80%	63.30%	64.15%	69.22%	78.8%	69.6%	72.7%	69.8%	66.0%	62.3%

Source: District financial system and documents

* 2017 data unavailable at time of publication. 2009 - 2016 rates reflect on-time graduation



COMPLIANCE SECTION



Mapleton Public Schools

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**Independent Auditors' Report On Internal
Control Over Financial Reporting And On
Compliance And Other Matters Based On
An Audit Of Financial Statements Performed
In Accordance With *Government Auditing Standards***

Board of Education
Adams County School District No. 1
Denver, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Adams County School District No. 1 (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 20, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance And Other Matters

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

Purpose Of This Report

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

RubinBrown LLP

November 20, 2017

**Independent Auditors' Report On Compliance
For Each Major Federal Program And Report
On Internal Control Over Compliance
Required By The Uniform Guidance**

Board of Education
Adams County School District No. 1
Denver, Colorado

Report On Compliance For Each Major Federal Program

We have audited Adams County School District No. 1's (the District) compliance with the types of compliance requirements described in the Office of Management and Budget's *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2017. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion On Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report On Internal Control Over Compliance

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

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

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

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

RubinBrown LLP

November 20, 2017

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures	Expenditures To Sub-Recipients
U.S. Department Of Agriculture				
Passed through Colorado Department of Human Services				
Donated Food Commodities	10.555	4555	\$ 210,952	\$ —
Passed through State of Colorado Department of Education				
School Breakfast Program	10.553	4553	434,427	—
National School Lunch Program	10.555	4555	1,556,416	—
Special Milk Program for Children	10.556	4556	8,032	—
National School Snack Program	10.555	4555	5,751	—
Summer Food Service Program for Children	10.559	4559	9,749	—
Total School Nutrition Cluster			2,225,327	—
Total U.S. Department Of Agriculture			2,225,327	—
Federal Highway Administration				
Regional Quality Air Act	20.205	N/A	51,536	—
Total U.S. Department Of Housing and Urban Development			51,536	—
U.S. Department Of Education				
Passed through State Department of Education				
Title I Grants to Local Educational Agencies	84.010	4010	1,357,363	—
Special Education - Preschool Grants	84.027	4027	1,347,916	—
Special Education - Grants to States	84.173	4173	39,810	—
Total Special Education Cluster			2,745,089	—
After School Learning Centers	84.287	5287	163,968	—
English Language Acquisition Grants	84.365	4365	175,109	—
Improving Teacher Quality State Grants	84.367	4367	182,965	—
School Improvement Grants	84.377	7377	513,932	—
Race to the Top - Phase 3	84.412	5412	24,999	—
Total U.S. Department Of Education			3,806,062	—
U.S. Department Of Health And Human Services				
Passed through to Early Childhood Partnership Adams County				
Child Care and Development Block Grant Cluster	93.575	7575	8,804	8,804
Child Care and Development Block Grant Cluster	93.575	2000, 2010	319,361	319,361
Affordable Care Act - Maternal, Infant, and Early Childhood Home Visiting				
Program Formula, Expansion and Development Grants to States	93.505	2025, 2026	24,135	24,135
Substance Abuse and Mental Health Services - Projects of Significance	93.243	2080, 2081	672,449	672,449
Early Learning Challenge Grant - Race to the Top	84.412A	2001	202,800	202,800
Total U.S. Department Of Health And Human Services			1,227,549	1,227,549
Total			\$ 7,310,474	\$ 1,227,549

ADAMS COUNTY SCHOOL DISTRICT NO. 1

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2017

1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards, which includes the federal grant activity of the Adams County School District No. 1 (the District), is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the District's financial statements for the year ended June 30, 2017.

2. Noncash

The District receives food commodities from the U.S. Department of Agriculture for use in its food service program. The commodities are recognized as revenue when received. The commodities are recognized as expenditures when used by the schools. Commodities are valued based on current market value. Expenditures totaling \$210,952 were recognized for food commodities used during the year ended June 30, 2017. The majority of the commodities are stored at the individual schools, instead of a central warehouse. As such, the District has determined that the title to the commodities passes to the District upon receipt of the commodities. Since the District has received title to the commodities, the unused commodities are not reflected as deferred revenue.

