



Comprehensive Annual Financial Report

For the Year Ended June 30, 2015



DOUGLAS COUNTY SCHOOL DISTRICT
620 Wilcox Street
Castle Rock, Colorado 80104
www.dcsdk12.org

DOUGLAS COUNTY SCHOOL DISTRICT RE.1

620 Wilcox Street
Castle Rock, Colorado 80104

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended June 30, 2015



**Dr. Elizabeth Celania-Fagen
SUPERINTENDENT**

**Prepared by:
Office of Business Services**

**Bonnie J. Betz
Chief Financial Officer**

**Jana Schleusner
Director of Finance**



Douglas County School District
Learn today. Lead tomorrow.

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***INTRODUCTORY
SECTION***

DOUGLAS COUNTY SCHOOLS DISTRICT RE.1
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Board of Education



From left to right: Doug Benevento, Judith Reynolds, Kevin Larsen, James Geddes, Craig Richardson, Meghann Silverthorn, and Richard Robbins

Name	Position/District	Term Expires
Kevin P. Larsen	President – District C	2015
Doug Benevento	Vice President – District E	2017
Craig V. Richardson	Director – District A	2015
Dr. James Geddes	Director – District B	2017
Judith Reynolds	Director – District D	2017
Richard Robbins	Director – District F	2015
Meghann Silverthorn	Director – District G	2017

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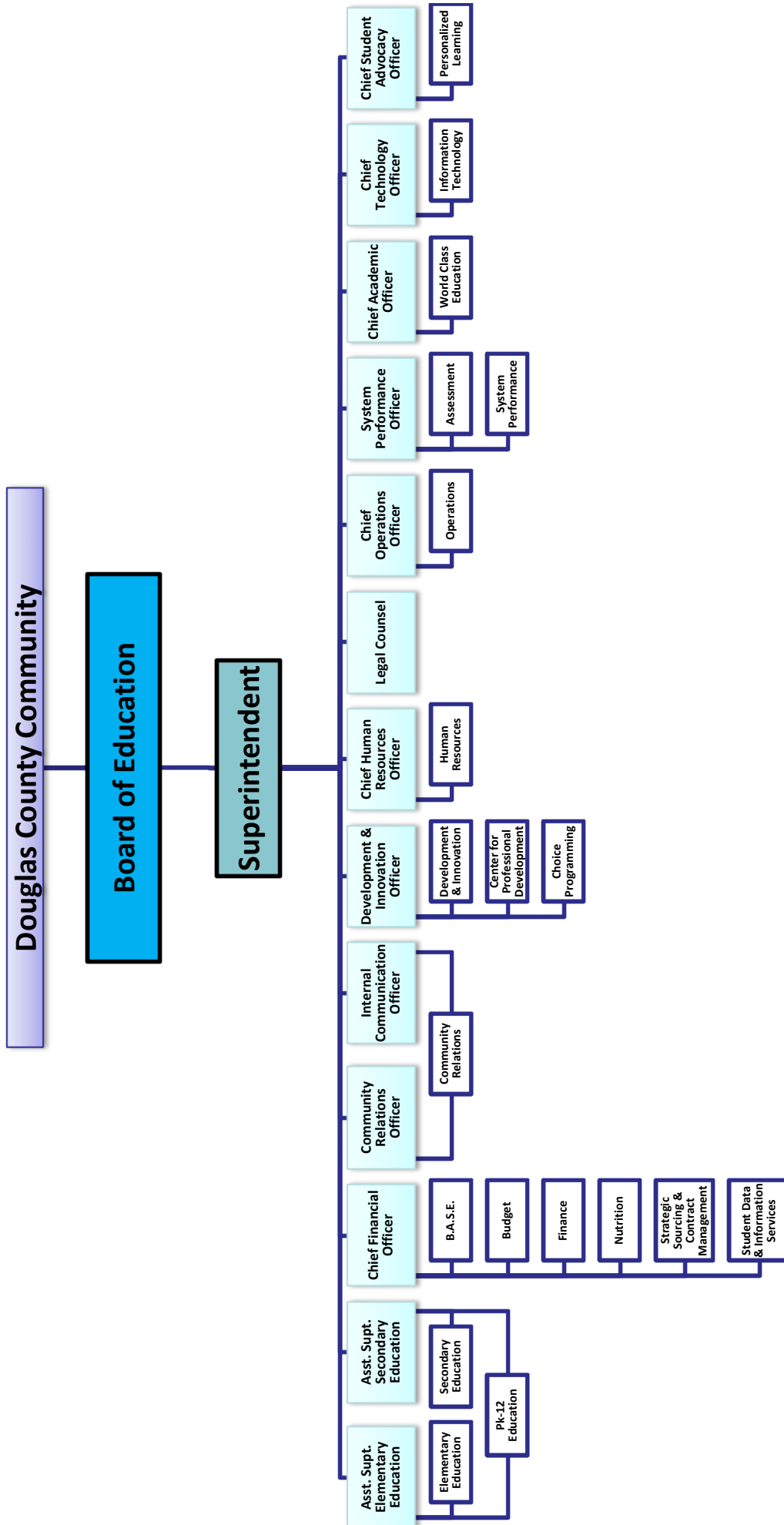
Leadership Team

Dr. Elizabeth Celandia-Fagen
Superintendent



Superintendent's Cabinet

Randy Barber	Internal Communications Officer
Bonnie Betz	Chief Financial Officer
Brian Cesare	Chief Human Resources Officer
Dr. Steven Cook	Assistant Superintendent, Secondary Education
Dr. Jason Germain	Chief Student Advocacy Officer
Paula Hans	Public Information Officer
Dr. Ann Johnson	Chief Growth & Development Officer
Dr. Dana Johnson-Strother	Chief Academic Officer
Ted Knight	Assistant Superintendent, Elementary Education
Matt Reynolds	Chief System Performance Officer
Robert Ross	Legal Counsel
Guatam Sethi	Chief Technology Officer
Jess Stainbrook	Chief Community Relations Officer
Thomas Tsai	Chief Operating Officer



Vision and Core Values

VISION STATEMENT

The vision of the Douglas County School District is to help students acquire the knowledge and abilities to be responsible citizens who contribute to our society.

CORE VALUES

Our core values remain constant in an ever-changing world. They provide the foundation for our work, and influence how we conduct ourselves and engage with others.

Educational Excellence

High expectations are the focus of everything we do. We challenge all people to acquire a foundation of knowledge and academic skills, and to achieve their highest potential.

Human Diversity

Varied beliefs and backgrounds strengthen a public education system. We respect differences which contribute to a better society for all human beings.

Individual Potential

Individuals develop within an environment that nurtures intellectual, social, emotional, physical and aesthetic growth.

Lifelong Learning

Education is a process that begins at birth and continues throughout life. We foster curiosity, motivation and the desire to learn that extends beyond school settings.

Productive Effort

The pursuit of greater knowledge and more powerful thinking demands hard work, perseverance and commitment.

Shared Responsibility

The partnerships among parents, students, staff and community members are characterized by mutual commitment and collaborative effort.

Ethical Behavior

Our actions are distinguished by the highest standards of personal behavior, including trust, honesty, fairness, integrity and mutual respect.

Continuous Improvement

Our District, its systems and processes will be subject to continual scrutiny and improvement. We will be recognized for management by fact, results focus and a long-range outlook.





Dr. Elizabeth Celia-Fagen
Superintendent

December 1, 2015

District Citizens and Members of the Board of Education
Douglas County School District (DCSD) RE.1
Castle Rock, Colorado 80104

It is our pleasure to submit to you the Douglas County School District RE. 1 (the District or DCSD) Comprehensive Annual Financial Report for the fiscal year ended June 30, 2015. State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. 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 District'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 U.S. GAAP. Because the cost of internal controls should not outweigh their benefits, 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. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects

Under provisions of Article 29-1-603, Colorado Revised Statutes, 1973, an independent public accounting firm must perform an annual audit of the District's accounts. RMS US LLP Certified Public Accountants, have issued an unmodified (clean) opinion on the District's financial statements for the year ended June 30, 2015. The independent auditor's report is located immediately following this letter of transmittal. The independent audit of the District's financial statements also includes the 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 involving the administration of federal awards. The results of the District's single audit for the period ending June 30, 2015, provided no instances of material weaknesses in internal controls over compliance or material violations of applicable laws, regulations, contracts and grants.

U.S. GAAP requires management to 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 the MD&A and should be read in conjunction with it. The Douglas County School District's MD&A can be found immediately following the report of the independent auditors.

Profile of the District

The District's boundaries are largely coterminous with those of Douglas County, with just a small portion of the District located in Elbert County. The District is located immediately south of the Denver metropolitan area, along the eastern slope to the Rocky Mountains, and includes the towns of Castle Rock, Parker and Larkspur; the cities of Lone Tree and Castle Pines North, and the unincorporated area of Highlands Ranch. The District encompasses approximately 867 square miles and has a population of about 308,000. The District receives funding from local, state and federal government sources and must comply with the requirements of each of these funding sources.

The District provides a full range of pre K-12 educational school programs and services for about 66,900 students including basic education in elementary, middle and senior high schools, online educational options, vocational education, home schooled student support, and other opportunities for personalized learning designed to meet the unique needs of each individual student. About 2,350 of these students enroll in one of DCSD's online learning schools, eDCSD (Colorado Cyber School) or Hope Online. Both online schools enroll students from kindergarten through twelfth grade offering a valuable alternative to the traditional education environment.

The District is governed by a seven-member Board of Education (the Board or BOE), whose members are elected by the qualified electors within the District's boundaries. General duties which the Board is empowered to perform include employing and compensating all personnel necessary to maintain operations and carry out the educational programs of the District; fixing attendance boundaries; establishing annual budgets; determining the educational programs carried on in the schools of the District; and prescribing the textbooks of any course of instruction or study in such educational programs. On November 3, 2015, three incumbent directors, Board President Kevin Larsen, Mr. Craig Richardson and Mr. Richard Robbins, lost their bid for re-election to Ms. Wendy Vogel, Mr. David Ray and Ms. Anne Marie Lemieux. The new directors were formally sworn into the DCSD Board of Education on November 30, 2015.

The District includes as discretely presented component units fourteen (14) charter schools; Academy Charter, American Academy with two sites - one in Castle Pines and the other in the Town of Parker, Aspen View Academy, Ben Franklin Academy, Challenge to Excellence, DCS Montessori, Global Village Academy, North Star Academy, Parker Core Knowledge, Platte River Academy, Sky View Academy, STEM High (Science, Technology, Engineering and Math), World Compass Academy and Hope Online Learning Academy Co-Op. Global Village and World Compass Academies began instructional operations in August of 2015.

Charter schools are public schools approved by the DCSD Board of Education and authorized by the State of Colorado to provide alternatives for parents, pupils and teachers. These schools have separate governing boards and are funded by the School Finance Act of the State of Colorado and Douglas County Mill Levy Override funds with revenues passing through the District. Though fiscally and programmatically independent, the District provides many supports and services for these charter schools.

Local Factors Affecting Financial Condition

District Leadership: As of June 30, 2015, Dr. Elizabeth Celania-Fagen completed her fifth year as superintendent of the District. Throughout fiscal year 2014-2015, continued progress has been made towards achieving the goals established in the District's Strategic Plan, [New Outcomes for a New Day](#). This Plan, revised and approved by the Board of Education in July of 2014, includes the District's commitments to parents, students, employees and community members, as well as the statement of four overriding priorities: Safety, Choice, World Class Education and System Performance. Embedded in these priorities and associated work is a continuous improvement process that includes exploring ideas, setting expectations based on research and best practice, collaboratively creating, implementing and integrating into all appropriate systems and finally evaluating and refining as we go. Each year we ensure alignment of the District's fiscal resources to the Strategic Plan priorities. Following is a sampling of the student focused progress made in fiscal year 2014-2015 associated with each priority of the Strategic Plan.

SAFETY: Schools and departments have focused their efforts on addressing psychological safety in the best interests of all the District’s students. During fiscal year 2014-2015, the focus was on integrating and implementing the DCSD Student Wellness and Prevention Framework. This framework, developed in collaboration with Personalized Learning, addresses bullying, suicide, and school violence prevention by supporting parents, students, and staff:

- Encouraging positive social/emotional development
- Empowering healthy habits among students
- Educating kids about when and where to get help for themselves or a peer

The implementation of this framework meets the requirements of the “Concerning Measures to Reduce the Frequency of Bullying in Schools ACT (Colorado HB 1254)” - See more at: <https://www.dcsdk12.org/prevention-and-school-culture#sthash.c9sMod94.dpuf>.

CHOICE: Significant progress has been made towards universal choice for all students in DCSD. The parent liaison position created during fiscal year 2013-2014 has been fully integrated and now supports families in understanding their educational choices. This position is responsible for clear and regular communication to all of our families regarding the business of the District including our school open enrollment processes. The School Selector tool, EmpowerEd Choices was re-envisioned and a new open enrollment tool has been launched to assist families in open enrolling at any school in the District, whether charter or District run.

The Board of Education is asking the U.S. Supreme Court to intervene in the case for the Choice Scholarship Program. The Colorado Supreme Court ruled against the constitutionality of the program through a plurality decision. Three of the Supreme Court Justices found the program constitutional; three found it unconstitutional and the seventh member determined the program was illegal pursuant to State Law – the program was not in compliance with the Colorado School Finance Act. Due to these unclear results, we believe that the United States Supreme Court will hear the case and rule in favor of this universal choice program.

WORLD CLASS EDUCATION: Efforts continue to support schools in the implementation of sustainable learning strategies across the District. As part of this process, the World Class Education Department has continued to improve the Guaranteed and Viable Curriculum (GVC) - which is now in its third iteration. Improvements have clarified and provided more global, integrated outcomes for students and have ensured that the World Class Outcomes are communicated with verbs at the highest level of Bloom’s Taxonomy - analyze, evaluate and create. Additionally, each school created Building Leadership Teams (BLTs) charged with assessing the current state of their staff instructional practice and then articulate the desired state. These teams are focusing on backward design, understanding and mapping the GVCs to their instructional practice and determining the professional development opportunities required to achieve their desired state. These are the leaders who are the schools’ change agents, curriculum and instructional leaders, data and analysis leaders, and personalized learning leaders. In collaboration with the schools’ work, the Center for Professional Development (CPD) developed learning progressions for teachers to focus their practice. These learning progressions have been integrated into a CPD Module within InspirED Innovation, the District’s home-grown software solution providing a comprehensive tool for our teachers housing their evaluations, the evidence they wish to provide in support of their self-evaluations, tools for evaluating the quality of formative and interim assessments as well as the CPD Course Catalog. Based on this continued work, we anticipate our rating of “Accredited with Distinction” will be affirmed.

SYSTEM PERFORMANCE: The core of the System Performance priority lies in the creation of a Balanced Assessment System for each District school. The Balanced Assessment System (BAS) is “the strategic use of formative, interim, and summative measures of student performance in a way that addresses immediate student needs, informs ongoing instructional decisions, and guides long-term educational improvement. A balanced approach recognizes both the strengths and limitations of the various assessments, highlights the most relevant assessment data to address student learning needs, improves instruction, and increases accountability at all level within an educational system.” The focus for this reporting year is associated with fully implementing CITE (Continuous Improvement of Teacher Effectiveness) Standard 6 as part of this framework. Previously there were five (5) standards included in a teacher’s evaluation. For this year, we have student performance data associated with every teacher throughout the District. CITE Standard 6 is that portion of a teacher’s evaluation that includes their students’ performance. This specific requirement is directly associated with Colorado Senate Bill 191 passed in the spring of 2010. To date, each school has successfully added the CITE 6 measures to each teacher that will inform 50% of their evaluation. Fiscal year 2014 – 2015 is the last year in which the student performance data is *not* included in the teacher evaluation rating.

Though the summaries above focus on core educational progress towards the strategic planning goals, these goals also govern our business operations. Most of the work done in the operational realms are associated with the System Performance priority and continuous process improvement. All of these efforts require an initial one-time investment that will provide an ongoing opportunity to maximize dollars to the classroom in the future.

On April 1, 2015, DCSD launched Workday – the District’s new Human Resources and Payroll Software system replacing the District’s aging Oracle HRMS and Payroll modules. Workday is a comprehensive enterprise resource planning (ERP) solution offered under a software-as-a-service model. Our plan is to move the Oracle financial software solution to Workday by July 1, 2017. The Oracle financial software solution has not been upgraded since 2005 and is no longer supported by Oracle. In addition, moving to the complete Workday Enterprise Resource Planning solution will eliminate integrations and allow a seamless account transaction posting from payroll to the general ledger. This software replacement will provide world class tools to our employees, will facilitate the acquisition of data and reports to gauge system performance and will enhance our 3,500 teachers’ ability to focus on the classroom and their students.

Along with the Workday implementation, our focus on market based pay and pay for performance continues to pay dividends. We have retained over 95 percent of our highly effective teachers and over 90% of our effective teachers. This retention rate is notable because it has been proven over and over again that the single most important predictor of student success is the quality of the teacher in the classroom. In addition, the District continues to be a destination school system. For this reporting year, fiscal year 2014-2015, we have received an average of 42 applications per posted position.

During fiscal year 2014-2015, the DCSD Operations Department adopted the tenets of LEAN manufacturing – a comprehensive change leadership system associated with enhancing employee engagement, operational excellence, client focus and innovation. In the first year of this leadership program, the transportation department has seen more than \$2 million in savings.

Throughout the District, we have “right-sized” dues and fees paid by our parents. For the past 10 years, we have had a Full Day Kindergarten (FDK) program that was established as a school enterprise. Each school established their own tuition rates based on what they felt their population could afford. For fiscal year 2015-2016, a tuition calculator was established ensuring that parents were charged only the cost of the program. This change brought much more clarity and transparency regarding these tuition fees. The hope as well is that these rates will be much more affordable for our families providing greater access to FDK programs.

Demographic Data¹: The County's population continues to grow. It has increased by approximately 6,000 residents during the past year representing growth of nearly 2 percent. Indicative of the nation’s economic recovery, unemployment in Douglas County continues to drop and as of June 30, 2015, is at 3.5 percent. Employment grew 4.5 percent in Douglas County to 108,600 workers.

Douglas County School District enrollment continues to grow about 500 to 1,500 students per year and remains the third largest school district in the State of Colorado. Enrollment, *exclusive* of HOPE On Line (a multi-district online charter school sponsored by Douglas County School District), for fiscal year 2015-2016 is expected to exceed 67,400 students compared to about 66,700 in the reporting year. The overall enrollment, however, only increased by about 200 students as HOPE On Line closed several learning centers and lost 530 students from centers outside our County.

Continued growth provides additional revenue as well as additional needs for classrooms, teachers, bus drivers and employees of every type. Though we are in a relatively low growth point in our history, Douglas County School District is expected to double in size over the next 20 years. The new Sterling Ranch development which broke ground in July of 2015, is expected to need seven (7) or eight (8) new elementary schools, up to two (2) middle schools and up to two (2) high schools by 2035. Over 12,050 dwelling units are planned in 3 areas requiring student seats for a projected 5,048 elementary students, 1,483 middle school students and about 3,000 high school students. As we have done in the past, we will manage the increases in enrollment growth using multiple strategies including; a four track calendar model allowing us to handle 25 Percent more students in our existing buildings, utilizing mobile buildings when necessary, and partnering with charter schools. Two new charter schools opened the fall of 2015, Global Village Academy and World Compass Academy. Both of these charter schools opened in high growth areas of the District providing needed student seats – Global Village Academy in Parker and World Compass Academy in the town of Castle Rock.

¹Source: Douglas County Comprehensive Annual Financial Report, December 31, 2014

Long-Range Capital Planning: In addition to population growth, Douglas County is experiencing growth in most aspects of the local economy. Increases in the housing market translate to student enrollment growth. The Long Range Planning Committee (LRPC), created in 1984, is charged with studying school district facility and capacity needs. An advisory group comprised of community members, the LRPC keeps close track of new housing developments and student enrollment trends. The LRPC is charged with managing 5-year growth projections, communicating facility maintenance needs and recommending bond cycles to address both growth and facility upgrades.

Long Range Planning Committee findings have formed the basis of the District's capital facility programs historically funded primarily with the proceeds and investment income of voter approved general obligation bonds. The LRPC actively evaluates the future facilities' needs of the District, and will continue to make recommendations to the Board regarding capacity, boundary and site needs. During fiscal year 2014-2015, the LRPC, in collaboration with the Fiscal Oversight Committee (FOC), presented to various constituencies throughout the County the District's capital needs along with various funding strategies. More than 80 meetings were held during the year requesting feedback and suggestions on how best to address the District's capital needs. The report communicating the results of these meetings was presented to the Board of Education in April of 2015. The LRPC planning work will continue to inform all of our stakeholders about the status of our taxpayer assets and the need for additional capacity and facility improvements in the future.

The LRPC updates the Master Capital Plan on an annual basis and presents it to the Board of Education each year. The most recent revision presented in November of 2015 specified needs totaling between \$280 million to \$329 million over the next five years. The most urgent needs total between \$37 million and \$50 million. These Tier I capital needs include about \$8.5 million for technology and \$24.2 million for facility reinvestment.

Additional information regarding District capital planning is discussed in the Management's Discussion and Analysis on page 35.

Federal and State Funding: Though the economic outlook in Colorado is improving, there does not appear to be a solution to the ongoing Negative Factor of over \$860 million associated with education funding. This issue is further exacerbated by the constitutionally required TABOR refund which will go into effect when State revenues exceed TABOR limits. The State must go to the voters for approval to spend revenues in excess of the TABOR limits. The State September, 2015 forecast predicts exceeding the TABOR limit in calendar year 2016.

In spite of these constraints, the State legislature approved additional education funding for fiscal year 2015-2016 in an amount of about \$256 more per funded pupil count (FPC) at DCSD for a total PPR (per pupil revenue) of \$7,020. The State Legislature fully funded student growth and inflation and so was able to keep the negative factor amount flat at \$860 million for the new year. Along with 2014-2015 savings, the Board of Education approved salary and benefit increases of \$11.9 million, \$2 million towards special education needs associated with new students, and approved an ongoing \$500,000 per year to meet the yearly computer device requirements in the District. This \$11.9 million provided an average 3.2 percent salary increase as well as absorbed the mandated PERA increase of \$2.2 million. None of this PERA increase was passed on to the District's employees. Also, due to the positive fund balance in the Medical Fund, we were able to absorb medical benefit increases for all employees and their dependents.

Looking forward to fiscal year 2016-2017 and considering the September 2015 Revenue Forecast, the Governor of Colorado, Governor Hickenlooper, elected to a second term in November 2014, has proposed an education budget that includes a per pupil revenue (PPR) increase for DCSD of about \$105/student, an amount significantly less than what the District has seen over the past two years. The Governor is not recommending to maintain a flat Negative Factor. It is projected that the Negative Factor will grow to just over \$900 million next year. It is important to note that DCSD's continued portion of the negative factor amounts to just over \$62 million per year with a cumulative loss over the past six years of \$360 million.

In planning for this reporting year, fiscal year 2014-2015, the legislature approved fully funding pupil growth and inflation as well as a \$110 million drawdown of the Negative Factor. This decision resulted in a \$356/student per pupil revenue increase

and the funding of just over 1,100 new students in DCSD. The Board of Education approved new allocations out to our schools of just over \$10.5 million in one-time and ongoing increases as well as nearly \$10 million in one-time and ongoing compensation increases.

In spite of the difficult economy and the complexities associated with the State Budget and TABOR, the District has continued to maintain its fiscal health. Our schools and departments continue to spend with caution increasing carry over balances and management continues to be conservative in forecasting revenues.

Significant Financial Policy Changes

1. FY 2015-2016 Pay & Benefit Increases

For fiscal year 2015-2016, an average 3.2 percent pay increase was awarded with minimal increases in health benefits. Again, the BOE absorbed the cost increases associated with the mandated PERA 0.8 percent increase requiring \$2.2 million of additional monetary resources. In addition, we have continued the Pay for Performance program plan which includes bonus dollars awarded for a teacher's achievement of World Class Targets (WCTs). A new target was created last year, identified as a Strategic Plan Alignment target associated with a teacher's classroom work. Of the twelve (12) WCTs available, three hundred sixty eight (368) targets were applied for and one hundred sixty six (166) targets were achieved. Only teachers who were rated Highly Effective (HE) are eligible to apply for the targets and one hundred and eleven (111) individual teachers earned one or more of these 166 WCTs.

2. Posting of PERA (Public Employee's Retirement Association) Liability & Impact on District Enterprise Funds

Pursuant to GASB Statement No. 68, *Accounting for Pensions*, the District's proportionate share of PERA's unfunded liability is to be included in the District's financial statements effective fiscal year 2014-2015. As of June 30, 2015, the District reports a liability of \$903,520,866 for its proportionate share of PERA's net pension liability (NPL). This major financial statement addition required fiscal year 2013-2014 net position be restated to also include this proportionate share of PERA's pension liability. See Note 9 starting on page 72 for further information regarding this requirement. In addition, in order to align the compliance, accounting and reporting of the federal grant program and to lessen the impact of GASB Statement No. 68, the State has modified the Chart of Accounts regarding the Nutrition Services Fund, formerly a District enterprise fund. An enterprise fund would require their PERA liabilities to be posted at the fund level resulting in the enterprise reporting a negative unrestricted net position. The District had established two other funds as enterprise funds and these funds, the Child Care Fund and the Outdoor Education Fund, are both no longer classed as enterprise funds. The Nutrition Services Fund and the Child Care Fund are now considered special revenue funds and the activity in the Outdoor Education Fund is included as part of the Combined General Fund.

3. Short Term Disability Insurance Program (STDI)

For fiscal year 2014-2015, this fully insured benefit offering was replaced by a self-insured benefit program. The fiscal results associated with the Short Term Disability Insurance Fund (STDI) substantiated the decision to move to a self-insured benefit model. Please review the financial results on page 112. Note that the STDI benefit premiums were not increased for fiscal year 2014-2015 but the results showed an ending net position of \$171,328. This "profit" would have been realized by the insurance carrier under a fully insured benefit program. Instead, we have an opportunity to use these saving to maintain low STDI rates into the future.

4. General Obligation Bonds and Certificates of Participation Refundings

In September of 2014, we refunded or refinanced \$40.7 million of General Obligation (GO) bonds with an overall taxpayer savings of \$6.36 million – over 14 percent in realized savings. Due to the District's strong fiscal health and favorable credit rating, our bonds were quickly purchased. In February, we refunded a portion of the 2006 Certificates of Participation for an overall savings of just over \$400,000. This COP refunding saves the District General Fund allowing us to allocate out those savings in direct support to educational programs.

5. National School Lunch Program (NSLP) for High Schools

Fiscal year 2014-2015 marked the first year in which our high school students did not participate in the National School Lunch Program. Due to the District's demographic and low free and reduced lunch population at our high schools, and wishing to better meet the needs of our high school students understanding that they have open campuses and many additional choices around their schools, management recommended that the DCSD high schools operate food services outside the NSLP. This recommendation was approved by the Board in July of 2015. This recommendation was largely due to the stringent standards associated with Smart Snack Regulations required as a part of the NSLP. The "Smart Snack Regulations" govern nutrition standards for all "competitive" foods and beverages sold outside the school lunch program, anywhere on the school campus and any time during the school day from 30 minutes before school to 30 minutes after school. These regulations would have a profound impact on DECA programs - DECA Chapters in DCSD are a part of the Global DECA Inc. which is charged with preparing emerging leaders and entrepreneurs in marketing, finance, hospitality and management in high schools and colleges around the globe - at our high schools as well as various fund raising efforts associated with our school athletic and activity programs.

This decision has been proven a success. The program has attracted more students at lunch time resulting in a very sustainable financial operation while meeting the nutritional needs of our high school students. We believe we have strategically implemented a balanced approach to student lunches – nutritious and palatable combined with an educational program to help students understand the value in healthy choices. This program has also been able to provide free and reduced lunches to those high school students eligible now and into the future.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA), and the International Association of Business Officials (ASBO) both awarded a Certificate of Achievement for Excellence in Financial Reporting to Douglas County School District RE.1 for its comprehensive financial report for the year ended June 30, 2014. These Certificates of Achievement are prestigious national awards, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive financial report whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The District has received a GFOA Certificate of Achievement for the last twenty-seven consecutive years (fiscal years ended 1987-2014). For the second year in a row, the District submitted for the ASBO International award and was successful. We believe our current report continues to conform to Certificate of Achievement requirements, and we are submitting it to GFOA as well as ASBO International to determine its eligibility for another certificate from each of these public finance entities.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Business Office, including Jeanette Prock and her accounting team, the payroll department, and Stacy Murray, our accounts payable lead. In addition we would like to thank the staff in the finance and treasurer's office at Douglas County and the staff of RMS US LLP, particularly Kevin Smith, James Burke and Brady White for their contribution to the preparation of this report. Finally, we would especially like to express our appreciation to the members of the Board of Education for their interest and support in conducting the financial affairs of the District during the year.

Respectfully submitted,



Dr. Elizabeth Celania-Fagen
Superintendent of Schools



Bonnie J. Betz
Chief Financial Officer



Jana Schleusner
Director of Finance



Government Finance Officers Association

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

Presented to

**Douglas County
School District Re.1
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Association of School Business Officials International



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

Douglas County School District RE 1

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBQ, SFO
President

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

John D. Musso, CAE, RSBQ
Executive Director

***FINANCIAL
SECTION***



RSM US LLP

Independent Auditor's Report

To the Board of Education
Douglas County School District RE.1
Castle Rock, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Douglas County School District RE.1 (the District), as of and for the year ended June 30, 2015, 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the District's Charter Schools, discretely presented component units of the District, which represent all of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the District's Charter Schools, is based solely on the reports of the other auditors. 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. The financial statements of the District's Charter Schools, aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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.

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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, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As explained in Note 11 to the basic financial statements, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Contributions Made Subsequent to the Measurement Date*, and reclassified the Nutrition Services Fund and the Child Care Fund from enterprise funds to special revenue funds and the Outdoor Education Fund from an enterprise fund to the General Fund, which restated beginning net position/fund balance of the governmental activities, business-type activities General Fund, Nutrition Services Fund and the aggregate remaining fund information.

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 25 through 38, the Budgetary Comparison Information and the pension schedules on pages 83 through 89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, and is not a required part of the basic financial statements.

The combining individual nonmajor fund financial statements and other schedules 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above and the reports of other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, 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 December 23, 2015 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.

RSM US LLP

Denver, Colorado
December 23, 2015

**Douglas County School District RE. 1
Management's Discussion and Analysis
As of and for the fiscal year ended June 30, 2015**

As management of Douglas County School District RE. 1 ("the District" or "DCSD"), we offer readers this Management Discussion and Analysis (MD&A) as an overview of the financial activities of the District for the fiscal year ended June 30, 2015. We encourage readers to consider this narrative in conjunction with additional information furnished in the Letter of Transmittal located on pages 12-18 and the balance of information within this Comprehensive Annual Financial Report (the Report).

Financial Highlights

- The District reports an increase in "Net Position" of \$13,982,058 over fiscal year 2013-2014 as a result of prudent fiscal stewardship:
 - ◇ We continue to be conservative in estimating tax generated revenues. From 2009 through 2012, consistent with the downturn in the Nation's economy, District specific ownership tax receipts decreased significantly each year. These receipts began to increase again in fiscal year 2012-2013. In fiscal year 2014-2015, due to the improved economy, the District saw an increase in these revenues of over \$1,500,000 from projection. In addition, though State statute allows the District to levy for property tax abatements, we do not budget for these revenues. We levied for just under \$1.9 million for abatements and received just over \$1.3 million. The \$1.3 million in property tax revenues was over and above what we budgeted resulting in an increase in our cash on hand.
 - ◇ We continue to look for efficiencies in providing health related benefits while still offering a valued benefit to our employees. For fiscal year 2014-2015, we moved our fully insured Short Term Disability Insurance (STDI) benefit to a self-insured plan. We were able to maintain premium amounts for both STDI plans (the 50% plan provided by the District and a 70 percent Buy-up Plan) and were able to realize an increase in net position of over \$171,000.
 - ◇ Note that July 1, 2014 beginning balances are restated to account for the movement of the former enterprise funds - Nutrition Services Fund, Child Care Fund and the Outdoor Education Fund - to governmental funds. Colorado Department of Education (CDE) adopted a revised Chart of Accounts reclassifying the Nutrition Services Fund as a special revenue fund. DCSD followed suit with the Child Care Fund. The Outdoor Education Fund is now accounted for in the Combined General Fund. The fiscal year 2014-2015 financial performance of these funds contributed about \$1.4 million to the net position improvement over restated fiscal year 2013-2014.
 - ◇ Finally, we are continuing the District policy of allowing schools and departments to carry over discretionary budget dollars into the next fiscal year. Schools and departments have combined savings of over \$22.9 million with over \$17 million residing in our schools. This policy has empowered schools and departments to scrutinize their expenditures without fear of losing unspent dollars.
- The government-wide governmental activities liabilities and deferred inflows of the District exceeded its assets and deferred outflows at the close of fiscal year 2014-2015 by \$473,947,935 (net position) due to the posting of the "Net Pension Liability" (NPL) of \$903,520,866 required pursuant to GASB Statement No. 68.
 - ◇ Effective July 1, 2014, the District, and all other governments throughout the nation that provide their employees with pension benefits, is required to apply GASB Statement No. 68, to their government-wide financial statements. The fund financial statements are not impacted by this reporting requirement. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions with the intent of providing decision-useful information, supporting assessments of accountability and creating greater transparency. Please refer to Note 9 within the Notes to Financial Statements section of this report starting on page 72.
 - ◇ The District provides its employees with pension benefits through a multiple employer cost-sharing defined benefit retirement program administered by the Public Employees' Retirement Association of Colorado (PERA). PERA administers five separate defined benefit pension trust funds on behalf of various governmental, judicial and PK-12 public education entities. All PK-12 districts and charter schools in Colorado are statutorily mandated to participate in the School Division Trust Fund (SCHDTF) of PERA with the exception of Denver Public Schools (DPS) which joined PERA in January of 2010 pursuant to Senate Bill 09-282. DPS has its own separate trust fund within PERA.

Financial Highlights (Continued)

- ◇ PERA has implemented GASB Statement No. 67, *“Financial Reporting For Pension Plans”* – a statement that impacts the administration of pension benefit plans throughout the nation. This Statement requires a financial disclosure methodology moving from the prior funding-based approach to an accounting based approach. The use of the annual required contribution (ARC) as a funding benchmark is no longer required. Instead, this philosophical shift requires the development of a plan-specific actuarially determined contribution (ADC) benchmark against which to gauge the adequacy of Colorado PERA’s statutory contribution rates. As of December 31, 2014, the SCHDTF reports an unfunded liability of \$13,553,359,000. The District’s portion of this liability is about 6.67 percent or \$903,520,866. This amount represents a slight decrease of 0.05 percent from its proportion measured as of December 31, 2013. This District proportionate share is calculated based on the District’s pension contribution through calendar year 2014 in comparison to all the PK-12 (excluding DPS) entities contribution in that year.
- ◇ It is important to note that the District does not have a responsibility to pay the amount shown as the District’s NPL. The District’s direct liability is limited to the annually required contributions established by the State Legislature. In addition, the District does not have any control over the investment policies associated with PERA investments. These responsibilities lie solely with the PERA Board and the PERA administration. Decision regarding the plan benefit design and the funding policies lie solely with the State Legislature.
- ◇ Note the District’s proportionate share sensitivity to the applied discount rate found in the notes on page 76. A one percent differential impacts the District’s proportionate share by about \$150 million.
- ◇ Finally, the impact of GASB Statement No. 68 application to the District’s government-wide financial statements has previously been considered by the Nation’s various rating agencies. In fiscal year 2014-2015, DCSD was successful in refunding \$40,665,000 in General Obligation Bonds as well as \$6,470,000 in Certificates of Participation with Moody’s rating of Aa1 affirmed and Aa2 affirmed respectively both with a stable outlook.
- The government-wide governmental activities liabilities *exclusive* of the Net Pension Liability total \$546,775,998, for the period ended June 30, 2015, a decrease from the prior year of \$54,900,761. This decrease is due primarily to the paying down of about \$42 million of General Obligation Bonds as well as the successful General Obligation Bond Refunding and the Certificates of Participation refunding associated with the 2006 COPs. The DCSD taxpayer realized a true debt service decrease of more than \$6 million. This decreased amount represents over 14 percent in net present value. The refunding of a portion of the 2006 COPs resulted in a District General Fund savings of just over \$400,000. Lease payments are accounted for in the COP Lease Payment Fund but this fund is sourced from a General Fund transfer.
- At the close of the fiscal year, the District’s governmental funds reported a combined ending fund balance of \$181,278,071. This \$7,934,955 increase over the prior year is due to the increase in fund balance in the Combined General Fund in which we received about \$1.5 million more in property taxes and an equal amount of specific ownership taxes that were greater than projected. In addition, our schools continued to be conservative in their spend and increased their one-time monies over last year by about \$2.5 million. Recall as well that previous Business Type Activities are now included in Non-Major governmental. The fund balances of the Nutrition Services Fund as well as the Child Care Fund are now included in the Non-Major Governmental Funds. These two combined fund balances contributed over \$4.5 million to the Governmental Fund beginning fund balance.

Overview of the Financial Statements

The District’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements inclusive of governmental, proprietary, and fiduciary funds, and 3) notes to the financial statements. The Report also contains other supplementary information in addition to the basic financial statements.

The government-wide financial statements are designed to provide stakeholders (e.g. taxpayers, state and federal government agencies, and the Board of Education) with a relevant and reliable overview of the District’s finances; to assist the reader in their assessment of how the District’s resources are acquired and used; to determine whether current resources were sufficient to meet current costs, and to determine whether the District’s ability to provide educational services improved or deteriorated from the previous year. With the inclusion of the Net Pension Liability (NPL), stakeholders are provided additional information regarding the unfunded liability status of PERA of Colorado. Though this NPL is not the responsibility of the District, it does provide greater information to the Colorado State Legislature and the District’s governmental leadership assisting them in future decisions regarding the School Division Trust Fund associated with PERA.

Overview of the Financial Statements (Continued)

Government-wide Financial Statements

The statement of net position presents information on all of the District's assets, deferred inflows and outflows of resources and liabilities, where the difference is reported as net position. Over time, assessing the trajectory and order of magnitude of increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Though the net position of the District is negative, this occurrence is only due to the posting of the District's proportionate share of the PERA unfunded liability. Again, the District does not have any control over the funding level of the PERA School Division Trust Fund (SCHDTF) nor any control over the investment policies and activities associated with this trust.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported 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 or sick leave). The governmental financial statements distinguish functions of the District that are principally supported by taxes from other functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The former "business-type" activities have been reclassified to governmental funds resulting in their activities being included in this statement within the governmental activities. The governmental activities of the District include instruction and education support services of the District as well as payments to component units.

The government-wide financial statements are comprised of the activities of the District's "neighborhood" schools (collectively known herein as the primary government) and also 14 schools operating under charter contracts approved by the Douglas County School District Board of Education. Financial information for the charter schools is detailed as component units; accordingly, each is reported separately from the financial information of the primary government. Summaries of these component unit financial statements are presented from pages 116-128.

The government-wide financial statements are located on pages 41 - 43 of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The District, like other local governments, 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 fund financial statements are a subset of the government-wide financial statements. Unlike the government-wide financial statements, however, 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 fund financial statements 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 revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Combined General Fund, the Bond Redemption Fund, and the Building Fund, as all are considered to be major funds. Data from the other five governmental funds; the Nutrition Services Fund, Governmental Designated Purpose Grants Fund, the Athletics and Activities Fund, the Child Care Fund and the COP Lease Payment Fund are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is also provided in the form of combining statements in the Supplemental Financial Statement section of this report.

Governmental Funds (Continued)

The District adopts an annual appropriated budget for its Combined General Fund as well as all the other funds. On page 83, a budgetary comparison statement has been provided for the Combined General Fund to demonstrate compliance with this annually appropriated budget.

Proprietary Funds

The District maintains only one type of proprietary fund, Internal Service Funds. Internal Service Funds are used to accumulate and allocate costs internally among the District's various functions. The District uses two Internal Service Funds, the Medical Fund and the Short Term Disability Insurance Fund (STDI), to account for its self-insured medical and short term disability insurance activities.

The Medical Fund and the STDI Fund are governmental funds in which their activities are included in the government-wide financial statements within governmental activities. They are not included in the governmental funds on page 46 but are included in the proprietary fund financial statements as internal service funds. Individual fund data for the Medical Fund and the STDI Fund are provided in separate detail on pages 109-112.

Another fund, the Risk Insurance Fund, which provides services associated with property, liability and self-insured worker's compensation government-wide, is also included within governmental activities but as part of the Combined General Fund. Because the Risk Insurance Fund is separately funded through a transfer from the General Fund and not charged against other fund activity, it is not defined as an internal service fund.

Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. The District is responsible for ensuring the assets reported in the Agency Fund, Fund 74, held on behalf of and at the discretion of students at the schools, are used only for their intended purposes. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements, and can be found on pages 53-80.

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Government-wide Financial Analysis

Net Position

The following table provides a summary of the Governmental net position as of June 30, 2015. Comparative data for restated June 30, 2014 is also presented. This statement reports that assets plus deferred outflow of resources exceeded liabilities plus deferred inflow of resources by \$(473,947,935). This negative net position is solely due to the adoption of GASB Statement No. 68. Note that the 2013-2014 restated data *excludes* the impact of the District's proportionate share of the NPL. Data regarding the NPL at June 30, 2014, as well as a calculated "deferred outflow of resources related to contributions made after the December 31, 2013 measurement" is provided in Note 11 on page 79. The fiscal year 2013-2014 data was not restated due to a value for the "deferred inflows of resources" unavailability. It is important to understand that the District's financial condition has not deteriorated. Again we realized a net position increase of \$13,982,058.

Condensed Statement of Net Position

	Governmental Activities	
	2014-2015	2013-2014 (Restated)*
Current and other assets	\$ 223,617,332	\$ 219,852,662
Capital assets	690,753,369	704,029,943
Total assets	914,370,701	923,882,605
Deferred outflows of resources	66,920,262	22,927,892
Other liabilities	94,399,304	37,924,627
Long-term liabilities outstanding	1,355,897,560	563,752,132
Total liabilities	1,450,296,864	601,676,759
Deferred inflows of resources	4,942,034	-
Net position:		
Net investment in capital assets	223,953,589	199,501,777
Restricted for:		
TABOR Emergency	15,290,000	15,132,000
Debt Service	70,039,530	64,595,606
Other Funds	17,111,226	15,995,346
Unrestricted	(800,342,280)	49,909,009
Total net position	\$ (473,947,935)	\$ 345,133,738

* This restated balance represents the reclassification of the enterprise funds to governmental funds. It has not been restated to include the impact of the net pension liability (NPL) pursuant to GASB Statement No. 68. The value of the NPL for year ended June 30, 2014 is \$(833,063,731) as reported in Note 11 on page 79, resulting in a restated beginning net position of \$(487,929,993).

The largest portion of the District's assets, about seventy-five and one-half percent (75.5%), reflects investment in capital assets less accumulated depreciation. The largest portion of current assets, predominately cash on hand, is reported in the Combined General Fund and in the Bond Redemption Fund. The Combined General Fund cash balances are held for TABOR and Board of Education required reserves as well as the carry-over balances for schools and departments. Smaller cash balances are reported in the Building Funds restricted to the construction and remodel of schools. Note that the cash balance in the Bond Redemption Fund is available to make the December 1, 2015 debt service payment. Property tax revenues for each fiscal year are largely received in the second semester of the school year usually between March and June.

Government-wide Financial Analysis (Continued)

Net Position (Continued)

As of June 30, 2015, the Building Fund, specifically the Certificate of Participation (COP) Building Fund, reported a cash balance of \$10,320,440 which remains from the \$15,000,000 in COP proceeds received in fiscal year 2013-2014. These monies have been designated for the District's most urgent facility reinvestment needs. The remaining funds will continue to be spent down for needed District building repairs and improvements as well as other one time capital equipment needs. Additional funding will require voter approval in a future bond election. As mentioned in the Letter of Transmittal, the LRPC and staff members have been requested to continue to seek community input on the District's Master Capital Plan and associated capital financing options.

Note in the Condensed Statement of Activities below that governmental activity revenues increased \$32,656,119 over 2013-2014 due primarily to student growth and the increase in per pupil revenue of \$356/student associated with the School Finance Act – see the increase in State Equalization. The 2013-2014 data has been restated to include the Nutrition Services Fund, the Child Care Fund and the Outdoor Education Fund. In fiscal year 2014-2015, these three former enterprise funds contributed \$27,586,542 in revenues to governmental activities, an increase over the restated 2013-2014 revenues of about \$1.7 million. The total spend increase of \$38,118,106 and an increase in fund balance of \$13,982,058 is due to the combining impact of about \$26 million in instructional spend combined with the increase to component units.