3. Indirect Costs

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

ADAMS COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Fiscal Year Ended June 30, 2017

Section I - Summary Of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ yes ☒ no

Identification of major programs:

CFDA Number(s)	Name Of Federal Program Or Cluster
84.027, 84.173	IDEA Cluster
84.377	School Improvement Grant

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

\$750,000

Auditee qualified as a low-risk auditee?

☒ yes ☐ no

ADAMS COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* **For The Fiscal Year Ended June 30, 2017**

Section II - Financial Statement Findings

There are no findings relating to the District's financial statements that are required to be reported.

Section III - Federal Award Findings And Questioned Costs

There are no findings relating to the District's federal awards that are required to be reported.

Status of Prior Year Audit Findings

Finding 2016-001

Preparation Of A Complete And Accurate Schedule Of Expenditures Of Federal Awards (SEFA)

Significant Deficiency

Criteria: OMB Uniform Guidance identifies and details the required elements of the Schedule of Expenditures of Federal Awards (SEFA). The District is required to prepare a complete and accurate SEFA, and to have a system of internal controls, the design and operation of which allows management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, errors on a timely basis. The District is also required to comply 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.

Condition: The District failed to identify a federal grant program and report federal expenditures of \$127,204 in its original SEFA for the year ended June 30, 2016. All required details for the grant program were also omitted from the SEFA.

Questioned Costs: None.

Effect: As a result of the omission, the SEFA was incomplete. Inaccurate identification of federal awards can result in inaccurate major program determination, risk assessments, materiality determinations, identification of compliance requirements, reporting errors and could result in unintentional disbursement of federal awards on disallowed costs. Management corrected the SEFA.

Cause: The District was not aware that the specific grant's expenditures were required to be reported on the SEFA because the funds were passed through from a county agency and did not identify the nature of the funds through the agreement with the agency.

Recommendation: The District should review the requirements of OMB Uniform Guidance and establish procedures to ensure that each grant/award/contract is reviewed at inception to determine the existence or absence of federal funding. Also, the District should correspond with awarding agencies at the time of award to determine and document whether the award is federal or nonfederal.

Views Of Responsible Officials And Planned Corrective Action: Procedures will be put in place for the grant writer and the Chief Financial Officer to review and sign-off on all grant applications and awards to determine the existence or absence of federal funding, as well as review their inclusion or exclusion on the prepared SEFA.

Status: This recommendation has been implemented. Chief Financial Officer (CFO) and the district grant writer reviewed all new grants for federal elements, to include sub-recipient awards. The SEFA was reviewed by the Chief Financial Officer, the Assistant Director of Finance, and the Grant Accountant and was cross-referenced against board meeting minutes spanning the fiscal year to verify that all federal grants approved by the board were included. Applicable District employees including the CFO, Assistant Director of Finance, Grant Accountant, and Purchasing Agent continue to attend federal grant compliance trainings whenever possible including the most recent Uniform Grant Guidance (UGG) training from RubinBrown, as well as a webinar offered by another audit firm. The District has scheduled federal grant training for federal grant managers and school directors as well.

ADAMS COUNTY SCHOOL DISTRICT NO. 1

ELECTRONIC FINANCIAL DATA INTEGRITY CHECK FIGURES



Colorado Department of Education

Auditors Integrity Report

District: 0010 - MAPLETON 1

Fiscal Year 2016-17

Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	8,672,351	71,685,243	72,022,021	8,335,573
18 Risk Mgmt Sub-Fund of General Fund	227,311	824,725	829,126	222,910
19 Colorado Preschool Program Fund	46,910	1,505,463	1,497,916	54,458
Sub- Total	8,946,572	74,015,432	74,349,063	8,612,941
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const. Tech. Main. Fund	0	0	0	0
21 Food Service Spec Revenue Fund	1,598,683	2,636,090	2,383,688	1,851,085
22 Govt Designated-Purpose Grants Fund	0	5,189,530	5,189,530	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	0	0	0	0
31 Bond Redemption Fund	5,422,769	11,864,213	5,782,856	11,504,126
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	126,579,295	7,885,951	118,693,344
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	6,765,592	6,224,271	11,259,846	1,730,016
46 Supplemental Cap Const. Tech. Main Fund	0	0	0	0
Totals	22,733,616	226,508,830	106,850,934	142,391,512
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	275,623	438,242	450,703	263,163
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	275,623	438,242	450,703	263,163

FINAL

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