**Condensed Statement of Activities for
Fiscal Years Ended June 30, 2015 and 2014**

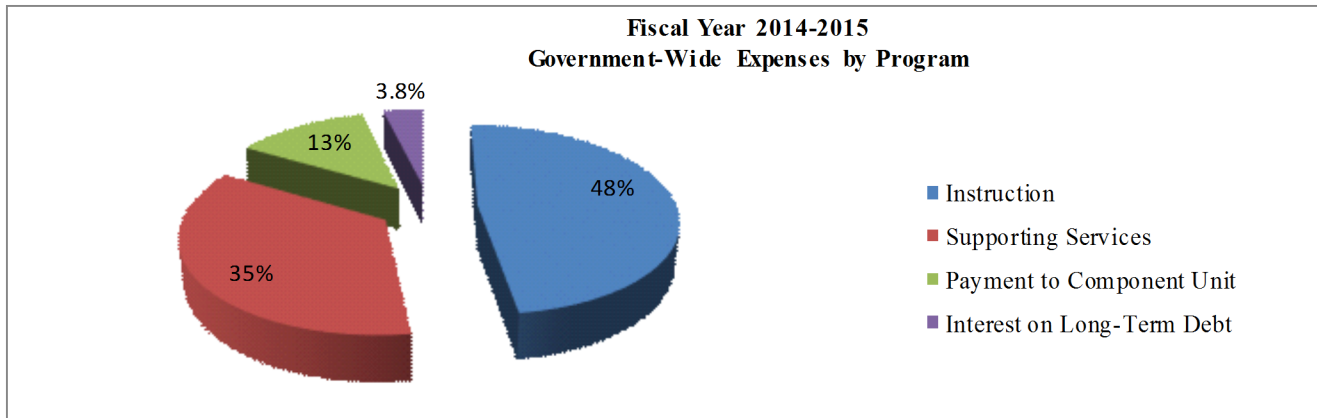
	Governmental Activities	
	2014-2015	2013-2014 (Restated*)
Revenues:		
Program revenues:		
Charges for Services	\$ 53,492,483	\$ 51,201,077
Operating/capital grants	36,769,664	33,433,713
General revenues		
Property taxes	230,044,555	224,180,235
Specific ownership taxes	21,630,690	19,916,387
State Equalization	293,357,217	270,410,414
Interest earnings	147,171	144,848
Other	9,923,025	13,422,012
Total revenues	645,364,805	612,708,686
Expenses:		
Instruction	301,623,918	274,095,304
Supporting services	224,759,449	216,976,012
Payments to component units	80,957,702	73,281,995
Interest on long-term debt	24,041,678	28,911,330
Total expenses	631,382,747	593,264,641
Change in net position	13,982,058	19,444,045
NET POSITION, Beginning, as restated	(487,929,993)	325,689,693
NET POSITION, Ending	\$ (473,947,935)	\$ 345,133,738

*This restated balance represents the reclassification of the enterprise funds to governmental funds. This restatement does not include the impact of GASB Statement No. 68. The value of the NPL for 2013-2014 is \$(856,977,243) as reported in Note 11 on page 79, resulting in a restated beginning net position of \$(487,929,993).

Government-wide Financial Analysis (Continued)

Net Position (Continued)

The chart below as well as the previous “Condensed Statement of Activities” report the majority of spend is in Instruction. Also note the increase in payments to component units. This increase is due to the combined impact of student growth and the \$356 increase in PPR.



Governmental Fund Financial Analysis

As noted earlier, the District uses fund accounting to demonstrate and ensure compliance with finance-related legal requirements. In addition, fund accounting is used to report on the financial position of the District as to maintain transparency and provide accountability.

Revenues and Other Financing Sources

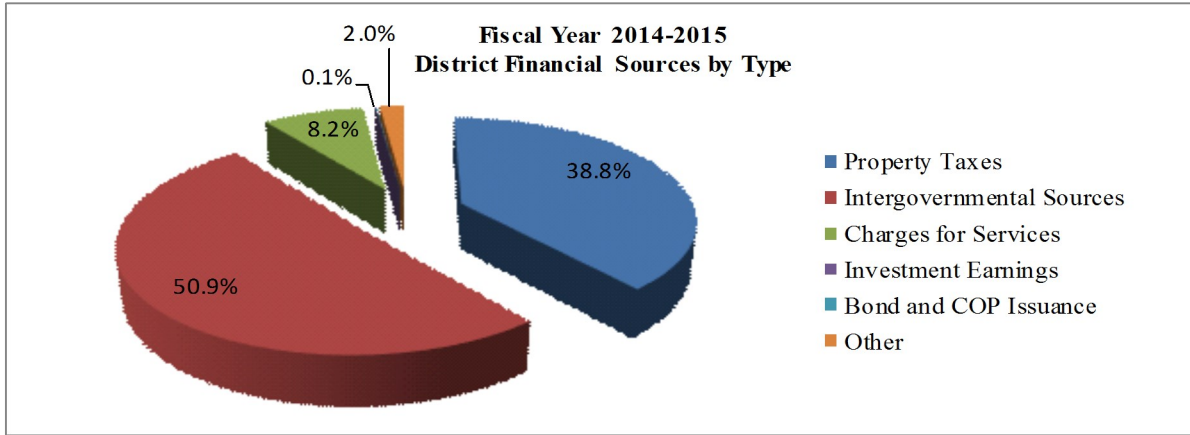
The District receives its revenues from local property taxes, intergovernmental sources through the state and federal government, charges for services rendered, returns on investment, issuance of bonds, COPs or capital leases, and several other minor sources. The table below is a comparative summary of the distribution of these revenues and sources for fiscal year 2014-2015 and fiscal year 2013-2014. The accompanying chart graphically shows the proportion of revenues from all the sources for fiscal year 2014-2015. The largest revenue source for the District is received from state and federal intergovernmental sources at \$330,125,900 or 50.9 percent, an increase of 2.9 percent from the restated prior year. This increase is associated with student growth and the \$356/student. Property taxes represent the next significant source of revenue. This property tax revenue increase is associated with an increase in Specific Ownership Taxes as well as in the Bond Redemption Fund required to meet the scheduled increase in debt payments associated with the District’s outstanding GO Bonds.

The District also charges its charter schools and students various fees. Recognize here that these charges now include child care tuition and lunch charges in nutrition services. In fiscal year 2014-2015, this amount is \$53,492,483, a slight increase over last year indicative of increases in nutrition services lunch charges and in child care program growth. The balance of the revenues are generated from investment returns, gifts and donations and charges for service.

	2014-2015		2013-2014 (Restated)	
Property Taxes	\$ 252,092,362	38.8%	\$ 247,142,354	39.1%
Intergovernmental Sources	330,125,900	50.9%	303,844,127	48.0%
Charges for Services	53,492,483	8.2%	51,201,077	8.1%
Investment Earnings	140,674	0.0%	132,902	0.0%
Capital Lease	-	0.0%	3,530,800	0.6%
Bond and COP Issuance	441,633	0.1%	15,000,000	2.4%
Other	12,803,286	2.0%	11,576,236	1.8%
	<u>\$ 649,096,338</u>	<u>100%</u>	<u>\$ 632,427,496</u>	<u>100%</u>

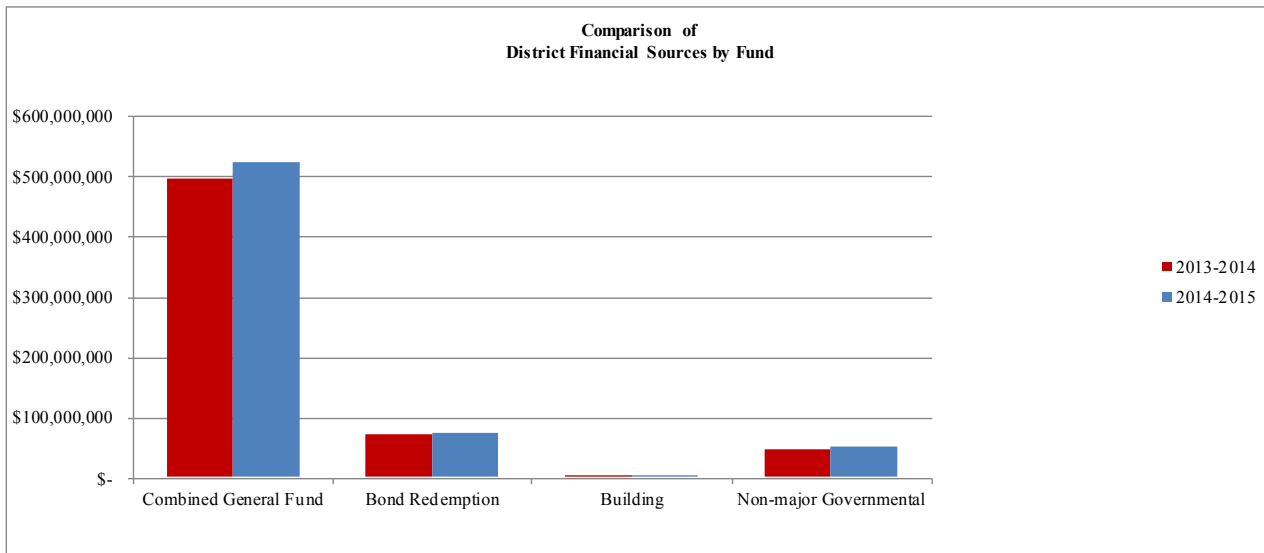
Governmental Fund Financial Analysis (Continued)

Revenues and Other Financing Sources (Continued)



The table and the accompanying column chart below show the same total revenue and other financing sources but report these revenues by fund. Note that the majority of these revenues are accounted for in the Combined General Fund. The total Combined General Fund revenues are netted against the transfers out that support two non-major governmental funds, the Athletics and Activities Fund and the COP Lease Payment Fund. The Bond Redemption Fund revenues, the second largest reported revenues, are provided through property taxes associated with previous Douglas County School District bond elections, the last one approved in November of 2006.

	2014-2015		2013-2014 (Restated)		Inc/(Dec)
Combined General	\$ 517,090,139	79.7%	\$ 488,765,739	77.3%	\$ 28,324,400
Bond Redemption	73,985,507	11.4%	72,230,761	11.4%	1,754,746
Building	17,729	0.0%	13,626,583	2.2%	(13,608,854)
Non-major Governmental	58,002,963	8.9%	57,804,413	9.1%	198,550
Total	\$ 649,096,338	100%	\$ 632,427,496	100%	\$ 16,668,842



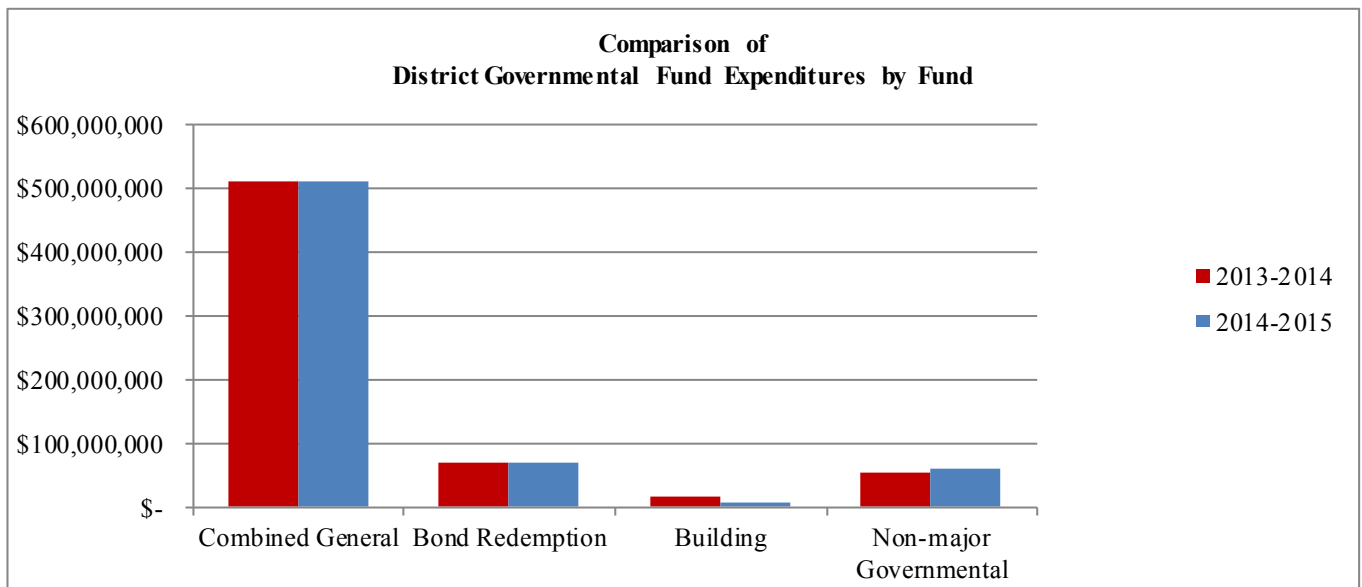
Note that new revenues for the Building Fund were not received in 2014-2015. The Board of Education imposed a policy limit on COP Lease Payment obligations and we have approached that limit.

Governmental Fund Financial Analysis (Continued)

Expenditures by Fund

Recall that the District uses fund accounting to demonstrate and ensure compliance with finance-related legal requirements. Fund accounting may also enhance transparency and accountability. In this analysis Governmental Fund expenditures decreased by \$3,782,226 due to increases in instructional expense offset by decreases in support services associated with the acquisition of capital assets. In the total expense analysis reported on the Condensed Statement of Activities found on page 30, the total spend excludes spend associated with the acquisition of capital assets. This activity has been moved to the balance sheet. Note that the addition of depreciable capital assets amounted to about \$4 million during 2014-2015. In the prior year, however, 2013-2014, the addition to depreciable assets amounted to over \$20 million. It is this capital asset acquisition activity that accounts for the decrease in overall spend from 2013-2014 to 2014-2015 as reported in the Governmental Funds in comparison to the Government-wide analysis.

	2014-2015		2013-2014 (Restated)		Inc/(Dec)
Combined General	\$ 509,650,661	79.5%	\$ 510,273,644	79.1%	\$ (622,983)
Bond Redemption	68,322,921	10.7%	68,927,171	10.7%	(604,250)
Building	5,932,224	0.9%	13,012,597	2.0%	(7,080,373)
Non-major Governmental	57,255,577	8.9%	52,730,197	8.2%	4,525,380
Total	\$ 641,161,383	100%	\$ 644,943,609	100%	\$ (3,782,226)



Ending Fund Balances

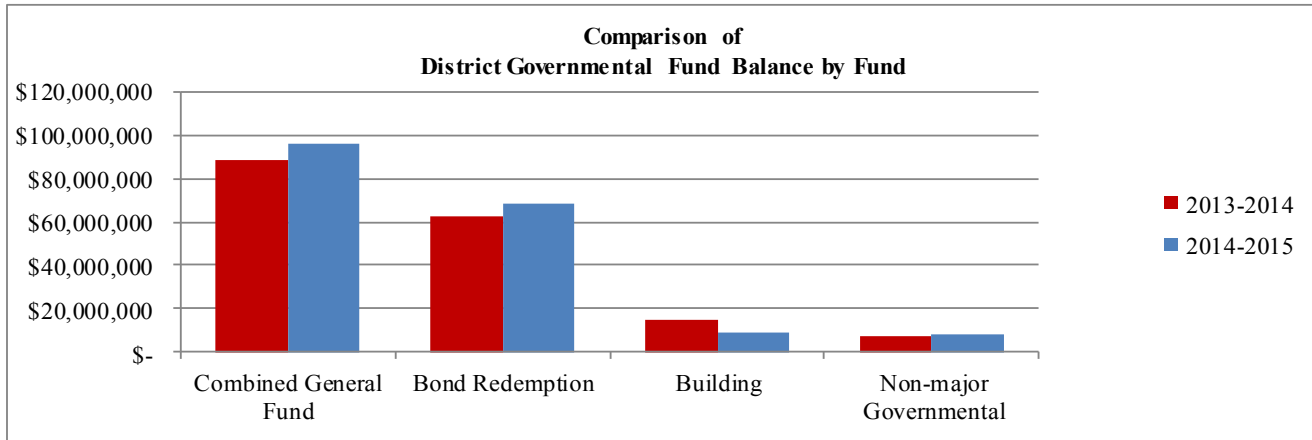
As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$181,278,071, an increase over the prior year of \$7,934,955. This increase resulted from greater than expected property tax revenues, greater charges for service revenues and a continued conservative level of spending.

Fund Balance Governmental Funds

	2014-2015		2013-2014 (Restated)		Inc/(Dec)
Combined General	\$ 95,665,599	52.8%	\$ 88,226,121	50.9%	\$ 7,439,478
Bond Redemption	68,501,246	37.8%	62,838,660	36.3%	5,662,586
Building	9,071,898	5.0%	14,986,393	8.6%	(5,914,495)
Non-major Governmental	8,039,328	4.4%	7,291,942	4.2%	747,386
Total	\$ 181,278,071	100%	\$ 173,343,116	100%	\$ 7,934,955

Governmental Fund Financial Analysis (Continued)

Ending Fund Balances (Continued)



Combined General Fund Budgetary Highlights

The District approves a budget in June based on enrollment projections for the following school year and State legislative action in the spring. The District's expenditures were under budget in the Combined General Fund by \$49,727,286 due to the successful monitoring and review of expenditures District-wide. These results are consistent with the Board's policy of allowing departments and schools to carry over dollars so they are spending dollars based on need eliminating the practice of spending out of fear that budget capacity will be lost in the future. Along with increases in revenues, the final ending fund balance is \$95,665,599. Of this amount, \$35,680,000 is held in cash reserves meeting the TABOR 3 percent and the Board's 3 percent reserve plus 1 percent budgeted for contingency pursuant to policy. Along with the aggregate ending fund balances of the five (5) sub-funds of the Combined General Fund at \$15,675,605, assignments of \$22,906,775 for school and department carry-over as well as Pay for Performance carryover of \$3,121,155 is reported. The Board approved an ongoing commitment two years ago that any unspent Pay for Performance dollars would be included in the following year's Pay for Performance budget line. This is the third year in which over \$7 million has been available to all the District's employees in Pay for Performance monies.

The Pay for Performance plan continues to focus on paying teachers for the extra work they are doing supporting the advancement of the Strategic Plan, *New Outcomes for a New Day*. The Pay for Performance dollars continue to pay teacher stipends compensating teachers for their work creating the Guaranteed and Viable Curriculum standards, new assessments for students to be included in the System Performance Framework, the creation of new professional development classes focused on instructional strategies associated with teaching students 21st century skills, and finally, direct pay for performance bonuses associated with teachers achieving World Class Targets (WCTs) such as Backward Design, Student Advocacy and Restorative Practices. There are now twelve (12) WCTs for teachers to achieve. In fiscal year 2014-2015, 111 teachers earned one or more of these WCTs and were paid these bonuses in October of 2015.

The District continues to be very successful in incentivizing students and staff at all of our schools and departments to save energy dollars. Even with allocating out approximately \$150,000 to our schools in incentives, our utility spend was \$1 million less than budget.

Expenditures and transfers were less than revenues by \$7,887,367. Revenues were greater than budgeted by \$6,591,778 confirming the District's practice of conservatively estimating revenues. We received greater than budgeted Specific Ownership Taxes, property taxes and school based revenues associated with charges for services. In addition, due to the LEAN initiatives adopted by the Operations Department, over \$2 million was saved in the Transportation Fund.

As previously mentioned, PPR was increased by \$356/student which combined with vacancy savings and utility efficiencies, allowed the BOE to increase salaries by an average 3 percent and fully funding medical and PERA benefit increases. We are happy to report that all of the new revenue was allocated out on behalf of our teachers and employees of all classes.

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets for governmental and activities as of June 30, 2015, equaled \$690,753,369, a decrease of \$13,276,576 (net of accumulated depreciation) due to a \$24,057,480 increase in depreciation expense. This investment in capital assets includes land, buildings, construction in progress, service vehicles, buses, as well as playground, food preparation, office, and instructional equipment. Additional information on the District's capital assets is provided in Note 4 on page 62.

	Governmental Activities	
	2015	2014 (Restated)
Capital Assets:		
Land	\$ 13,316,685	\$ 13,316,685
Buildings and Improvements	914,194,593	910,706,799
Machinery and Equipment	83,634,711	82,935,721
Construction in Progress	25,948,373	19,354,253
Accumulated Depreciation	(346,340,993)	(322,283,513)
Total Net Capital Assets	\$ 690,753,369	\$ 704,029,945

Long-Term Debt

As of June 30, 2015, the District had outstanding long term debt of \$509,700,889. Of this amount, \$390,608,248 is general obligation bonded debt which is backed by the full faith and credit of the District taxpayers. Please also note the \$50,510,000 in outstanding Certificates of Participation. This decrease of about \$1.7 million was due to the combined result of paying the yearly lease payments as well as benefiting from the 2006 COP refunding. This COP refunding saved the General Fund over \$400,000 in future transfers to the COP Lease Payment Fund. Recall that our COP policy requires that our yearly lease payment liabilities be no more than one percent of yearly general fund revenues. In reviewing the Notes on page 68, we report that our maximum yearly COP Lease payments will be \$4,505,868 in 2018, well below one percent of about \$524,526,620 million in Combined General Fund revenues received in fiscal year 2014-2015.

	Governmental Activities			
	June 30, 2015	%	June 30, 2014	%
General Obligation Bonds	\$ 390,608,248	76.6%	\$ 432,426,936	76.7%
Certificates of Participation	50,510,000	9.9%	52,200,000	9.3%
Accreted Interest	9,620,808	1.9%	15,722,043	2.8%
Bond Premiums	45,288,506	8.9%	49,067,791	8.7%
Extended Service Separation	993,426	0.2%	1,734,705	0.3%
Capital Leases	9,206,434	1.8%	10,174,165	1.8%
Compensated Absences	3,473,467	0.7%	2,426,492	0.4%
Total	\$ 509,700,889	100%	\$ 563,752,132	100%

November, 2006, was the last time District voters authorized the issuance of \$200,000,000 in general obligation bonds to pay the costs associated with the District's Master Capital Plan. Each year this Plan is updated identifying the District's needs for facilities and renovations. Since that time, elections in November of 2008 and November 2011 have failed requiring the District to be more innovative in meeting our facility needs. It is this fact that led to the development of a Certificates of Participation (COP) policy specifying a maximum COP liability towards meeting the District's facility needs. This policy also specifies the circumstances under which the District partners with charter schools to provide needed classroom space.

The \$50,510,000 of outstanding Certificates of Participation are collateralized by specific buildings owned by the District. These COP lease payment obligations are subject to annual appropriation and are distinctly different from general obligation bonds which must be voter approved. The aggregate yearly appropriation to Fund 39, the COP Lease Payment Fund, is just over \$4.2 million and includes amounts that are received from Aspen View Academy. See the Notes on page 68.

The District maintains credit ratings with all three credit agencies as follows: Moody's Investors Services Inc. at Aa1, Fitch, Inc. at AA, and Standard and Poor's at AA upgraded. Additional information on the District's long-term debt is provided in Note 6 starting on page 64.

Capital Asset and Debt Administration (Continued)

Long-Term Debt (Continued)

At this juncture, identified capital projects are carefully prioritized to determine those with the greatest need or safety concern so that remaining COP building dollars are used in the most effective way possible. The District and the LRPC (Long Range Planning Committee) continue to assess the status of facilities, to determine additional facility and technological needs based on student growth, and to update the Master Capital Plan with this information.

As previously mentioned, the LRPC in collaboration with the Fiscal Oversight Committee and Finance and Construction staff continue to be engaged in a community outreach and feedback effort at the request of the Board of Education. The most recent Master Capital Plan, revised to reflect a prioritization system for identifying capital needs, was presented to the Board of Education on November 18, 2015. Please find the details of this report posted at: http://issuu.com/douglascountyschooldistrict/docs/2015-2016_dcsd_master_capital_plan?e=5822777/31707686

Other Obligations of the District

The District maintains three capital leases that like COPs, require an annual appropriation and are collateralized by the equipment received and installed. These annual lease payments are budgeted and accounted for in the Capital Projects Fund which is funded by a transfer from the District's General Fund and is included in the Combined General Fund.

Fund Balance Policy

Both the extent and the quality of educational services affect and are affected by the financial condition of the District. The District provides its best estimate of the end-of-year fund balances to be carried forward to the ensuing year as a beginning fund balance. At a minimum, the budget adopted by the District shall ensure that unrestricted General Fund or cash emergency reserves are held in the amount required under the provisions of the Colorado State Constitution. The Board of Education, by policy, mandates an additional reserve of 3 percent plus 1 percent in a contingency budget to further enhance the sustainability of the District's financial position. This additional Board reserve is assigned in the fund balance pursuant to GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The District maintains an ongoing three year projection for significant operating funds.

The District continues to maintain a healthy fund balance. Our schools and departments regularly scrutinize their spend and have contributed greatly to the maintenance of this fund balance associated with the Board's policy of allowing budget holders to carry unspent discretionary dollars into the new year. Compliance with and level of reserves and contingencies associated with Board policy shall be examined every year as part of the budget development process to determine if modifications are prudent in view of uncertainties in current and future revenues and expenses.

TABOR and Board of Education Reserves

The financial statements report that the State of Colorado requires each school district to reserve 3 percent of cash or more of fiscal year spending to use only for declared emergencies. Though Colorado Revised Statutes permit school districts to secure a letter of credit from an investment grade bank for all or a portion of the emergency reserve as long as the Board of Education has filed a letter of intent with the State Treasurer and the Department of Education, the Board has discontinued this practice effective fiscal year 2012-2013. As mentioned above, in addition to the required TABOR Reserve, the Board of Education, by policy, requires an additional 3 percent of yearly spend held in reserve plus a 1 percent budgeted contingency line providing financial stability and available resources to fund any unexpected emergency. You can see on page 44 that the financial statements report the District meets the TABOR and additional Board of Education reserve policy reporting restricted and assigned fund balances of \$15,290,000 and \$20,390,000 respectively.

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Economic Factors and Subsequent Events

- State of Colorado Economy - From the OSPB September 2015 Forecast, Colorado's economy continues to grow and show resilience even considering the contraction in the oil and gas industry. In 2014, a 3.5 percent job growth was reported and in 2015, another 2.7 percent job growth increase. The most recent trends in unemployment insurance claims and income tax wage withholdings, two key, near-real-time indicators of broad economic performance, are positive showing significant decreases in claims for unemployment and increases in income tax withholdings. The Statewide unemployment rate dropped to 4.2 percent from 6.5 percent reported last year. In spite of this positive news, there are many challenges associated with Colorado being able to meet ongoing increases in budget needs. In 2015, State revenues are expected to increase over the TABOR (Taxpayers Bill of Rights) limit requiring the State to refund monies in excess of the TABOR limit back to taxpayers. It is estimated that the TABOR refund would be about \$19/taxpayer in 2016 along with additional refunds associated with the State Earned Income Tax Credit to qualified taxpayers.

The State School Finance Act, which hasn't been fully funded since fiscal year 2008-2009, has an ongoing "Negative Factor" amount of \$855.1 million translating to \$61.3 million for DCSD. Pursuant to the State's School Finance Act for fiscal year 2015-2016, DCSD's PPR (per pupil revenue) without the Negative Factor, would be \$7,989/student, about \$969 more than the actual PPR of \$7,020.08. With the constraints of TABOR and the Gallagher Amendment, Colorado does not have a sustainable plan to fund increases in Pre-K12 education. Pre-K12 education represents approximately 45 percent of the State's budget. The funding of education needs are continually assessed against required increases in health care, Medicaid, and transportation competing for constrained State revenues.

- Douglas County Economy - The Douglas County 2nd Quarter 2015 Economic Development Report pronounced that the Douglas County economic outlook remains positive. This report cited the following statistics:
 - ◊ Retail trade sales increased during the fourth quarter of 2014 compared with the prior year. Douglas County retail trade sales rose 2.2 percent between the fourth quarter of 2013 and 2014 to nearly \$1.5 billion.
 - ◊ Employment grew 4.5 percent over the same time last year representing 4,680 jobs throughout the county. The unemployment rate declined in both Castle Rock and Parker to 3.7 percent.
 - ◊ Throughout Douglas County, the residential housing market recorded mixed trends during fiscal year 2014-2015. Single-family *attached* home sales rose 2.4 percent between the second quarters of 2014 and 2015 while single-family *detached* home sales fell 1 percent. In comparison to these mixed results, however, foreclosures in the area fell 25.2 percent over the year to just 83 foreclosure filings in the second quarter.
- District Enrollment - The positive economic data reflected above continues to result in increased enrollment in Douglas County Schools. Enrollment increased by over 500 students in the reporting year and as of October 1, 2015 (fiscal year 2015-2016), the District reported an increase of 194 students to 66,896 students. Remember that kindergarten and special education preschool students are funded at 0.58 FTE and 0.50 FTE respectively and some of the District's high school students attend part time. This enrollment number is inclusive of both charter and neighborhood schools. Currently, charter schools represent approximately 17 percent of the District's funded pupil count. The charter school enrollment includes about 2,100 students enrolled in HOPE Online Learning Academy, a multi-district charter school with educational centers throughout the State. Overall, county schools increased by over 700 students but HOPE On Line lost about 500 students reducing the District's net increase in enrollment down to the 194 students. Over the next few years the District expects to experience continued growth between 500 and 1,500 students each year. Additional student enrollment results in greater revenue but also increases in costs associated with the need for new teachers and additional classroom space.
- Fiscal Year 2015-2016 School Finance Act Approved Increases and New District-wide Allocations - In July 2015, the District adopted a budget that includes an increase in per pupil revenue of \$256/student along with increases associated with student growth. In addition, the District committed to an average ongoing raise for all employees of 3.2 percent. The District absorbed the \$1.5 million increase in medical benefit premiums as well as the 0.8 percent increase in the PERA contribution. Though our student enrollment rate of growth has decreased over the past few years, we continue to see significant growth in special needs students. Due to this growth, we allocated out an additional \$2 million to fund these students' needs. Finally, in today's technological environment, and knowing that we must continue to fund replacement of student computer devices, we have moved an ongoing \$500,000 into our ongoing budget transfer from the General Fund to the Capital Projects Fund allowing the continued device refresh process. We are replacing student devices every six years and though we have allocated out resources to increase our computer network bandwidth to allow students to bring in their own devices, there is still an ongoing need to refresh teacher and student equipment each year.

Economic Factors and Subsequent Events (Continued)

- *Colorado Revenue Forecast* - The September 2015 Colorado Revenue Forecast by the Office of State Planning and Budgeting (OSPB) continues to bring positive news to the state of Colorado's economy. The State's economy shows resilience in the face of slow global growth, the contraction in the oil and gas industry as well as the volatility in the financial markets. State General Fund revenue is forecast to increase 3.9 percent during fiscal year 2015-2016 and 6.7 percent for fiscal year 2016-2017. In spite of a current year positive forecast, the General Fund reserve is projected to be \$34.8 million below the required amount of 6.5 percent of appropriations. As revenue is expected to grow above the TABOR limit during calendar year 2015, a TABOR refund is triggered. As mentioned earlier, this refund will impact qualified taxpayers associated with the Earned Income Tax Credit. The remaining TABOR refunds will be realized through a sales tax refund amounting to about \$19/taxpayer.
- *Colorado Governors Budget Request* - Based on the aforementioned revenue forecast, Colorado Governor, John Hickenlooper, submitted his fiscal year 2016-2017 budget request to the Joint Budget Committee. This budget request calls for significantly less growth in education appropriations. The Governor has proposed a minimal increase to PreK-12 funding that includes partially funding student growth and inflation and allows an increase in the Negative Factor of about \$50 million. This increase translates to a Statewide Negative Factor of over \$900 million. This proposal results in a PPR increase for Douglas County of about \$105/student translating to total new revenue of about \$5.6 million. For DCSD, the mandated PERA 0.62 percent increase requires a funding increase of about \$1.8 million, about 1/3 of the requested \$5.6 million. The remaining \$3 million will be subject to prioritization associated with school increased costs, increased employee costs as well as ongoing capital needs associated with the Master Capital Plan.

The Governor's budget request still needs to be considered by the legislature. The increase in the Negative Factor to an amount of \$900 million translates to a six year funding deficit for Douglas County of over \$360 million.

Component Units

Only summary information regarding component units appear in the District's financial statements. The District has fourteen component units, all of which are charter schools. This number includes the first year unaudited financial non-operating activity for Global Village and World Compass Academies. The activity related to these two new charter schools is mostly start-up expenses. Most of the charter schools have an associated Building Corporation or Foundation which are also presented separately with their charter school. Their aggregated financial statement information is presented in a separate column in the Government-wide Statement of Net Position and in the Statement of Activities on pages 41 and 43 respectively.

After a yearly review of the Douglas County School Foundation financial activities, the District's business administration has determined that its financial activities, due to the level of materiality and the independence of their activity in relation to the District's, shall not be considered a component unit of the District. The Educational Foundation's financial activity, then, is not included in this report.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's financial status. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Ms. Bonnie J. Betz, 701 Prairie Hawk Drive, Castle Rock, Colorado 80109.

BASIC FINANCIAL STATEMENTS



Douglas County School District
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DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Statement of Net Position
June 30, 2015

	Primary Government	Component Units
	Governmental Activities	Charter Schools
ASSETS		
Cash and Investments	\$ 123,990,780	\$ 25,756,460
Receivables:		
Property Taxes, Net of Allowance for Uncollectible Taxes	11,051,458	-
Other	4,693,054	699,124
Inventories	1,253,748	41,347
Prepaid Costs and Other Assets	255,414	1,041,894
Restricted Cash and Investments	82,372,878	14,101,584
Capital Assets:		
Non-Depreciable	39,265,058	14,186,573
Depreciable, Net	651,488,311	103,685,909
Total Assets	<u>914,370,701</u>	<u>159,512,891</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Amounts	47,178,752	16,072,018
Deferred Amount on Refunding	19,741,510	4,880,616
Total Deferred Outflows of Resources	<u>66,920,262</u>	<u>20,952,634</u>
LIABILITIES		
Accounts Payable	6,819,608	3,096,663
Accrued Compensation	21,471,147	2,925,325
Unearned Revenues	1,026,159	448,450
Accrued Insurance Claims	6,758,375	-
Accrued Interest Payable	999,820	1,414,891
Non-Current Liabilities:		
Due within One Year	57,324,195	2,372,235
Due in More than One Year:		
Other Non-current Liabilities	452,376,694	138,964,694
Net Pension Liability	903,520,866	116,654,532
Total Liabilities	<u>1,450,296,864</u>	<u>265,876,790</u>
DEFERRED INFLOWS OF RESOURCES		
Pension Related Amounts	4,942,034	265,077
NET POSITION		
Net Investment in Capital Assets	223,953,589	(17,257,076)
Restricted:		
TABOR Emergency Reserve	15,290,000	2,858,604
Debt Service/Lease Obligation	70,039,530	9,741,643
Building	9,071,898	974,892
Other Grants and Programs	8,039,328	-
Unrestricted (deficit)	<u>(800,342,280)</u>	<u>(81,994,405)</u>
Total Net Position (deficit)	<u>\$ (473,947,935)</u>	<u>\$ (85,676,342)</u>

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Statement of Activities
For the Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Instruction	\$ 301,623,918	\$ 53,492,483	\$ 15,050,060	\$ -
Supporting Services	224,759,449	-	21,719,604	-
Payments to Component Units	80,957,702	-	-	-
Interest on Long-Term Debt	24,041,678	-	-	-
Total Governmental Activities	631,382,747	53,492,483	36,769,664	-
Component Units				
Charter Schools	\$ 101,583,369	\$ 9,598,460	\$ 3,754,323	\$ 1,463,331

GENERAL REVENUES

Property Taxes

Specific Ownership Taxes

State Equalization

Investment Earnings

Grants and Contributions not specific to Programs

Building Rental

Other

Total General Revenues

Change in Net Position

NET POSITION, Beginning, as restated

NET POSITION, Ending

See accompanying notes to the financial statements

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Component Units
\$ (233,081,375)	\$ -
(203,039,845)	-
(80,957,702)	-
(24,041,678)	-
<u>(541,120,600)</u>	<u>-</u>
<u>-</u>	<u>(86,767,255)</u>
230,044,555	-
21,630,690	-
293,357,217	80,481,788
147,171	372,692
3,923,209	1,471,269
1,179,650	-
4,820,166	658,965
<u>555,102,658</u>	<u>82,984,714</u>
13,982,058	(3,782,541)
<u>(487,929,993)</u>	<u>(81,893,801)</u>
<u>\$ (473,947,935)</u>	<u>\$ (85,676,342)</u>

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Governmental Funds

Balance Sheet

June 30, 2015

	Combined General	Bond Redemption	Building	Non-Major Governmental	Total Governmental
ASSETS					
Cash and Investments	\$ 107,096,472	\$ -	\$ -	\$ 8,053,724	\$ 115,150,196
Receivables:					
Property Taxes, Net of Allowance for Uncollectible Taxes	8,820,793	2,230,665	-	-	11,051,458
Other	1,078,308	-	-	3,436,609	4,514,917
Due from Other Funds	6,336,443	-	-	-	6,336,443
Prepaid Costs	152,414	-	-	-	152,414
Inventories, at Cost	582,493	-	-	671,255	1,253,748
Restricted Cash and Investments	-	72,052,438	10,320,440	-	82,372,878
Total Assets	\$ 124,066,923	\$ 74,283,103	\$ 10,320,440	\$ 12,161,588	\$ 220,832,054
LIABILITIES					
Accounts Payable	\$ 4,734,792	\$ -	\$ 1,248,542	\$ 565,469	\$ 6,548,803
Accrued Compensation	20,175,108	-	-	1,296,039	21,471,147
Due to Other Funds	-	4,565,759	-	1,744,234	6,309,993
Unearned Revenues	509,641	-	-	516,518	1,026,159
Total Liabilities	25,419,541	4,565,759	1,248,542	4,122,260	35,356,102
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	2,981,783	1,216,098	-	-	4,197,881
FUND BALANCES					
Nonspendable:					
Inventories & Prepaid Costs	734,907	-	-	671,255	1,406,162
Restricted:					
TABOR Emergency Reserve	15,290,000	-	-	-	15,290,000
Building & Aspen View Academy	-	-	9,071,898	-	9,071,898
Nutrition Services	-	-	-	250,452	250,452
Child Care	-	-	-	4,998,474	4,998,474
Grants	-	-	-	185,120	185,120
Student Athletics	-	-	-	395,743	395,743
Debt Service/Lease Obligation	-	68,501,246	-	1,538,284	70,039,530
Assigned:					
3% Board Reserves & 1% Contingency	20,390,000	-	-	-	20,390,000
Extended Service Severance	993,426	-	-	-	993,426
1% Pay Increase for FY2017	3,500,000	-	-	-	3,500,000
Transfer to Risk Insurance	800,000	-	-	-	800,000
Transfer to Athletics/Activities	1,000,000	-	-	-	1,000,000
Pay for Performance Carryover	3,121,155	-	-	-	3,121,155
School and Department Carryover	22,906,775	-	-	-	22,906,775
Master Capital Plan Projects	5,500,000	-	-	-	5,500,000
Energy Performance Proceeds & Cash In Lieu	2,055,209	-	-	-	2,055,209
Security/Transportation/Technology	4,327,938	-	-	-	4,327,938
Innovation and HS Student Rqsts	1,285,568	-	-	-	1,285,568
Sub-fund Carryover	13,297,487	-	-	-	13,297,487
Unassigned	463,134	-	-	-	463,134
Total Fund Balances	95,665,599	68,501,246	9,071,898	8,039,328	181,278,071
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 124,066,923	\$ 74,283,103	\$ 10,320,440	\$ 12,161,588	\$ 220,832,054

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Reconciliation of the Governmental Funds Balance Sheet
to the Government-wide Statement of Net Position
June 30, 2015

Fund Balances of Governmental Funds		\$ 181,278,071
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.		690,753,369
Other long-term assets are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the funds.		4,197,881
Internal Service Funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the statement of net position.		6,014,466
Deferred inflows and outflows of resources that represent an acquisition or consumption of net position that applies to future periods and therefore is not reported in the funds:		
Deferred Amount on Refunding	\$ 19,741,510	
Deferred inflows of resources, pension-related amounts	47,178,752	
Deferred outflows of resources, pension-related amounts	<u>(4,942,034)</u>	61,978,228
Long-term liabilities, including long-term debt are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(390,608,248)	
Certificates of Participation	(50,510,000)	
Accreted Interest	(9,620,808)	
Bond Premiums	(45,288,506)	
Accrued Interest Payable	(999,820)	
Net Pension Liability	(903,520,866)	
Accrued Insurance Claims Payable	(3,948,375)	
Capital Leases	(9,206,434)	
Extended Service Severance	(993,426)	
Compensated Absences	<u>(3,473,467)</u>	<u>(1,418,169,950)</u>
Net Position of Governmental Activities		<u>\$ (473,947,935)</u>

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2015

	Combined General	Bond Redemption	Building	Non-Major Governmental	Total Governmental
REVENUES					
Property Taxes	\$156,815,037	\$ 73,646,635	\$ -	\$ -	\$230,461,672
Specific Ownership Tax	21,630,690	-	-	-	21,630,690
Intergovernmental	315,076,821	-	-	15,049,079	330,125,900
Charges for Services	22,803,420	-	-	30,689,063	53,492,483
Investment Earnings	69,346	53,599	17,729	-	140,674
Other	8,131,306	-	-	4,671,980	12,803,286
Total Revenue	524,526,620	73,700,234	17,729	50,410,122	648,654,705
EXPENDITURES					
Current:					
Instruction	261,502,772	-	-	22,357,834	283,860,606
Supporting Services	167,190,187	-	-	30,836,484	198,026,671
Capital Outlay	-	-	5,904,688	-	5,904,688
Debt Service/Lease Payments:					
Principal	-	40,108,688	-	2,190,000	42,298,688
Debt Issuance Costs	-	281,565	-	150,114	431,679
Interest and Fiscal Charges	-	27,932,668	27,536	1,721,145	29,681,349
Payments to Component Units	80,957,702	-	-	-	80,957,702
Total Expenditures	509,650,661	68,322,921	5,932,224	57,255,577	641,161,383
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	14,875,959	5,377,313	(5,914,495)	(6,845,455)	7,493,322
OTHER FINANCING SOURCES (USES)					
Proceeds from Refunding of Debt	-	40,665,000	-	6,470,000	47,135,000
Refunding Debt Premium	-	3,052,530	-	145,159	3,197,689
Payment to Refunding Escrow Agent	-	(43,432,257)	-	(6,458,799)	(49,891,056)
Transfers In	-	-	-	7,436,481	7,436,481
Transfers Out	(7,436,481)	-	-	-	(7,436,481)
Total Other Financing Sources	(7,436,481)	285,273	-	7,592,841	441,633
NET CHANGES IN FUND BALANCES	7,439,478	5,662,586	(5,914,495)	747,386	7,934,955
FUND BALANCES, Beginning, as restated	88,226,121	62,838,660	14,986,393	7,291,942	173,343,116
FUND BALANCES, Ending	\$ 95,665,599	\$ 68,501,246	\$ 9,071,898	\$ 8,039,328	\$181,278,071

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2015

Net change in fund balances of governmental funds \$ 7,934,955

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which net capital outlays exceeded loss on disposal of capital assets and depreciation.

Capital Outlay	\$ 13,744,905	
Depreciation	(26,962,482)	
Loss on Sale of Capital Assets	<u>(58,999)</u>	(13,276,576)

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds. This amount represents the change in unavailable property tax revenue. (417,117)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Principal Payments - General Obligation Bonds	40,108,688	
Principal Lease Payments - Certificates of Participation	2,190,000	
Issuance of Certificates of Participation	(6,470,000)	
Issuance of General Obligation Bonds	(40,665,000)	
Premiums on Issuance of Bonds and COPs	(3,197,689)	
Payment to Refunding Escrow Agent	49,891,056	
Change in Accreted Interest	6,101,235	
Change in Accrued Interest	(29,885)	
Principal Payments Capital Leases	967,731	
Amortization of Bond Premium and Deferred Charges	<u>2,244,535</u>	51,140,671

In the statement of activities, certain operating expenses - compensated absences (sick leave), pension benefits, special termination benefits (extended service severance) and liability claims - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used or due (essentially, the amounts actually paid). This amount represents the net effect of compensated absences, pension expense and claims payable on the statement of activities:

Pension Expense	(28,220,415)	
Change in Compensated Absence	(1,046,975)	
Change in Extended Service Severance	741,279	
Liability Claims	<u>(189,271)</u>	(28,715,382)

Internal Service Funds are used by management to charge the cost of medical insurance and short term disability to individual funds. The net revenue (expense) of the Internal Service Funds are reported with governmental activities. (2,684,493)

Change in net position of governmental activities \$ 13,982,058

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Proprietary Fund
Statement of Net Position
June 30, 2015

	Governmental Activities
	<u>Internal Service Funds</u>
ASSETS	
Current Assets:	
Cash and Investments	\$ 8,840,584
Other Receivables	178,137
Prepaid Costs	<u>103,000</u>
Total Assets	<u><u>\$ 9,121,721</u></u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 270,805
Due to Other Funds	26,450
Accrued Insurance Claims	<u>2,810,000</u>
Total Current Liabilities	<u>3,107,255</u>
NET POSITION	
Unrestricted	<u>6,014,466</u>
Total Net Position	<u>6,014,466</u>
Total Liabilities and Net Position	<u><u>\$ 9,121,721</u></u>

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Proprietary Fund

Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2015

	Governmental Activities
	<u>Internal Service Funds</u>
OPERATING REVENUES	
Premium Revenue	\$ 40,933,223
Other	<u>5,920</u>
Total Operating Revenue	<u>40,939,143</u>
OPERATING EXPENSES	
Insurance and Claims	42,578,563
Salaries and Benefits	20,326
Purchased Services	798,733
Other	<u>232,511</u>
Total Operating Expenses	<u>43,630,133</u>
OPERATING LOSS	<u>(2,690,990)</u>
NON-OPERATING REVENUES	
Investment Earnings	<u>6,497</u>
Total Non-Operating Revenues	<u>6,497</u>
CHANGE IN NET POSITION	(2,684,493)
NET POSITION, Beginning	<u>8,698,959</u>
NET POSITION, Ending	<u><u>\$ 6,014,466</u></u>

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Proprietary Fund
 Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2015

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 40,766,586
Payments to Suppliers	(43,006,625)
Payments to Employees	(20,326)
Net Cash Used by Operating Activities	<u>(2,260,365)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Earning on Investments	<u>6,497</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,253,868)
CASH AND CASH EQUIVALENTS, Beginning	<u>11,094,452</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 8,840,584</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:	
Operating Loss	\$ (2,690,990)
Changes in Assets and Liabilities:	
Change in Other Receivables	(172,557)
Change in Prepaid Costs	(103,000)
Change in Accounts Payable	296,182
Change in Accrued Insurance Claims	<u>410,000</u>
Total Adjustments	<u>430,625</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>\$ (2,260,365)</u>

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fiduciary Funds
Statement of Net Position
June 30, 2015

	Agency Fund 74	Private Purpose Trust Scholarship Fund 75
	<u> </u>	<u> </u>
ASSETS		
Cash and Investments	\$ 1,996,841	\$ 41,312
Total Assets	<u>1,996,841</u>	<u>41,312</u>
LIABILITIES		
Accounts Payable	60,507	-
Assigned Student Related Activities	<u>1,936,334</u>	<u>-</u>
Total Liabilities	<u>\$ 1,996,841</u>	<u>-</u>
NET POSITION		
Held in Trust for Scholarships		<u>41,312</u>
Total Net Position		<u>\$ 41,312</u>

See accompanying notes to the financial statements

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2015

	<u>Private Purpose Trust Scholarship</u>
ADDITIONS	
Contributions	<u>\$ 63,646</u>
Total Additions	<u>63,646</u>
DEDUCTIONS	
Grants and Scholarships	<u>68,000</u>
Total Deductions	<u>68,000</u>
CHANGE IN NET POSITION	(4,354)
NET Position, Beginning	<u>45,666</u>
NET POSITION, Ending	<u><u>\$ 41,312</u></u>

See accompanying notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Reporting Entity**

The Douglas County School District RE.1 (the District) is a political subdivision of the State of Colorado governed by an elected seven-member board of education. The accompanying financial statements represent the District and the component units for which the District is considered to be financially accountable. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the District.

Discretely Presented Component Units - The District's charter schools consist of fourteen separately authorized charters: Academy, American Academy, Aspen View Academy, Ben Franklin Academy, Challenge to Excellence, Parker Core Knowledge, North Star Academy, Platte River Academy, DCS Montessori, SkyView Academy, STEM High (Science, Technology, Engineering and Math), Hope On Line Learning Academy Co-Op, Global Village Academy and World Compass Academy. Global Village Academy and World Compass Academy are new charter schools scheduled to open in the fall of 2015.

Charter schools are public schools authorized by the State of Colorado to provide educational alternatives for parents, pupils and teachers. The schools have separate governing boards but are fiscally dependent on the District for the majority of funding, and their exclusion would render the District's financial statements incomplete. Charter schools are considered discretely presented component units for external financial reporting purposes. The District considers each of the component units to be non-major component units because none of the schools individually has a financial relationship with the District that is significant enough to require separate reporting within the basic financial statements. Combining schedules are included within the supplementary section of this comprehensive annual financial report. The charter schools report within their reporting entities various foundations formed for fund-raising or debt administration. Separate financial statements for all charter schools, except Global Village Academy and World Compass Academy are available at each school location and online. Global Village Academy and World Compass Academy, received exceptions for their first year audit requirement from the Colorado Office of the State Auditor.

Joint Venture (Parker Joint Service Facility) - In September 1991, the District and the Parker Fire Protection District (Parker Fire) entered into a joint venture agreement for the construction and operation of a transportation facility (the Facility). Currently, the District acts in the capacity of administrator under the joint control of the District's Board and the governing body of Parker Fire. The District's share of operating costs for the Facility is 45 percent.

The Facility is solely responsible for transportation operations, maintenance and services of the District and Parker Fire. The Facility is funded through the budgetary process of both parties to the joint venture in proportion to their respective shares and anticipated usage. The District records operating payments for transportation operations and usage as transportation expenditures in the Combined General Fund. The District does not have an equity interest in the Facility; therefore, it is not reflected within the basic financial statements as an investment. Separate financial statements for this joint venture can be obtained at its office; 17801 East Plaza Drive, Parker, Colorado.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., Statement of Net Position and Statement of Activities) report information on all the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Exceptions to this general rule are charges for inter-fund services which are reasonably equivalent to the services provided to external organizations. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

units for which the primary government is financially accountable. The District does not report any business type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of the given function or segment is 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. The District does not allocate indirect expenses.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except grant revenues which are considered to be available if they are collected within 90 days. Property taxes, Specific Ownership Taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Alternatively, debt service and lease payment expenditures, as well as expenditures related to compensated absences and risk management claims, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges to customers for services. Operating expenses for internal service funds include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The District reports the following major and non-major governmental funds:

Major governmental funds:

The *Combined General Fund* is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund. The Capital Projects Fund has been included in the Combined General Fund as all resources come from a General Fund transfer.

The *Bond Redemption Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *Building Fund* accounts for only the acquisition and construction of major capital facilities and equipment funded by the sale of general obligation bonds or certificates of participation.

Non-major governmental funds:

The *Nutrition Services Fund*, accounts for the financial resources that are restricted for activities associated with the District's school lunch program.

The *Governmental Designated Purpose Grants Fund* accounts for financial activities associated with most of its State and Federal grants.

The *Athletics and Activities Fund* accounts for the financial resources that are restricted for activities associated with athletics and other CHSSA governed programs.

The *Child Care Fund* known as B.A.S.E. (Before and After School Enterprise), accounts for the financial resources that are restricted for activities associated with the District's tuition based child care programs.

The *Certificates of Participation (COP) Lease Payment Fund* accounts for the yearly appropriated resources required to meet the principal and interest payments scheduled for outstanding certificates of participation.

The District reports the following other fund types:

The *Medical Fund, an internal service fund*, accounts for health activities associated with a self-funded health insurance plan as well as other employee benefits including dental and vision.

The *Short Term Disability Fund, an internal service fund*, accounts for short term disability activities associated with a self-funded disability insurance plan.

The *Agency Fund* is used to account for resources held on behalf of students associated with various student activities. The District holds all resources in a purely custodial capacity.

The *Private-Purpose Trust Scholarship Fund* accounts for the activities of various scholarship accounts. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, and other governments and are therefore not available to support the District's own programs.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Deposits and Investments

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

Investment securities for the District, as well as for its component units, are reported at fair value based on quoted market prices. Investment pools operate in accordance with appropriate state laws and regulations. The reported value of the District's investment in the local government investment pool is valued at amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940 which approximates fair value.

Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either *due to* or *due from other funds* (i.e., the current portion of inter-fund loans).

Property taxes are levied on December 15. Property taxes are payable in full by April 30, or in two equal installments due February 28 and June 15. The County bills and collects property taxes for all taxing districts within the County. Property tax receipts are remitted to the District in the subsequent month. Delinquent property taxes are subject to sale of tax certificates in the following November. Property taxes levied in the current year but not received at year-end are identified as *property taxes, net of allowance for uncollectible taxes*. Any taxes not collected within 60 days after year-end are recorded as a *deferred inflow of resources* in the governmental fund financial statements.

Specific Ownership Taxes are collected by the County for motor vehicles registered in the District's assessment area. Tax receipts collected by the County are remitted to the District in the subsequent month. Specific Ownership Taxes are recorded as receivables and revenues when collected by the County.

Inventories and Prepaid Costs

All inventories are valued at cost using the average cost method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both government-wide and fund financial statements. The District records prepaid costs using the purchase method.

Restricted Assets

The District and its component units restrict cash and investments representing debt service reserves and unspent bond, certificates of participation, or capital lease proceeds.

Capital Assets

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

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position or Fund Balance**
(Continued)Capital Assets (Continued)

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

First year depreciation is calculated at one-half year regardless of the purchase date. Property and equipment of the District, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20 - 40
Portable classrooms	25
Vehicles	8
Office equipment	7 - 10
Computer equipment	5

Unearned Revenue

Unearned revenue in the government-wide and the fund financial statements consists of unearned grant proceeds and unearned tuition or fees.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. The first is the deferred charge on refunding which results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is shown as pension-related amounts and includes items related to the District's portion of the Colorado Public Employees Retirement Association (PERA) benefit plan. This includes the difference between expected and actual experience, any changes of assumptions or other inputs, and the net difference between projected and actual investment earnings on pension plan investments. Additional information on pension-related amounts is included in Note 9.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category.

Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet as unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other item included in this category is the pension-related deferred inflow of resources reported on the government-wide statement of net position. These deferred inflows result from the difference between expected and actual experience, the changes in assumptions of other inputs, and the net difference between projected and actual investment earnings on pension plan investments. Additional information on pension-related amounts is included in Note 9.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position or Fund Balance
(Continued)

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused sick pay benefits. Unused sick leave is paid to employees, up to a maximum of 130 days, upon termination after completing ten years of service. Vacation time must be used the same fiscal year it is earned. The current and long-term liabilities for sick time are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method. Bond issuance costs are expensed in the year they are incurred.

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

Fund Balance/Net Position

In the fund financial statements, governmental funds report the following classification of fund balance in accordance with GASB Statement No. 54:

Non-spendable - includes amounts that cannot be spent because they are either not spendable in form - such as inventories - or are legally or contractually required to be maintained intact.

Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision such as Colorado TABOR or enabling legislation.

Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Fund balance of the District may be committed for a specific source by formal action of the Board of Education. Amendments or modifications of the committed fund balance must also be approved by formal action of the Board of Education. As of June 30, 2015 the District has no committed amounts.

Assigned - includes amounts the District intends to use for a specific purpose, but do not meet the definition of restricted fund balance. Under the District's adopted policy, the Board delegates authority to the Superintendent or the Chief Financial Officer to determine these assignments.

Unassigned - includes amounts that have not been assigned to other funds, restricted, or assigned to a specific purpose within the General Fund and negative fund balances in other governmental funds.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position or Fund Balance**
(Continued)Fund Balance/Net Position (Continued)

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

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets, excluding unspent bond and COP proceeds of \$9,071,898. Net position is reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. As of June 30, 2015, the District has \$15,290,000 and the charter schools have \$2,858,604 restricted for TABOR emergency reserves.

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 (NPL), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2: DEPOSITS AND INVESTMENTS

At June 30, 2015, deposits and investments were reported in the financial statements as follows:

Governmental Activities *	\$	206,363,658
Private Purpose Trust Scholarship		41,312
Agency		1,996,841
Total	\$	<u>208,401,811</u>

* Governmental Activities include Governmental Funds and the Internal Service Funds.

Cash and investments at June 30, 2015, consisted of the following:

Deposits	\$	31,639,613
Cash on Hand		36,808
Investments		176,725,390
Total	\$	<u>208,401,811</u>

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)Deposits

Federal Deposit Insurance Corporation (FDIC) coverage for government accounts is \$250,000 per official custodian. 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 statutes. The State regulatory commissioners regulate the eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA.

PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be equal to at least 102 percent of the uninsured deposits. At June 30, 2015, the District bank deposits were covered by FDIC Insurance or fell under the provisions of PDPA.

Investments

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

- 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's investment policy does not further restrict its investment options.

At June 30, 2015, the District had the following investments:

Investment Type	Rating Standard &			Fair Value
	Poor's or Moody's	Less Than 1 year	1-5 years	
Money Market Funds	AAAm	\$ 74,962,757	\$ -	\$ 74,962,757
Investment Pool	AAAm	101,762,633	-	101,762,633
	Total	<u>\$ 176,725,390</u>	<u>\$ -</u>	<u>\$ 176,725,390</u>

Local Government Investment Pools - At June 30, 2015, the District had dollars invested in local government investment pools with \$101,762,633 invested in CSAFE, Colorado Surplus Asset Fund.

CSAFE is a statutory trust organized and existing under the laws of the State of Colorado intended solely for the use of Colorado local governments. Investments of the trust are limited to those allowed by State statutes. CSAFE was formed in 1988 and is an original Colorado local government investment pool developed by Colorado local governments for Colorado local governments. CSAFE's sole purpose is to serve government entities in Colorado to meet their daily cash management needs with an emphasis on 1) safety, 2) liquidity, 3) transparency and 4) competitive yields. CSAFE is a local government investment pool trust fund organized under C.R.S. §24-75-701, *et seq.*, registered as such with the Colorado Securities Commissioner pursuant to the Local Government Investment Pool Trust Fund Administration and Enforcement Act, C.R.S. §11-51-901, *et seq.* As such a trust, CSAFE pools and invests the funds of Colorado local government participants within

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)Investments (Continued)

the investment policies and limitations set forth in CSAFE's Indenture of Trust and C.R.S. §24-75-601, *et seq.* Participants include municipalities, counties, school districts and special districts.

CSAFE is structured to be a stable value investment pool to meet the investment needs of local governments in Colorado. CSAFE will follow strict guidelines to maintain a AAAM credit rating from Standard & Poor's (S&P). The portfolio will be priced by a third party entity (US Bank N.A.) each week to calculate its net position value. Davidson Fixed Income Management, Inc. (DFIM) will independently research each security in the portfolio to ensure compliance with all regulations and rating requirements, and to implement a high level of due diligence. CSAFE's investment policy is designed with a priority given to safety of principal. CSAFE will invest primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, AAAM rated money market funds, approved Colorado Banks and highly rated commercial paper. Asset allocation will be in full conformance with S&P AAAM credit rating guidelines. CSAFE's investments will conform to its Permitted Investments and is structured to meet Standard & Poor's investment guidelines to achieve a AAAM rating, the highest attainable rating for a Local Government Investment Pool. The weighted average maturity of the portfolio shall not exceed 60 days per S&P guidelines. CSAFE seeks to maintain, but does not guarantee, a net asset value at \$1.00 per share.

Custodial Credit Risk - There is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the District's investments are subject to custodial risk.

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 - State statutes limit investments in U.S. Agency securities to the highest rating issued by nationally recognized statistical rating organizations (NRSROs).

The District's investment policy and State statutes limit investments in money market funds to those with the highest rating issued by NRSROs and with a constant share price, or to money market funds that invest only in specified securities.

Concentration of Credit Risk - State statutes and the District's investment policy do not limit the amount the District may invest in one issuer.

NOTE 3: INTER-FUND BALANCES AND TRANSFERS

Inter-fund balances are created when there is a liability of one fund due to another fund. Inter-fund balances for the year ended June 30, 2015, were composed of the following:

<u>Due From</u>	<u>Due To</u>	<u>Amount</u>
Grant Fund	General Fund	\$ 1,744,234
Bond Redemption Fund	General Fund	4,565,759
Short Term Disability Fund (Internal Service Fund)	General Fund	26,450

Interfund balances result 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 allocating system and (3) payments between funds are made. The interfund receivables and payables are expected to be collected/paid in the subsequent year.

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 3: INTER-FUND BALANCES AND TRANSFERS (Continued)

The amounts due from the Bond Redemption Fund to the General Fund result from the County depositing Specific Ownership Taxes into the bond account even though the funds belong to the General Fund.

Transfers are used to move revenues from the fund that collects them to specific programs accounted for in other funds in accordance with budget authorization. Transferred funds are without recourse. Transfers during the fiscal year ended June 30, 2015 were as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>
General Fund	COP Lease Payment Fund	\$ 3,123,075
General Fund	Student Athletics & Activities Fund	<u>4,313,406</u>
	Total	<u>\$ 7,436,481</u>

All transfers were made from the General Fund to support the operations of various other funds that statute or budget requires to expend them.

NOTE 4: CAPITAL ASSETS

Capital Asset activity for the year ended June 30, 2015 was as follows:

	Balance June 30, 2014 (As restated)	Additions	Deletions	Transfers	Balance June 30, 2015
Governmental Activities					
Land	\$ 13,316,685	\$ -	\$ -	\$ -	\$ 13,316,685
Construction in Progress (CIP)	<u>19,354,253</u>	<u>9,601,104</u>	<u>-</u>	<u>(3,006,984)</u>	<u>25,948,373</u>
Total Capital Assets (Not Depreciated)	32,670,938	9,601,104	-	(3,006,984)	39,265,058
Buildings and Improvements	910,706,799	580,926	(5,500)	2,912,368	914,194,593
Machinery and Equipment	<u>82,935,721</u>	<u>3,562,875</u>	<u>(2,958,501)</u>	<u>94,616</u>	<u>83,634,711</u>
Total Depreciable Capital Assets	993,642,520	4,143,801	(2,964,001)	3,006,984	997,829,304
<u>Accumulated Depreciation</u>					
Building and Improvements	(269,378,717)	(20,141,948)	2,905,002	-	(286,615,663)
Machinery and Equipment	<u>(52,904,796)</u>	<u>(6,820,534)</u>	<u>-</u>	<u>-</u>	<u>(59,725,330)</u>
Total Accumulated Depreciation	(322,283,513)	(26,962,482)	2,905,002	-	(346,340,993)
Net Depreciated Capital Assets	<u>671,359,007</u>	<u>(22,818,681)</u>	<u>(58,999)</u>	<u>3,006,984</u>	<u>651,488,311</u>
Net Capital Assets with Land and CIP	<u>\$ 704,029,945</u>	<u>\$ (13,217,577)</u>	<u>\$ (58,999)</u>	<u>\$ -</u>	<u>\$ 690,753,369</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 4: CAPITAL ASSETS (Continued)

For the year ended June 30,2015, depreciation expense was charged to functions of the District as follows:

Governmental Activities:

Instruction	\$ 2,670,016
Supporting Services	<u>24,292,466</u>
Total	<u>\$ 26,962,482</u>

**Discretely Presented Component Units-
Charter Schools**

	June 30, 2014	Additions	Deletions	June 30, 2015
Land	\$ 13,866,001	\$ -	\$ -	\$ 13,866,001
Construction in Progress (CIP)	-	320,572	-	320,572
Total Capital Assets (Not Depreciated)	<u>13,866,001</u>	<u>320,572</u>	<u>-</u>	<u>14,186,573</u>
Buildings and Improvements	119,426,537	1,028,576	-	120,455,113
Machinery and Equipment	<u>5,916,662</u>	<u>137,372</u>	<u>(127,770)</u>	<u>5,926,264</u>
Total Depreciable Capital Assets	<u>125,343,199</u>	<u>1,165,948</u>	<u>(127,770)</u>	<u>126,381,377</u>
<u>Accumulated Depreciation:</u>				
Buildings and Improvements	(14,734,617)	(3,360,854)	-	(18,095,471)
Machinery and Equipment	<u>(3,717,918)</u>	<u>(1,007,265)</u>	<u>125,186</u>	<u>(4,599,997)</u>
Total Accumulated Depreciation	<u>(18,452,535)</u>	<u>(4,368,119)</u>	<u>125,186</u>	<u>(22,695,468)</u>
Net Depreciated Capital Assets	<u>106,890,664</u>	<u>(3,202,171)</u>	<u>(2,584)</u>	<u>103,685,909</u>
Net Capital Assets with Land and CIP	<u>\$ 120,756,665</u>	<u>\$ (2,881,599)</u>	<u>\$ (2,584)</u>	<u>\$ 117,872,482</u>

NOTE 5: ACCRUED COMPENSATION

Salaries and benefits of certain contractually employed personnel are paid over a 12-month period from August to July, but are earned during a school year of approximately 9 to 10 months. Accordingly, the accrued compensation is reflected as a liability of the respective funds in the accompanying financial statements. The salaries and benefits earned but unpaid at June 30, 2015 are recorded in the funds as follows:

Governmental Activities:

Combined General Fund	\$ 20,175,108
Non-major Governmental Funds	<u>1,296,039</u>
Total	<u>\$ 21,471,147</u>

Accrued compensation for the charter schools as of June 30, 2015, is \$2,925,325.

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 6: LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2015, is as follows:

	Balance June 30, 2014	Additions	Payments	Balance June 30, 2015	Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 432,426,936	\$ 40,665,000	\$ 82,483,688	\$ 390,608,248	\$ 48,358,535
Certificates of Participation	52,200,000	6,470,000	8,160,000	50,510,000	2,505,000
Accreted Interest	15,722,043	2,731,456	8,832,691	9,620,808	4,580,879
Bond Premiums	49,067,791	3,197,689	6,976,974	45,288,506	-
Extended Service Separation	1,734,705	-	741,279	993,426	100,000
Capital Leases	10,174,165	-	967,731	9,206,434	1,034,781
Compensated Absences	2,426,492	1,165,946	118,971	3,473,467	745,000
Total	<u>\$ 563,752,132</u>	<u>\$ 54,230,091</u>	<u>\$ 108,281,334</u>	<u>\$ 509,700,889</u>	<u>\$ 57,324,195</u>

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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 6: LONG-TERM LIABILITIES (Continued)**General Obligation Bonds**

The District issues general obligation (G.O.) bonds and certificates of participation (COP) to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

G.O. Bonds and COPs outstanding at June 30, 2015, consist of the following:

\$158,920,000 G.O. Refunding Bonds, Series 2004B; interest ranging from 2% to 5% payable semiannually; principal payable annually beginning December 2005. The final payment is due December 2016. A portion of these bonds was refunded in fiscal year 2015.	\$ 41,960,000
\$11,900,000 G.O. Refunding Bonds, Series 2005A; yielding 2.05% to 3.85% with interest ranging from 3% to 5.5% payable semiannually; principal payable annually beginning December 2005. The final payment is due December 2016.	2,425,000
\$1,194,956 G.O. Capital Appreciation Bonds, Series 2005B; yielding 3.42% to 4.23%; interest compounds semiannually; principal payable annually beginning December 2010. The final payment is due December 2015.	95,309
\$44,115,000 G.O. Refunding Bonds, Series 2006A; yielding 3.57% to 4.01% with interest ranging from 4% to 5% payable semiannually; principal payable annually beginning December 2007. The final payment is due December 2016.	15,705,000
\$147,635,000 G.O. Improvement Bonds, Series 2006B; interest ranging from 3.45% to 5% payable semiannually; principal payable annually with the exception of years 2012-2013 beginning December 2009. The final payment is due December 2027. A portion of these bonds was refunded in fiscal year 2011 and 2012.	11,000,000
\$2,599,949 G.O. Capital Appreciation Bonds, Series 2007A; yielding 3.8% to 4.26%; interest compounds semiannually; principal payable annually beginning December 2012. The final payment is due December 2017.	827,939
\$13,945,000 G.O. Refunding Bonds, Series 2007B; interest ranging from 4% to 5% payable semiannually; principal payable annually beginning December 2017. The final payment is due December 2018. A portion of these bonds was refunded in fiscal year 2012.	13,945,000

(Continue on next page)

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 6: LONG-TERM LIABILITIES (Continued)**General Obligation Bonds (Continued)**

\$87,310,000 G.O. Refunding Bonds, Series 2009; interest ranging from 2% to 5.25% payable semiannually; principal payable annually beginning December 2009. The final payment is due December 2025. 81,310,000

\$540,000 G.O. Capital Appreciation Bonds, Series 2009; yielding 3.25%; interest compounds semiannually; principal payable due December 2015. 540,000

\$85,845,000 G.O. Refunding Bonds, Series 2010; interest ranging from 2% to 5.0% payable semiannually; principal payable annually beginning December 2010. The final payment is due December 2025. 82,570,000

\$560,000 G.O. Capital Appreciation Bonds, Series 2010; yielding 2.25% to 2.5%; interest compounds semiannually; principal payable annually beginning December 2016. The final payment is due December 2017. 560,000

\$70,995,000 G.O. Refunding Bonds, Series 2012; yielding 0.28% to 2.86%; interest compounds semiannually; principal payable annually beginning December 2015. The final payment is due December 2030. 69,250,000

\$100,000 G.O. Capital Appreciation Bonds, Series 2012; yielding 3.2% to 3.35%; interest compounds semiannually; principal payable annually beginning December of 2022. The final payment is due December 2023. 100,000

\$31,020,000 G.O. Refunding Bonds, Series 2013, yielding 0.25% to 2.72%; interest compounds semiannually; principal payable annually beginning December 2013. The final payment is due December 2028. 30,580,000

\$40,665,000 G.O. Refunding Bonds, Series 2014, yielding 0.17% to 1.35%; interest compounds semiannually; principal payable annually beginning December 2014. The final payment is due December 2019. 39,920,000

Total General Obligation Bonds**\$ 390,608,248**

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 6: LONG-TERM LIABILITIES (Continued)

Certificates of Participation

\$13,830,000 Certificates of Participation, Series 2006, interest ranging from 4% to 4.75% payable semiannually; principal payable annually beginning December 2008. The final payment is due December 2016. A portion of these certificates were refunded in fiscal year 2015.	\$ 2,060,000
\$13,920,000 Certificates of Participation, Series 2009; interest ranging from 2% to 5% payable semiannually; principal payable annually beginning January 2011. The final payment is due January 2031.	12,160,000
\$15,500,000 Certificates of Participation, Series 2012; interest ranging from 2% to 3.5% payable semiannually; principal payable annually beginning January 2016. The final payment is due January 2037.	15,500,000
\$15,000,000 Certificates of Participation, Series 2014; interest ranging from 2% to 3.97% payable semiannually; principal payable annually beginning January 2015. The final payment is due January 2034.	14,320,000
\$6,470,000 Refunding Certificates of Participation, Series 2015; interest ranging from 2% to 3% payable semiannually; principal payable annually beginning December 2015. The final payment is due January 2021.	6,470,000
Total Certificates of Participation	\$ 50,510,000

Capital Leases

Copier equipment lease beginning July 2012 in the amount of \$2,065,487. Monthly payments including interest at 2.5% are due beginning August 2012. The final payment is due June 2017.	\$ 1,005,298
Energy Performance Capital Lease Phase I beginning March 2013 in the amount of \$5,571,226. Semi-annual payments ranging from \$224,381 to \$371,610 are due beginning September 2013, including interest at 2%. Final payment is due March 2023.	4,797,385
Energy Performance Capital Lease Phase II beginning in March 2014 in the amount of \$3,530,800. Semi-annual payments ranging from \$113,039, to \$281,152 are due beginning September 2014, including interest at 2.83%. The final payment is due September 2027.	3,403,751
Total Capital Leases	\$ 9,206,434

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 6: LONG-TERM LIABILITIES (Continued)**Capital Leases (Continued)**

The net book value of the leased assets are as follows:

Equipment (energy performance contracts)	\$	13,108,712
Less: Accumulated Depreciation		639,743
Total	\$	<u>12,468,969</u>

Accreted Interest

Accreted compound interest on capital appreciation bonds,
due and payable upon final payment of each respective bond. \$ 9,620,808

Future Debt Service/Lease Obligations

The following schedule represents the District's debt service and lease payment obligations to maturity for outstanding bonded debt, registered coupons and certificates of participation and capital leases at June 30, 2015:

General Obligation Bonds

June 30,	Principal	Interest	Total
2016	\$ 48,358,535	\$ 21,273,966	\$ 69,632,501
2017	37,190,142	17,464,551	54,654,693
2018	32,624,571	18,758,742	51,383,313
2019	35,745,000	11,247,350	46,992,350
2020	29,890,000	9,935,900	39,825,900
2021-2025	135,325,000	33,434,638	168,759,638
2026-2030	68,610,000	5,987,756	74,597,756
2031-2035	2,865,000	71,625	2,936,625
Total	<u>\$ 390,608,248</u>	<u>\$ 118,174,528</u>	<u>\$ 508,782,776</u>

Certificates of Participation

June 30,	Principal	Interest	Total
2016	\$ 2,505,000	\$ 1,738,480	\$ 4,243,480
2017	2,835,000	1,656,480	4,491,480
2018	2,930,000	1,575,868	4,505,868
2019	3,000,000	1,502,218	4,502,218
2020	3,080,000	1,425,180	4,505,180
2021-2025	12,690,000	5,883,501	18,573,501
2026-2030	12,265,000	3,660,532	15,925,532
2031-2035	9,245,000	1,230,438	10,475,438
2036-2040	1,960,000	103,425	2,063,425
Total	<u>\$ 50,510,000</u>	<u>\$ 18,776,122</u>	<u>\$ 69,286,122</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 6: LONG-TERM LIABILITIES (Continued)

Capital Lease

June 30,	Principal	Interest	Total
2016	\$ 1,034,781	\$ 237,006	\$ 1,271,787
2017	1,131,935	197,137	1,329,072
2018	850,051	162,130	1,012,181
2019	782,611	143,742	926,353
2020	2,906,834	126,118	3,032,952
2021-2025	1,451,874	342,591	1,794,465
2026-2030	1,048,348	47,363	1,095,711
Total	<u>\$ 9,206,434</u>	<u>\$ 1,256,087</u>	<u>\$ 10,462,521</u>

Defeased Debt

In the current and prior years, the District issued various general obligation refunding bonds to provide resources to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded general obligation bonds. As a result, the refunded bonds are considered to be defeased, and the liability has been removed from the financial statements. At June 30, 2015, the outstanding balance of the defeased debt was \$164,036,013.

Employee Compensation

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

Extended Service Severance

During the 2012 fiscal year, the District initiated a phase out of an extended service severance benefit offered within the DCFT, division of AFT, certified and classified contracts. Employees who were eligible to retire by June 30, 2012, June 30, 2013 and June 30, 2014 were eligible to take advantage of this benefit phase out. The total liability was calculated at about \$6.2 million of which \$5.2 million was paid out in October of the past three years (2012-2014) leaving a liability of about \$1.0 million. This liability is reported in the government-wide financial statements only, as none of it is expected to be liquidated with expendable available financial resources.

Charter School Debt and Capital Lease Activity

Charter school debt and lease activity for the year ended June 30, 2015 was as follows:

	Balance June 30, 2014	Additions	Payments	Balance June 30, 2015	Due Within One Year
<u>Charter Schools:</u>					
Loans	\$ 130,113,372	\$ 52,620,000	\$ (47,769,828)	\$ 134,963,544	\$ 2,013,687
Capital Lease	6,584,102	127,230	(347,028)	6,364,304	347,548
Discount	(190,616)	(133,602)	12,477	(311,741)	-
Premium	188,313	101,545	(8,752)	281,106	-
Compensated Absences	36,707	9,416	(6,407)	39,716	11,000
	<u>\$ 136,731,878</u>	<u>\$ 52,724,589</u>	<u>\$ (48,119,538)</u>	<u>\$ 141,336,929</u>	<u>\$ 2,372,235</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 6: LONG-TERM LIABILITIES (Continued)

Charter School Capital Leases and Loans

Colorado Educational and Cultural Facilities Authority (Authority) has issued Charter School Revenue Bonds on behalf of the Charter Schools. The Charter Schools make monthly payments to the Authority under various lease agreements. Additionally, Hope Online leases software under a capital lease. Minimum lease payments, to maturity for capital leases and loans, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 2,372,235	\$ 7,216,070	\$ 9,588,305
2017	2,559,965	7,165,626	9,725,591
2018	22,003,057	6,515,885	28,518,942
2019	2,741,672	5,859,567	8,601,239
2020	2,825,000	5,749,067	8,574,067
2021-2025	16,150,000	26,856,711	43,006,711
2026-2030	20,295,000	22,660,433	42,955,433
2031-2035	25,515,000	16,868,146	42,383,146
2036-2040	22,529,000	10,000,241	32,529,241
2041-2045	12,440,000	4,578,719	17,018,719
2046-2050	11,906,000	1,667,012	13,573,012
Total	<u>\$ 141,336,929</u>	<u>\$ 115,137,477</u>	<u>\$ 256,474,406</u>

Charter School Operating Leases

Charter School operating lease expenses for the year ending June 30, 2015 are \$2,417,975.

Charter School Long Term Lease Commitments

<u>Year Ended</u> <u>June 30,</u>	<u>Total</u>
2016	\$ 2,344,225
2017	2,516,783
2018	2,588,642
2019	2,673,992
2020	2,340,197
2021-2025	12,681,056
2026-2030	9,805,953
2031-2035	4,276,588
Total	<u>\$ 39,227,436</u>

NOTE 7: SHORT-TERM DEBT

During the fiscal year ended June 30, 2015, the District borrowed \$10,000,000 from the State-sponsored interest-free loan program to provide cash flow throughout the fiscal year. None of the amount borrowed was outstanding as of June 30, 2015.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 8: RISK MANAGEMENT

The deductible for all perils, except flood, windstorm and earthquake, is subject to a per occurrence deductible of \$100,000. The District has no excess coverage for physical damage and collision, upset or overturning of vehicles off premises. Further, the Colorado Governmental Immunity Act provides local governments with immunity from liability in excess of \$150,000 per person per occurrence and \$600,000 aggregate per occurrence. The District is self-insured for its medical and property/workers' compensation claims.

The District purchases commercial insurance for claims in excess of the District's self-insured retention. Settled claims for the past four fiscal years have not exceeded the commercial coverage.

Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR).

The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. The claims liability was determined actuarially. The property claims liability is based on the current reserves.

The claims liability is considered to be reasonably estimated (measurable) and probable of assertion.

The following represents the change in the claims liability for the District during the fiscal year ended June 30, 2015.

	Medical	Property/Workers Compensation	Total
Claims Liability June 30, 2012	\$ 2,289,583	\$ 2,967,222	\$ 5,256,805
Claims Incurred and Adjusted	20,601,989	1,645,471	22,247,460
Claims Payments	(19,820,612)	(1,233,229)	(21,053,841)
Claims Liability June 30, 2013	3,070,960	3,379,464	6,450,424
Claims Incurred and Adjusted	19,051,675	2,349,913	21,401,588
Claims Payments	(19,722,635)	(1,970,273)	(21,692,908)
Claims Liability June 30, 2014	2,400,000	3,759,104	6,159,104
Claims Incurred and Adjusted	22,974,047	1,805,913	24,779,960
Claims Payments	(22,564,047)	(1,616,642)	(24,180,689)
Claims Liability June 30, 2015	\$ 2,810,000	\$ 3,948,375	\$ 6,758,375

The District's property and workers' compensation activity is reported within the Risk Insurance Fund, a subfund of the General Fund. The claims liability for property and workers' compensation is only reported in the government-wide Statement of Net Position as the liability is not a matured liability under the modified accrual basis of accounting.

The District utilizes the Medical Fund, an internal service fund, for the accounting and reporting of its health insurance claims. Accordingly, the claims are expensed as they are incurred and the full medical claim liability of \$2,810,000 is reported within the Medical Fund as a current liability.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 9: PENSION PLAN

Defined Benefit Pension Plan

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

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

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit .
- The value of the retiring employee’s member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

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 percent and then multiplied by years of service credit .
- \$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 percent of highest average salary and also cannot exceed the maximum benefit allowed by Federal Internal Revenue Code.

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

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

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 9: PENSION PLAN (Continued)**Defined Benefit Pension Plan (Continue)**

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

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

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

	For the Year Ended December 31, 2014	For the Year Ended December 31, 2015
Employer Contribution Rate	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	3.80%	4.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. §24-51-411 ¹	3.50%	4.00%
Total Employer Contribution Rate to the SCHDTF	16.43%	17.33%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$50.9 million for the year ended June 30, 2015.

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

At June 30, 2015, the District reported a liability of \$903,520,866 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2013. Standard update procedures were used to roll forward the total pension liability to December 31, 2014. The District's proportion of PERA's net pension liability was based on the District contributions to the SCHDTF for the calendar year 2014 relative to the total contributions of participating employers to the SCHDTF.

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 9: PENSION PLAN (Continued)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

At December 31, 2014, the District proportion was approximately 6.67 percent, which was a decrease of approximately 0.05 percent from its proportion measured as of December 31, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$48,371,973. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	-	\$67,464
Net difference between projected and actual earnings on pension plan investments	\$20,778,030	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	\$4,874,570
Contributions subsequent to the measurement date	\$26,400,722	N/A
Total	\$47,178,752	\$4,942,034

\$26,400,722 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, 2016. Deferred inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of the measurement period, which was 3.7 years. The deferred outflows related to the difference between expected and actual investment earnings is being amortized over a closed 5-year period beginning in the current year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Outflows	Inflows
2016	\$5,194,507	(\$1,830,383)
2017	\$5,194,507	(\$1,830,383)
2018	\$5,194,507	(\$1,281,268)
2019	\$5,194,509	
Total	\$20,778,030	(\$4,942,034)

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 9: PENSION PLAN (Continued)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

Actuarial assumptions - The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Price inflation	2.80 percent
Real wage growth	1.10 percent
Wage inflation	3.90 percent
Salary increases including wage inflation	3.90—10.10 percent
Long-term investment Rate of Return, net of pension plan investment expenses including price inflation	7.50 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates were based on the 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 1 year, and Females set back 2 years.

The actuarial assumptions used in the December 31, 2013 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.

The SCHDTF's long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent analysis of the long-term expected rate of return, presented to the PERA Board on November 15, 2013, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 9: PENSION PLAN (Continued)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

Asset Class	Target Allocation	10 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
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 7.50 percent.

Discount rate - The discount rate used to measure the total pension liability was 7.50 percent. 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 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Based on those assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

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 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$1,039,054,456	\$903,520,866	\$767,987,276

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 9: PENSION PLAN (Continued)

Defined Benefit Pension Plan

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

Defined Contribution Pension Plan

Voluntary Investment Program

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

Funding Policy - The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2015 program members contributed \$3,811,800.

Other Post Employment Benefits

Health Care Trust Fund

Plan Description - The District contributes to the Health Care Trust Fund (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 the C.R.S., as amended, establishes the 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 the 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 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2013, 2014 and 2015, the District contributions to the HCTF were \$2,703,090, \$2,776,357 and \$2,974,543, respectively, equal to their required contributions for each year.

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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 10: COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental 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, 2015, varying amounts of grant expenditures have not been audited by federal and state agencies, 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.

Committed Construction

At June 30, 2015, the District had contractual commitments for the construction of various major capital projects and facilities of \$1,891,709. Certificates of participation, investment earnings, and energy performance contract lease agreement proceeds will provide funding for these immediate future expenditures. These commitments include \$437,120 for identified furniture, fixtures and equipment for Aspen View Charter School.

Litigation

The District's contract with the Douglas County Federation of Teachers (the Union) expired July 1, 2012. On that date the District created new Certified and Classified Compensation and Benefit Program documents representing the fringe benefits and employee policies governing most employees of the District. This document has been updated and approved by the Board each year since July 1, 2012. The District has maintained their ongoing contract with ATU, the Amalgamated Transport Union.

During fiscal year 2013, a claim was filed in connection with certain benefits associated with the former union contract. The District believes this claim, once decided, will not have a material impact on the financial statements of the District.

The District is involved in various other litigation matters in which the outcome cannot be predicted at this time.

TABOR Amendment

In November 1992, Colorado voters passed Article X, Section 20 (TABOR Amendment), to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the TABOR Amendment. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. In November 1998, voters within the District authorized the District to collect, retain, and spend all District revenues received in 1998 and each year thereafter, notwithstanding the limitations of the TABOR Amendment. The TABOR Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment.

The TABOR Amendment requires the District to establish a reserve of 3 percent for emergencies. At June 30, 2015, the District and charter school reserves of \$15,290,000 and \$2,858,604 respectively, were recorded as a restricted fund balance in the Combined General Fund.

In addition to this TABOR Reserve, Board policy requires an additional 3 percent be held as a prudent reserve providing evidence of financial stability and maintaining the high credit rating the District presently enjoys. This policy also mandates a 1 percent contingency budget to be appropriated each year providing readily available resources in the event of unforeseen circumstances.

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 11: RESTATEMENT OF NET POSITION/FUND BALANCE

In fiscal year 2014-2015, the District restated beginning net position/fund balance due to a reclassification of certain enterprise funds to governmental funds. Consistent with the guidance from the Colorado Department of Education and in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, management of the District has reclassified the Nutrition Services Fund from an enterprise fund to a non-major special revenue fund. The District also evaluated the classification of its remaining enterprise funds and determined that the Child Care Fund should be classified as a non-major special revenue fund and the Outdoor Education Fund be classified within the General Fund.

In addition, during fiscal year 2014-2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which requires the District to record its "proportionate share" of PERA's net pension liability and related deferred inflows and outflows of resources in the government-wide financial statements.

As a result, the District restated beginning net position/fund balance as follows:

	Governmental Activities	Business- Type Activities	General Fund	Nutrition Services Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Discretely Presented Component Unit
Beginning net position/fund balance, as originally reported	\$ 337,078,986	\$ 8,054,752	\$ 88,225,902	\$ 3,192,415	\$ 1,008,953	\$ 4,862,337	\$ 12,255,876
Reclassification of Nutrition Services Fund	3,192,415	(3,192,415)	-	(3,192,415)	113,548	-	-
Reclassification of Child Care Fund	4,640,150	(4,640,150)	-	-	4,412,495	(4,640,150)	-
Reclassification of Outdoor Education Fund	222,187	(222,187)	219	-	-	(222,187)	-
Net Pension liability at June 30, 2014	(856,977,243)	-	-	-	-	-	(94,149,677)
Deferred outflow of resources related to contributions made after December 31, 2013 measurement date	23,913,512	-	-	-	-	-	-
Beginning net position/fund balance, as restated	\$ (487,929,993)	\$ -	\$ 88,226,121	\$ -	\$ 5,534,996	\$ -	\$ (81,893,801)

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE 12: NEW GASB PRONOUNCEMENTS FOR FUTURE IMPLEMENTATION

GASB Statement No. 72, *Fair Value Measurement and Application*, issued February, 2015 will be effective for the District with its year ending June 30, 2016. This Statement defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. This Statement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments, which generally are measured at fair value, are defined as a security or other asset that governments hold primarily for the purpose of income or profit and the present service capacity of which are based solely on their ability to generate cash or to be sold to generate cash. The related disclosures have been expanded to categorize fair values according to their relative reliability and to describe positions held in many alternative investments.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued in June 2015, will be effective for the District beginning with its fiscal year ending June 30, 2018. The Statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and requires governments to report a liability on the face of the financial statements for the OPEB they provide and outlines the reporting requirements by governments for defined benefit OPEB plans administered through a trust, cost-sharing OPEB plans administered through a trust and OPEB not provided through a trust. The Statement also requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. Some governments are legally responsible to make contributions directly to an OPEB plan or make benefit payments directly as OPEB comes due for employees of other governments. In certain circumstances, called special funding situations, the Statement requires these governments to recognize in their financial statements a share of the other government's net OPEB liability.

NOTE 13: SUBSEQUENT EVENT

On October 6, 2015, Colorado Educational and Cultural Facilities Authority (CECFA) issued \$38,725,000 Charter School Refunding Revenue Bonds, Series 2015. Bond proceeds were used to advance refund the Charter School Revenue Bonds, Series 2008 and 2012. The American Academy Buildings Corporation II (the "Corporation") entered into a loan agreement with CECFA to pay the principal and interest on the Bonds. Principal is payable annually beginning December 1, 2016, with a balloon payment of \$31,590,000 due on December 1, 2025. Interest accrues at 4.2 percent per annum. In conjunction with the refunding, the Corporation acquired the capital assets of the American Academy Foundation.

***REQUIRED
SUPPLEMENTARY
INFORMATION***



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DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Combined General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2015

	2015			Variance with Budget
	Adopted Budget	Amended Budget	Actual	
REVENUES				
Taxes:				
Local Property Taxes	\$ 155,944,068	\$ 155,953,330	\$ 156,815,037	\$ 861,707
Specific Ownership Taxes	18,881,418	20,123,525	21,630,690	1,507,165
Total Taxes	<u>174,825,486</u>	<u>176,076,855</u>	<u>178,445,727</u>	<u>2,368,872</u>
Intergovernmental State Funding:				
State Equalization	298,197,460	293,475,750	293,357,217	(118,533)
Special Education	10,343,041	10,578,841	11,116,902	538,061
Vocational Education	594,171	594,171	447,612	(146,559)
Other	6,197,063	7,793,885	10,155,090	2,361,205
Total Intergovernmental State Funding	<u>315,331,735</u>	<u>312,442,647</u>	<u>315,076,821</u>	<u>2,634,174</u>
Other:				
Investment Income	101,726	101,726	69,346	(32,380)
Charges for Services	23,023,497	23,590,175	22,803,420	(786,755)
Other	6,437,090	5,723,439	8,131,306	2,407,867
Total Other	<u>29,562,313</u>	<u>29,415,340</u>	<u>31,004,072</u>	<u>1,588,732</u>
Total Revenue	<u>519,719,534</u>	<u>517,934,842</u>	<u>524,526,620</u>	<u>6,591,778</u>
EXPENDITURES				
Current Operating:				
Instructional Services	282,597,649	290,873,526	261,502,772	29,370,754
Supporting Services:				
Pupil Support Services	67,035,256	75,928,678	69,676,737	6,251,941
Operations and Maintenance	63,459,912	66,234,325	61,740,951	4,493,374
Central Supporting Services	40,851,709	44,198,198	35,772,499	8,425,699
Payments to Component Units	85,658,325	82,143,220	80,957,702	1,185,518
Total Expenditures	<u>539,602,851</u>	<u>559,377,947</u>	<u>509,650,661</u>	<u>49,727,286</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>(19,883,317)</u>	<u>(41,443,105)</u>	<u>14,875,959</u>	<u>56,319,064</u>
OTHER FINANCING (USES)				
Transfers Out	<u>(7,310,481)</u>	<u>(7,436,481)</u>	<u>(7,436,481)</u>	<u>-</u>
Total Other Financing (Uses)	<u>(7,310,481)</u>	<u>(7,436,481)</u>	<u>(7,436,481)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (27,193,798)</u>	<u>\$ (48,879,586)</u>	<u>7,439,478</u>	<u>\$ 56,319,064</u>
FUND BALANCE, Beginning, as restated			<u>88,226,121</u>	
FUND BALANCE, Ending			<u>\$ 95,665,599</u>	

See accompanying independent auditor's report and note to required supplementary information

Douglas County School District Re. 1
Schedule of the District's Contributions-PERA
For The Last Ten Years

	Fiscal Year				
	2015	2014	2013	2012	2011
Contractually required contributions	\$ 50,888,022	\$ 47,497,483	\$ 42,826,213	\$ 39,173,651	\$ 37,768,910
Contributions in relation to the contractually required contribution	50,888,022	47,497,483	42,826,213	39,173,651	37,768,910
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 293,267,118	\$ 281,267,898	\$ 275,020,795	\$ 265,598,444	\$ 271,163,890
Contributions as a percentage of covered-employee payroll	17.35%	16.89%	15.57%	14.75%	13.93%

See accompanying independent auditor's report and note to required supplementary information

2010	2009	2008	2007	2006
\$ 34,488,384	\$ 33,194,527	\$ 29,263,121	\$ 27,136,935	\$ 22,830,429
34,488,384	33,194,527	29,263,121	27,136,935	22,830,429
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 290,261,702	\$ 301,181,102	\$ 286,587,226	\$ 255,542,444	\$ 230,488,635
11.88%	11.02%	10.21%	10.62%	9.91%

See accompanying independent auditor's report and note to required supplementary information

Douglas County School District Re. 1
Schedule of the District's Proportionate
Share of Net Pension Liabilities
Last Two Calendar Years

	2013	2014
District's proportion of the net pension liability (asset)	6.719%	6.664%
District's proportionate share of the net pension liability (asset)	\$ 856,977,243	\$ 903,520,866
District's covered-employee payroll	\$ 241,449,643	\$ 249,141,046
District's proportionate share of the net pension liability(asset) as a percentage of its covered-employee payroll	354.93%	362.65%
Plan fiduciary net position as a percentage of the total pension liability	64.07%	62.84%

* The amounts presented for each year were determined as of December 31, the measurement date used by the District

See accompanying independent auditor's report and note to required supplementary information

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2015

NOTE 1: BUDGET COMPLIANCE WITH COLORADO STATE LAW

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles in the United States of America (U.S. GAAP) for all funds. The budgetary comparison schedules included for the Combined General Fund as well as the other fund schedules included in the Supplementary Information are presented on a U.S. GAAP basis.

Budgets are required by state law for all funds. During May, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. Public hearings are conducted by the Board of Education to obtain taxpayer comments. Prior to June 30, the budget is adopted by formal resolution. Revisions are allowed until the final budget is adopted on or before January 31. After this date, the Board may adopt a supplemental budget if additional revenue becomes available.

Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department in the Combined General Fund rests with the Superintendent of Schools and/or his or her delegate. Revisions that alter the total expenditures of any fund must be approved by the Board of Education through a formal resolution.

NOTE 2: PENSION PLAN CONTRIBUTIONS

The District is required to contribute to PERA as provided under Senate Bill (SB) 10-001. The Districts required contribution rates are as follows:

Start Date	Statutory Employer Contribution	AED	SAED*	Total Contribution % for Year
Jan 2010	10.15%	2.20%	1.50%	13.85%
Jan 2011	10.15%	2.60%	2.00%	14.75%
Jan 2012	10.15%	3.00%	2.50%	15.65%
Jan 2013	10.15%	3.40%	3.00%	16.55%
Jan 2014	10.15%	3.80%	3.50%	17.45%
Jan 2015	10.15%	4.20%	4.00%	18.35%
Jan 2016	10.15%	4.50%	4.50%	19.15%
Jan 2017	10.15%	4.50%	5.00%	19.65%
Jan 2018	10.15%	4.50%	5.50%	20.15%

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2015

NOTE 2: PENSION PLAN CONTRIBUTIONS (Continued)

In 2004 and 2006, legislation was passed that required employers to remit additional contributions to PERA. These additional contributions are the Amortization Equalization Disbursement (AED) and Supplemental Amortization Equalization Disbursement (SAED). The AED is an additional amount contributed by PERA employers that has gradual increases. The SAED is also an amount contributed by employers and is, to the extent permitted by law, to be funded by moneys otherwise available for employee wage increases. The SAED also has gradual increases. These additional employer contributions, based on the total payroll of PERA members and employees who can elect either PERA or another plan (regardless of the plan elected), are designed to reduce PERA's unfunded liability and amortization period.

For the School Division, the AED will continue to increase by 0.4 percent per year from 2013 through 2015 and by 0.3 percent in 2016 for a total rate of 4.5 percent. In addition, the SAED will continue to increase by 0.5 percent per year to a total rate of 5.5 percent by 2018. Also the 0.4 percent increase in the statutory employer contribution rate in 2013 was eliminated. However, if the funding ratio reaches 103 percent, the AED and SAED will be reduced by 0.5 percent of pay each.

The actuarially determined contribution (ADC) rates, as a percentage of pensionable payroll, used to determine the ADC amounts in the Schedule of District Contributions are calculated as of December 31, two years prior to the end of the year in which ADC amounts are reported. The following actuarial methods and assumptions (from the December 31, 2012 actuarial valuation) were used to determine contribution rates reported in that schedule for the year ending December 31, 2014:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Amortization period	30 years, open
Asset valuation method	4-year smoothed market
Price inflation	3.50 percent
Real wage growth	0.75 percent
Wage inflation	4.25 percent
Salary increases, including wage inflation	4.25 to 11.20 percent
Long-term investment rate of return, net of pension plan investment expense, including price inflation	8.00 percent
Future post-retirement benefit increases	
PERA benefit structure hired prior to 1/1/07	2.00 percent
PERA benefit structure hired after 12/31/06	0.00 percent as financed by the annual increase reserve

NOTE 3: PENSION PLAN PROVISIONS

For benefit recipients of the PERA benefit structure based upon a membership date before January 1, 2007, future Post-Retirement Benefits Increases are set at an amount equal to 2 percent (the lesser of that or the annual Consumer Price Index for Urban Wage Earners and Clerical Workers [CPI-W] increase for 2010). However, if the investment return for the prior year is negative, then the increase is an amount equal to the annual CPI-W increase with a cap of 2 percent. The 2 percent cap may be adjusted based upon the year-end funded status, with increases mandated when the funded status reaches 103 percent and decreases mandated when the funded status subsequently falls below 90 percent. The cap will not be reduce below 2 percent. In addition, the increase is first paid on the July 1st that is at least 12 months after retirement for those members who retire on or after January 1, 2011. Members not eligible to retire as of January 1, 2011, who retire with a reduced service retirement allowance must reach age 60 or the age and service requirements for unreduced service retirement to be eligible for the Post-Retirement Benefit increases.

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2015

NOTE 3: PENSION PLAN PROVISIONS (Continued)

Effective January 1, 2011, other than in the Judicial Division, for all active members, who are not eligible for retirement on January 1, 2011, the annual salary increase cap in determination of Highest Average Salary (HAS) was lowered from 15 percent to 8 percent for PERA benefit structure members and for DPS benefit structure members, a change from the average of salaries of the highest 36 months of earned service to the PERA benefit structure method with an annual salary cap of 8 percent.

Effective January 1, 2011, a new requirement was added that PERA benefit structure members must have five years of earned service credit in order to receive a 50 percent match on a refund.

Effective January 1, 2011, the reduction factors for a reduced service retirement benefit for members not eligible to retire as of January 1, 2011, were changed to an actuarial equivalent basis.

Effective January 1, 2011, a modified Rule of 85 for service retirement eligibility was implemented for members with less than 5 years of service credit as of January 1, 2011.

Effective January 1, 2011, a modified Rule of 88 with a minimum age of 58 for service retirement eligibility was implemented for members hired on or after January 1, 2011, but before January 1, 2017.

Effective January 1, 2011, a modified Rule of 90 with a minimum age of 60 for service retirement eligibility was implemented for members hired on or after January 1, 2017.

The following changes were made to the Plan's provisions as a result of the passage of SB 06-235:

The Annual Increase Reserve (AIR) was established January 1, 2007 and will be used to provide post-retirement benefit increases for members hired on or after that date. The AIR is financed by an allocation from the employer statutory contributions made on behalf of members hired on or after January 1, 2007 equal to 1.00 percent of pensionable payroll and through an allocation of purchase of service dollars.

The Service Retirement Eligibility for those members hired after January 1, 2007 was changed at age 55 by increasing the age and service requirement from 80 years to 85 years.

Other Plan provisions and assumptions include the following:

The investment return assumption is 7.50 percent which is net of investment expenses to better represent the investment consultant's assumptions and predictions and also to better align with GASB accounting and reporting requirements. An ongoing estimated administrative expense of 0.35 percent of pensionable payroll was added to the normal cost beginning with the December 31, 2012 actuarial valuation.

The post-retirement mortality tables used are the RP-2000 Combined Mortality tables projected with a Scale AA to 2020 set back one year for males and two years for females.

The assumed interest rate credited on member contribution accounts is 3 percent.

For the AIR established on January 1, 2007, the AIR balance is excluded from both assets and liabilities in the determination of the ADC rate as a percentage of pensionable payroll.



Douglas County School District
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***SUPPLEMENTARY
INFORMATION***

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Combined General Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014 (Restated)
ASSETS		
Cash and Investments	\$ 107,096,472	\$ 101,273,134
Receivables:		
Property Taxes, Net of Allowance for Uncollectible Taxes	8,820,793	8,964,331
Other	1,078,308	504,562
Inventories	582,493	669,850
Due from Other Funds	6,336,443	4,627,360
Prepaid Costs	152,414	357,211
Restricted Cash and Investments	-	2,013,949
Total Assets	<u>\$ 124,066,923</u>	<u>\$ 118,410,397</u>
LIABILITIES		
Accounts Payable	\$ 4,734,792	\$ 5,051,435
Accrued Compensation	20,175,108	21,448,561
Unearned Revenues	509,641	539,690
Total Liabilities	<u>25,419,541</u>	<u>27,039,686</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Property Taxes	2,981,783	3,144,590
FUND BALANCES		
Nonspendable:		
Inventories & Prepaid Costs	734,907	1,027,061
Restricted:		
TABOR Emergency Reserve	15,290,000	15,132,000
Assigned:		
3% Board Reserves & 1% Contingency	20,390,000	20,200,000
Extended Service Severance	993,426	1,734,705
1% Pay Increase for FY 2017	3,500,000	-
Transfer to Risk Insurance	800,000	-
Transfer to Athletics & Activities	1,000,000	-
Pay for Performance Carryover	3,121,155	3,500,000
School and Department Carryover	22,906,775	19,546,877
Master Capital Plan Projects	5,500,000	-
Energy Performance Proceeds & Cash In Lieu	2,055,209	4,323,472
Security/Transportation/Technology	4,327,938	-
Buses/Phone System/Classroom Technology	-	8,757,127
Innovation and HS Student Requests	1,285,568	2,100,000
Sub-fund Carryover	13,297,487	11,417,806
Unassigned	463,134	487,073
Total Fund Balances	<u>95,665,599</u>	<u>88,226,121</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 124,066,923</u>	<u>\$ 118,410,397</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Combined General Fund
Combining Balance Sheet
June 30, 2015

	General Fund 10	Outdoor Education Fund 13	Full Day Kindergarten Fund 15	Risk Insurance Fund 18	Transportation Fund 25	Capital Projects Fund 43	Combined General Fund
ASSETS							
Cash and Investments	\$ 89,330,926	\$ 36,933	\$ 2,684,704	\$ 1,297,670	\$ 3,158,698	\$ 10,587,541	\$ 107,096,472
Receivables:							
Property Taxes, Net of Allowance for Uncollectible Taxes	8,820,793	-	-	-	-	-	8,820,793
Other	752,988	-	-	-	216,168	109,152	1,078,308
Inventories	399,584	-	-	-	182,909	-	582,493
Due from Other Funds	6,336,443	-	-	-	-	-	6,336,443
Prepaid Costs	12,414	-	-	140,000	-	-	152,414
Total Assets	\$ 105,653,148	\$ 36,933	\$ 2,684,704	\$ 1,437,670	\$ 3,557,775	\$ 10,696,693	\$ 124,066,923
LIABILITIES							
Accounts Payable	\$ 3,370,490	\$ 4,280	\$ 2,836	\$ 141,390	\$ 833,083	\$ 382,713	\$ 4,734,792
Accrued Compensation	19,094,989	13,139	468,363	-	596,520	2,097	20,175,108
Unearned Revenues	215,892	-	293,749	-	-	-	509,641
Total Liabilities	22,681,371	17,419	764,948	141,390	1,429,603	384,810	25,419,541
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Property Taxes	2,981,783	-	-	-	-	-	2,981,783
FUND BALANCES							
Nonspendable:							
Inventories & Prepaid Costs	411,998	-	-	140,000	182,909	-	734,907
Restricted:							
TABOR Emergency Reserve	15,290,000	-	-	-	-	-	15,290,000
Assigned:							
3% Board Reserves & 1% Contingency	20,390,000	-	-	-	-	-	20,390,000
Extended Service Severance	993,426	-	-	-	-	-	993,426
1% Pay Increase for FY 2017	3,500,000	-	-	-	-	-	3,500,000
Transfer to Risk Insurance	800,000	-	-	-	-	-	800,000
Transfer to Athletics & Activities	1,000,000	-	-	-	-	-	1,000,000
Pay for Performance Carryover	3,121,155	-	-	-	-	-	3,121,155
School and Department Carryover	22,906,775	-	-	-	-	-	22,906,775
Master Capital Plan Projects	5,500,000	-	-	-	-	-	5,500,000
Energy Performance Proceeds & Cash In Lieu	-	-	-	-	-	2,055,209	2,055,209
Security/Transportation/Technology	4,327,938	-	-	-	-	-	4,327,938
Innovation and HS Student Requests	1,285,568	-	-	-	-	-	1,285,568
Sub-Fund Carryover	-	19,514	1,919,756	1,156,280	1,945,263	8,256,674	13,297,487
Unassigned	463,134	-	-	-	-	-	463,134
Total Fund Balances	79,989,994	19,514	1,919,756	1,296,280	2,128,172	10,311,883	95,665,599
Total Liabilities and Fund Balances	\$ 105,653,148	\$ 36,933	\$ 2,684,704	\$ 1,437,670	\$ 3,557,775	\$ 10,696,693	\$ 124,066,923

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Combined General Fund
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2015

	General Fund 10	Outdoor Education Fund 13	Full Day Kindergarten Fund 15	Risk Insurance Fund 18	Transportation Fund 25	Projects Fund 43	Combined General Fund
REVENUES							
Property Taxes	\$ 156,815,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156,815,037
Specific Ownership Tax	21,630,690	-	-	-	-	-	21,630,690
Intergovernmental State Sources:							
Equalization	293,357,217	-	-	-	-	-	293,357,217
Special Education	11,116,902	-	-	-	-	-	11,116,902
Vocational Education	447,612	-	-	-	-	-	447,612
Other State	5,581,925	-	-	-	4,573,165	-	10,155,090
Charges for Services	14,992,737	506,815	4,656,729	-	2,647,139	-	22,803,420
Investment Earnings	68,958	-	-	-	-	388	69,346
Other	7,366,974	-	18,237	-	25,973	720,122	8,131,306
Total Revenues	511,378,052	506,815	4,674,966	-	7,246,277	720,510	524,526,620
EXPENDITURES							
Current Operating:							
Instructional Services	252,321,604	625,033	6,343,700	-	-	2,212,435	261,502,772
Supporting Services:							
Pupil Support Services	68,933,737	-	89,884	-	-	653,116	69,676,737
Operations and Maintenance	35,859,665	-	-	707,885	20,320,809	4,852,592	61,740,951
Central Supporting Services	27,646,566	62,487	-	3,619,182	21,851	4,422,413	35,772,499
Payments to Component Units	80,957,702	-	-	-	-	-	80,957,702
Total Expenditures	465,719,274	687,520	6,433,584	4,327,067	20,342,660	12,140,556	509,650,661
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,658,778	(180,705)	(1,758,618)	(4,327,067)	(13,096,383)	(11,420,046)	14,875,959
OTHER FINANCING SOURCES (USES)							
Transfers In/Out	(37,771,411)	200,000	-	3,862,288	14,691,699	11,580,943	(7,436,481)
Total Other Financing Sources (Uses)	(37,771,411)	200,000	-	3,862,288	14,691,699	11,580,943	(7,436,481)
NET CHANGE IN FUND BALANCES	7,887,367	19,295	(1,758,618)	(464,779)	1,595,316	160,897	7,439,478
FUND BALANCES, Beginning, as restated	72,102,627	219	3,678,374	1,761,059	532,856	10,150,986	88,226,121
FUND BALANCES, Ending	\$ 79,989,994	\$ 19,514	\$ 1,919,756	\$ 1,296,280	\$ 2,128,172	\$ 10,311,883	\$ 95,665,599

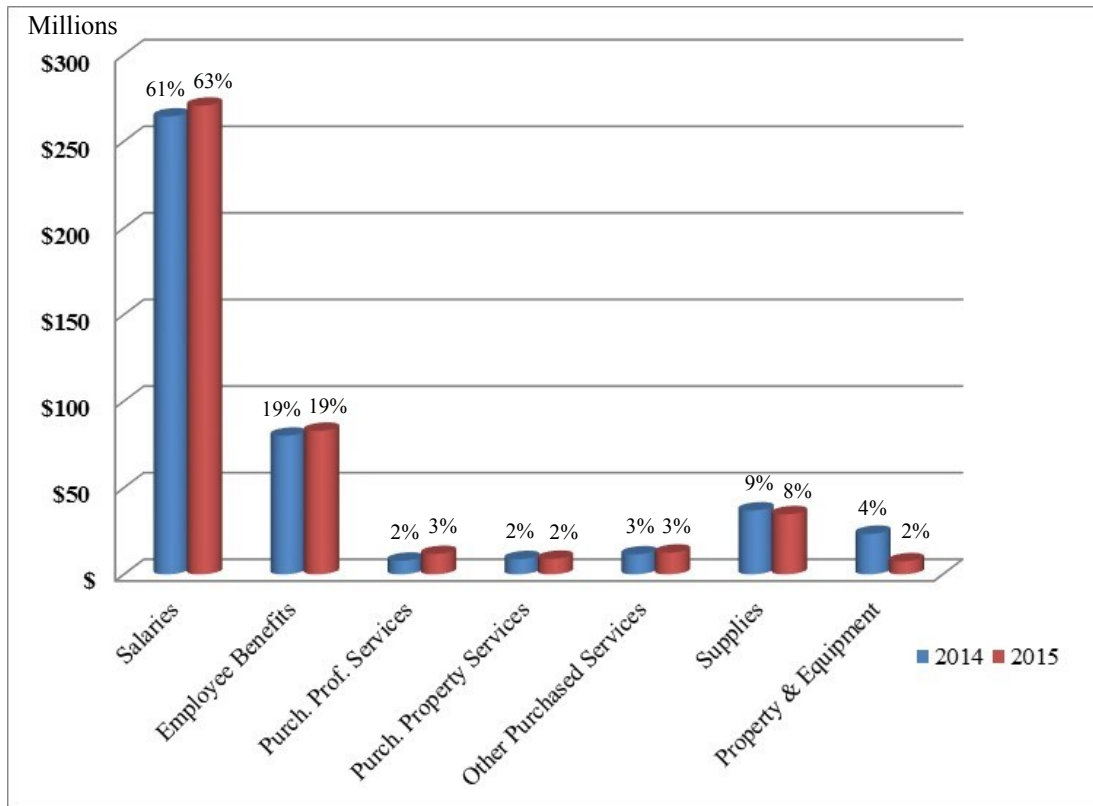
DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Combined General Fund
 Schedule of Expenditures by Object - Budget to Actual
 For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

EXPENDITURES	2015			Variance with Budget	2014 Actual Restated
	Adopted Budget	Amended Budget	Actual		
Salaries	\$ 279,149,472	\$ 272,569,981	\$ 270,571,584	\$ 1,998,397	\$ 264,328,582
Employee Benefits	89,357,916	89,820,151	82,865,178	6,954,973	80,006,437
Purchased Professional Services	9,467,528	10,801,821	11,720,399	(918,578)	7,834,412
Purchased Property Services	5,643,890	9,048,284	8,895,859	152,425	8,742,208
Other Purchased Services	8,301,282	10,901,461	12,472,175	(1,570,714)	11,492,327
Supplies	50,430,159	65,037,008	34,660,869	30,376,139	36,866,312
Property & Equipment	6,936,089	14,372,400	7,506,255	6,866,145	23,341,054
Prop & Equip Capital Lease	-	-	-	-	(3,530,800)
Chargebacks/Credits	4,658,190	4,683,621	640	4,682,981	(818,615)
Total Expenditures	453,944,526	477,234,727	428,692,959	48,541,768	428,261,917
Capital Lease Expense	-	-	-	-	3,530,800
Charter Schools	85,658,325	82,143,220	80,957,702	1,185,518	73,281,995
Interfund Transfers, net	7,310,481	7,436,481	7,436,481	-	11,174,203
Total Expenditures	\$ 546,913,332	\$ 566,814,428	\$ 517,087,142	\$ 49,727,286	\$ 516,248,915

FY 2015 and 2014
 Combined General Fund Expenditures by Object

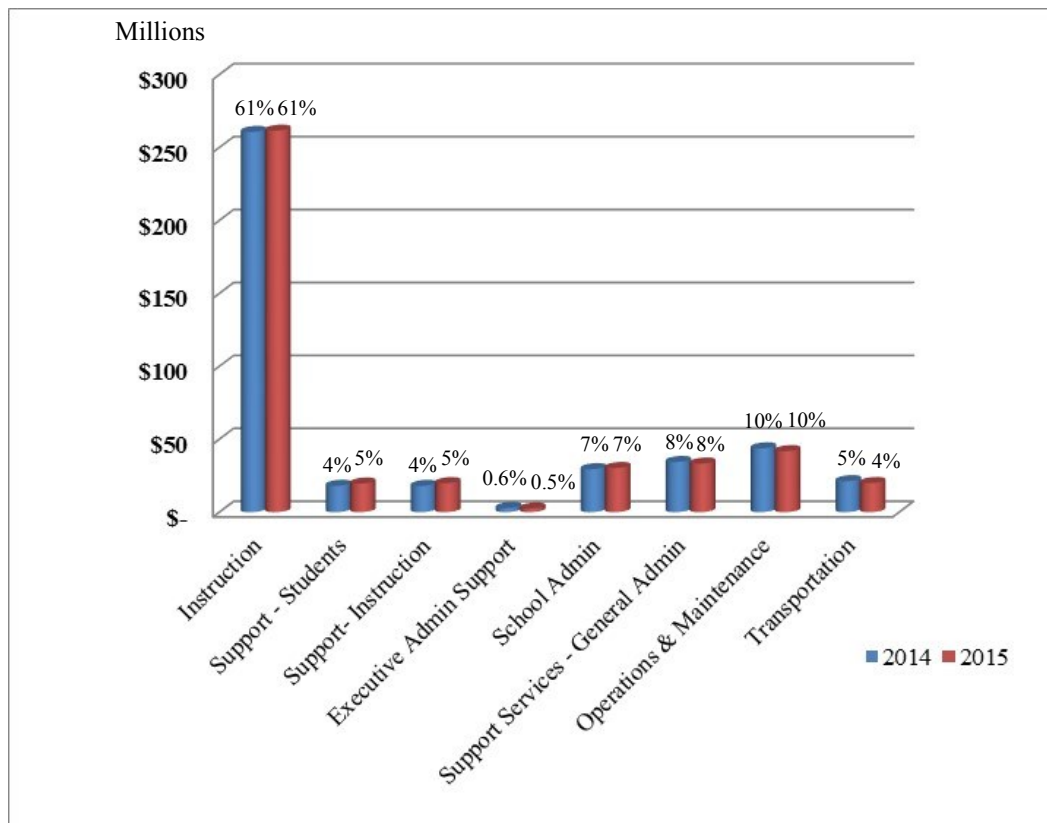


DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Combined General Fund
 Schedule of Expenditures by Program - Budget to Actual
 For the Fiscal Year Ended June 30, 2015
 (With Comparative Actual Information for the Year Ended June 30, 2014)

EXPENDITURES	2015			Variance with Budget	2014 Actual Restated
	Adopted Budget	Amended Budget	Actual		
Instruction	\$ 282,597,649	\$ 290,873,526	\$ 261,502,772	\$ 29,370,754	\$ 260,631,734
Support - Students	18,463,226	19,543,166	19,575,125	(31,959)	18,032,054
Support - Instruction	19,699,927	23,558,128	19,823,880	3,734,248	17,985,897
Executive Admin Support	2,325,547	2,655,842	2,468,723	187,119	2,787,033
School Admin	28,872,103	32,827,384	30,277,732	2,549,652	29,446,363
Support Services - General Admin	38,526,162	41,542,356	33,303,776	8,238,580	34,397,514
Operations & Maintenance	43,122,172	44,071,589	41,813,731	2,257,858	43,730,027
Transportation	20,337,740	22,162,736	19,927,220	2,235,516	21,251,295
Total Expenditures	453,944,526	477,234,727	428,692,959	48,541,768	428,261,917
Capital Lease Financing	-	-	-	-	3,530,800
Charter Schools	85,658,325	82,143,220	80,957,702	1,185,518	73,281,995
Interfund Transfers, net	7,310,481	7,436,481	7,436,481	-	11,174,203
Total Expenditures	\$ 546,913,332	\$ 566,814,428	\$ 517,087,142	\$ 49,727,286	\$ 516,248,915

FY 2015 and FY 2014
 Combined General Fund Expenditures by Program



DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Combined General Fund
 Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Fiscal Years Ended June 30, 2015 and 2014

	2015	2014 Restated
REVENUES		
Taxes	\$ 178,445,727	\$ 174,962,275
Intergovernmental:		
State Equalization	293,357,217	270,410,414
Special Education	11,116,902	10,164,193
Vocational Education	447,612	594,172
Other State	10,155,090	7,976,341
Charges for Services	22,803,420	22,198,849
Investment Earnings	69,346	66,287
Other	8,131,306	10,018,892
Total Revenue	<u>524,526,620</u>	<u>496,391,423</u>
EXPENDITURES		
Current Operating:		
Instructional Services	261,502,772	260,631,734
Supporting Services:		
Pupil Support Services	69,676,737	65,464,314
Operations and Maintenance	61,740,951	68,512,122
Central Supporting Services	35,772,499	37,184,547
Charter School Allocations	80,957,702	73,281,995
Total Expenditures	<u>509,650,661</u>	<u>505,074,712</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>14,875,959</u>	<u>(8,683,289)</u>
OTHER FINANCING SOURCES (USES)		
Issuance of Capital Lease	-	3,530,800
Proceeds from Sale of Capital Assets	-	122,719
Transfers Out	(7,436,481)	(11,174,203)
Total Other Financing Sources (Uses)	<u>(7,436,481)</u>	<u>(7,520,684)</u>
NET CHANGE IN FUND BALANCE	7,439,478	(16,203,973)
FUND BALANCE, Beginning, as restated	<u>88,226,121</u>	<u>104,430,094</u>
FUND BALANCE, Ending	<u>\$ 95,665,599</u>	<u>\$ 88,226,121</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2015

	Nutrition Services Fund 21	Governmental Designated Purpose Grants Fund 22	Athletics and Activities Fund 26	Child Care Fund 28	COP Lease Payment Fund 39	Total Non-Major Governmental Funds
ASSETS						
Cash and Investments	\$ 142,015	\$ -	\$ 680,681	\$5,692,744	\$1,538,284	\$ 8,053,724
Receivables:						
Intergovernmental and Grants	285,101	3,121,582	-	-	-	3,406,683
Other Receivables	29,926	-	-	-	-	29,926
Inventories	671,255	-	-	-	-	671,255
	<u>\$1,128,297</u>	<u>\$ 3,121,582</u>	<u>\$ 680,681</u>	<u>\$5,692,744</u>	<u>\$1,538,284</u>	<u>\$ 12,161,588</u>
LIABILITIES						
Accounts Payable	\$ 40,721	\$ 110,035	\$ 231,495	\$ 183,218	\$ -	\$ 565,469
Due to Other Funds	-	1,744,234	-	-	-	1,744,234
Accrued Compensation	165,869	569,495	52,573	508,102	-	1,296,039
Unearned Revenues	-	512,698	870	2,950	-	516,518
	<u>206,590</u>	<u>2,936,462</u>	<u>284,938</u>	<u>694,270</u>	<u>-</u>	<u>4,122,260</u>
FUND BALANCES						
Non-spendable	671,255	-	-	-	-	671,255
Restricted	250,452	185,120	395,743	4,998,474	1,538,284	7,368,073
	<u>921,707</u>	<u>185,120</u>	<u>395,743</u>	<u>4,998,474</u>	<u>1,538,284</u>	<u>8,039,328</u>
Total Liabilities and Fund Balances	<u>\$1,128,297</u>	<u>\$ 3,121,582</u>	<u>\$ 680,681</u>	<u>\$5,692,744</u>	<u>\$1,538,284</u>	<u>\$ 12,161,588</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2015

	Nutrition Services Fund 21	Governmental Designated Purpose Grants Fund 22	Athletics and Activities Fund 26	Child Care Fund 28	COP Lease Payment Fund 39	Total Non-Major Governmental Funds
REVENUES						
Intergovernmental	\$ 2,996,130	\$ 12,052,949	\$ -	\$ -	\$ -	\$ 15,049,079
Charges for Services	13,356,242	-	6,696,750	10,636,071	-	30,689,063
Aspen View COP Lease Payment	-	-	-	-	561,598	561,598
Other	88,115	362,927	3,654,607	3,169	1,564	4,110,382
Total Revenues	16,440,487	12,415,876	10,351,357	10,639,240	563,162	50,410,122
EXPENDITURES						
Current Operating:						
Instruction	-	8,716,103	13,641,731	-	-	22,357,834
Supporting Services	15,632,328	3,699,773	1,451,122	10,053,261	-	30,836,484
Lease Payments:						
Principal Retirement	-	-	-	-	2,190,000	2,190,000
Debt Issuance Costs	-	-	-	-	150,114	150,114
Interest and Fiscal Charges	-	-	-	-	1,721,145	1,721,145
Total Expenditures	15,632,328	12,415,876	15,092,853	10,053,261	4,061,259	57,255,577
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	808,159	-	(4,741,496)	585,979	(3,498,097)	(6,845,455)
OTHER FINANCING SOURCES						
Proceeds from COP Refunding	-	-	-	-	6,470,000	6,470,000
Refunding COP Premium	-	-	-	-	145,159	145,159
Payment to Refunding Escrow Agent	-	-	-	-	(6,458,799)	(6,458,799)
Transfers In	-	-	4,313,406	-	3,123,075	7,436,481
Total Other Financing Sources	-	-	4,313,406	-	3,279,435	7,592,841
NET CHANGE IN FUND BALANCES	808,159	-	(428,090)	585,979	(218,662)	747,386
FUND BALANCE, Beginning, as restated	113,548	185,120	823,833	4,412,495	1,756,946	7,291,942
FUND BALANCE, Ending	\$ 921,707	\$ 185,120	\$ 395,743	\$4,998,474	\$ 1,538,284	\$ 8,039,328

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 21

Nutrition Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015			Variance with Budget	2014
	Adopted Budget	Amended Budget	Actual		Actual Restated
REVENUES					
Intergovernmental:					
Federal Government Lunch Program	\$ 2,013,831	\$ 2,263,831	\$ 2,265,855	\$ 2,024	\$ 2,295,856
Commodity Contribution	713,000	713,000	631,335	(81,665)	689,895
State Match	105,900	105,900	98,940	(6,960)	105,607
Food Sales	12,499,061	13,160,661	13,356,242	195,581	12,179,758
Other	11,000	56,500	88,115	31,615	32,520
Total Revenue	<u>15,342,792</u>	<u>16,299,892</u>	<u>16,440,487</u>	<u>140,595</u>	<u>15,303,636</u>
EXPENDITURES					
Supporting Services:					
Food Purchases	6,544,000	7,544,000	6,813,296	730,704	6,710,420
Salaries and Benefits	6,254,056	6,502,905	6,531,093	(28,188)	6,328,850
Purchased Services	383,030	863,030	880,878	(17,848)	342,516
Supplies and Equipment	686,000	721,000	782,832	(61,832)	816,316
Capital Outlay	-	-	56,644	(56,644)	508,826
Depreciation	496,000	-	-	-	-
Other	582,500	632,500	567,585	64,915	63,468
Total Expenditures	<u>14,945,586</u>	<u>16,263,435</u>	<u>15,632,328</u>	<u>631,107</u>	<u>14,770,396</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>397,206</u>	<u>36,457</u>	<u>808,159</u>	<u>771,702</u>	<u>533,240</u>
OTHER FINANCING SOURCES					
Proceeds from Sale of Capital Assets	-	-	-	-	3,250
Transfers In	-	-	-	-	2,500,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,503,250</u>
NET CHANGE IN FUND BALANCE	<u>\$ 397,206</u>	<u>\$ 36,457</u>	<u>808,159</u>	<u>\$ 771,702</u>	<u>3,036,490</u>
FUND BALANCE, Beginning, as restated			<u>113,548</u>		<u>(2,922,942)</u>
FUND BALANCE, Ending			<u>\$ 921,707</u>		<u>\$ 113,548</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 22

Governmental Designated Purpose Grants Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015			Variance with Budget	2014 Actual
	Adopted Budget	Amended Budget	Actual		
REVENUES					
Intergovernmental:					
Federal	\$ 10,885,180	\$ 12,555,056	\$ 11,515,348	\$ (1,039,708)	\$ 11,544,882
State and Local	9,764	644,074	537,601	(106,473)	62,767
Other	274,132	530,137	362,927	(167,210)	263,071
Total Revenues	<u>11,169,076</u>	<u>13,729,267</u>	<u>12,415,876</u>	<u>(1,313,391)</u>	<u>11,870,720</u>
EXPENDITURES					
Instruction:					
Salaries and Benefits	6,801,561	6,705,477	6,894,236	(188,759)	7,533,033
Purchased Services	746,786	1,813,908	1,515,722	298,186	942,807
Supplies and Materials	208,814	247,064	306,145	(59,081)	208,220
Support Services:					
Salaries and Benefits	2,650,828	2,613,380	1,946,524	666,856	1,838,542
Purchased Services	412,564	1,002,098	713,006	289,092	565,410
Supplies and Materials	164,233	194,318	171,895	22,423	116,870
Capital Outlay	123,977	105,618	6,430	99,188	-
Other	60,313	1,047,404	861,918	185,486	665,838
Total Expenditures	<u>11,169,076</u>	<u>13,729,267</u>	<u>12,415,876</u>	<u>1,313,391</u>	<u>11,870,720</u>
NET CHANGE IN					
FUND BALANCE					
	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
FUND BALANCE, Beginning			<u>185,120</u>		<u>185,120</u>
FUND BALANCE, Ending			<u>\$ 185,120</u>		<u>\$ 185,120</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 26

Athletics and Activities Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015				2014 Actual
	Adopted Budget	Amended Budget	Actual	Variance with Budget	
REVENUES					
Charges for Services:					
Student Fees	\$ 8,793,462	\$ 6,200,489	\$ 6,110,163	\$ (90,326)	\$ 6,162,855
Gate Fees	713,700	713,700	586,587	(127,113)	637,778
Other	535,300	3,128,273	3,654,607	526,334	3,317,060
Total Revenues	<u>10,042,462</u>	<u>10,042,462</u>	<u>10,351,357</u>	<u>308,895</u>	<u>10,117,693</u>
EXPENDITURES					
Instructional:					
Salaries and Benefits	4,888,854	5,313,854	5,569,840	(255,986)	4,602,415
Purchased Services	2,399,241	2,399,241	2,411,459	(12,218)	2,269,907
Supplies	5,533,280	5,567,732	5,271,033	296,699	5,034,335
Other	336,939	512,045	389,399	122,646	466,251
Supporting Services:					
Salaries and Benefits	463,734	463,734	190,296	273,438	593,968
Purchased Services	40,325	40,325	281,306	(240,981)	143,690
Supplies	6,720	609,752	614,150	(4,398)	613,719
Capital Outlay	100,000	100,000	229,593	(129,593)	127,816
Other	348,124	173,018	135,777	37,241	64,657
Total Expenditures	<u>14,117,217</u>	<u>15,179,701</u>	<u>15,092,853</u>	<u>86,848</u>	<u>13,916,758</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,074,755)</u>	<u>(5,137,239)</u>	<u>(4,741,496)</u>	<u>395,743</u>	<u>(3,799,065)</u>
OTHER FINANCING SOURCES					
Transfers In	<u>3,887,406</u>	<u>4,313,406</u>	<u>4,313,406</u>	<u>-</u>	<u>3,887,406</u>
NET CHANGE IN FUND BALANCE	<u>\$ (187,349)</u>	<u>\$ (823,833)</u>	<u>(428,090)</u>	<u>\$ 395,743</u>	<u>88,341</u>
FUND BALANCE, Beginning			<u>823,833</u>		<u>735,492</u>
FUND BALANCE, Ending			<u>\$ 395,743</u>		<u>\$ 823,833</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 28

Child Care Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015				2014
	Adopted Budget	Amended Budget	Actual	Variance with Budget	Actual Restated
REVENUES					
Charges for Services	\$ 10,441,674	\$ 10,441,674	\$ 10,636,071	\$ 194,397	\$ 10,021,837
Other	-	-	3,169	3,169	4,724
Total Revenue	<u>10,441,674</u>	<u>10,441,674</u>	<u>10,639,240</u>	<u>197,566</u>	<u>10,026,561</u>
EXPENDITURES					
Supporting Services:					
Salaries and Benefits	7,536,597	7,536,597	7,549,257	(12,660)	7,204,641
Purchased Services	952,852	952,852	661,108	291,744	545,159
Supplies	558,671	5,039,356	826,192	4,213,164	814,455
Other	1,393,554	1,325,367	1,016,704	308,663	810,372
Total Expenditures	<u>10,441,674</u>	<u>14,854,172</u>	<u>10,053,261</u>	<u>4,800,911</u>	<u>9,374,627</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	<u>-</u>	<u>(4,412,498)</u>	<u>585,979</u>	<u>4,998,477</u>	<u>651,934</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (4,412,498)</u>	<u>585,979</u>	<u>\$ 4,998,477</u>	<u>651,934</u>
FUND BALANCE, Beginning, as restated			<u>4,412,495</u>		<u>3,760,561</u>
FUND BALANCE, Ending			<u>\$ 4,998,474</u>		<u>\$ 4,412,495</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 39

Certificates of Participation Lease Payment Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015			Variance with Budget	2014 Actual
	Adopted Budget	Amended Budget	Actual		
REVENUES					
Aspen View COP Lease Payment	\$ 463,681	\$ 463,681	\$ 561,598	\$ 97,917	\$ 425,041
Investment Earnings	117,500	117,500	1,564	(115,936)	466
Total Revenues	<u>581,181</u>	<u>581,181</u>	<u>563,162</u>	<u>(18,019)</u>	<u>425,507</u>
EXPENDITURES					
Lease Payments:					
Principal Retirement	2,190,000	2,190,000	2,190,000	-	3,535,000
Debt Issuance Costs	-	156,360	150,114	6,246	-
Interest and Fiscal Charges	1,816,256	1,739,145	1,721,145	18,000	1,560,138
Total Expenditures	<u>4,006,256</u>	<u>4,085,505</u>	<u>4,061,259</u>	<u>24,246</u>	<u>5,095,138</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,425,075)</u>	<u>(3,504,324)</u>	<u>(3,498,097)</u>	<u>6,227</u>	<u>(4,669,631)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from COP Refunding	-	6,470,000	6,470,000	-	-
Refunding COP Premium	-	145,159	145,159	-	-
Payment to Refunded Escrow Agent	-	(6,458,799)	(6,458,799)	-	-
Transfers In	3,423,075	3,123,075	3,123,075	-	6,175,681
Total Other Financing Sources (Uses)	<u>3,423,075</u>	<u>3,279,435</u>	<u>3,279,435</u>	<u>-</u>	<u>6,175,681</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,000)</u>	<u>\$ (224,889)</u>	<u>(218,662)</u>	<u>\$ 6,227</u>	<u>1,506,050</u>
FUND BALANCE, Beginning			<u>1,756,946</u>		<u>250,896</u>
FUND BALANCE, Ending			<u>\$ 1,538,284</u>		<u>\$ 1,756,946</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 31
Bond Redemption Fund
Comparative Balance Sheet
For the Fiscal Year Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Receivables:		
Property Taxes, Net of Allowance for Uncollectible Taxes	\$ 2,230,665	\$ 2,577,161
Restricted Cash and Investment	<u>72,052,438</u>	<u>62,645,104</u>
Total Assets	<u>\$ 74,283,103</u>	<u>\$ 65,222,265</u>
LIABILITIES		
Due to Other Funds	<u>\$ 4,565,759</u>	<u>\$ 913,196</u>
Total Liabilities	<u>4,565,759</u>	<u>913,196</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable - Property Taxes	<u>1,216,098</u>	<u>1,470,409</u>
FUND BALANCES		
Restricted:		
Debt Service	<u>68,501,246</u>	<u>62,838,660</u>
Total Fund Balances	<u>68,501,246</u>	<u>62,838,660</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 74,283,103</u>	<u>\$ 65,222,265</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 31
Bond Redemption Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015
(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015				2014 Actual
	Adopted Budget	Amended Budget	Actual	Variance with Budget	
REVENUES					
Property Taxes	\$ 68,471,638	\$ 74,132,226	\$ 73,646,635	\$ (485,591)	\$ 72,180,079
Investment Earnings	64,000	64,000	53,599	(10,401)	50,682
Total Revenues	<u>68,535,638</u>	<u>74,196,226</u>	<u>73,700,234</u>	<u>(495,992)</u>	<u>72,230,761</u>
EXPENDITURES					
Debt Service:					
Principal Retirement	39,363,688	40,108,688	40,108,688	-	38,316,380
Debt Issuance Costs	5,000	310,273	281,565	28,708	-
Interest and Fiscal Charges	29,107,950	27,932,668	27,932,668	-	30,610,791
Total Expenditures	<u>68,476,638</u>	<u>68,351,629</u>	<u>68,322,921</u>	<u>28,708</u>	<u>68,927,171</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>59,000</u>	<u>5,844,597</u>	<u>5,377,313</u>	<u>(467,284)</u>	<u>3,303,590</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from Bond Refunding	-	40,665,000	40,665,000	-	-
Refunding Bond Premium	-	3,052,530	3,052,530	-	-
Payment to Refunding Bond Escrow Agent	-	(43,432,257)	(43,432,257)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>285,273</u>	<u>285,273</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 59,000</u>	<u>\$ 6,129,870</u>	<u>5,662,586</u>	<u>\$ (467,284)</u>	<u>3,303,590</u>
FUND BALANCE, Beginning			<u>62,838,660</u>		<u>59,535,070</u>
FUND BALANCE, Ending			<u>\$ 68,501,246</u>		<u>\$ 62,838,660</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 45
 Building Fund
 Comparative Balance Sheet
 June 30, 2015 and 2014

	2015	2014
ASSETS		
Restricted Cash and Investments	\$ 10,320,440	\$ 17,298,838
Total Assets	\$ 10,320,440	\$ 17,298,838
LIABILITIES		
Accounts Payable	\$ 1,248,542	\$ 1,582,216
Due to General Fund	-	730,229
Total Liabilities	1,248,542	2,312,445
FUND BALANCES		
Restricted:		
Aspen View Charter School	437,120	450,072
Building Expenditures	8,634,778	14,536,321
Total Fund Balances	9,071,898	14,986,393
Total Liabilities and Fund Balances	\$ 10,320,440	\$ 17,298,838

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 45

Building Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015				2014 Actual
	Adopted Budget	Amended Budget	Actual	Variance with Budget	
REVENUES					
Investment Earnings	\$ 10,038	\$ 10,038	\$ 17,729	\$ 7,691	\$ 15,467
Total Revenues	10,038	10,038	17,729	7,691	15,467
EXPENDITURES					
Repair and Replacement	8,666,397	6,220,579	4,736,122	1,484,457	5,045,911
Capital Outlay:					
Building and Building Improvements	516,920	8,775,852	1,138,308	7,637,544	7,335,234
Purchased Services	-	-	-	-	410,153
Equipment	-	-	30,258	(30,258)	-
Services Provided by District Personnel	-	-	-	-	26,593
COP Issuance Costs	-	-	-	-	172,052
Other	-	-	27,536	(27,536)	22,654
Total Expenditures	9,183,317	14,996,431	5,932,224	9,064,207	13,012,597
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,173,279)	(14,986,393)	(5,914,495)	9,071,898	(12,997,130)
OTHER FINANCING SOURCES					
Issuance of COP	-	-	-	-	15,000,000
Transfers Out	-	-	-	-	(1,388,884)
Total Financing Sources	-	-	-	-	13,611,116
NET CHANGE IN FUND BALANCE	\$ (9,173,279)	\$ (14,986,393)	(5,914,495)	\$ 9,071,898	613,986
FUND BALANCE, Beginning			14,986,393		14,372,407
FUND BALANCE, Ending			\$ 9,071,898		\$ 14,986,393

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Internal Service Funds
Combining Balance Sheet
June 30, 2015

	Medical Fund 65	Short Term Disability Fund 66	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and Investments	\$ 8,840,584	\$ -	\$ 8,840,584
Other Receivables	-	178,137	178,137
Prepaid Costs	-	103,000	103,000
Total Assets	<u>\$ 8,840,584</u>	<u>\$ 281,137</u>	<u>\$ 9,121,721</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 187,446	\$ 83,359	\$ 270,805
Due to Other Funds	-	26,450	26,450
Accrued Insurance Claims	2,810,000	-	2,810,000
Total Current Liabilities	<u>2,997,446</u>	<u>109,809</u>	<u>3,107,255</u>
NET POSITION			
Unrestricted	<u>5,843,138</u>	<u>171,328</u>	<u>6,014,466</u>
Total Net Position	<u>5,843,138</u>	<u>171,328</u>	<u>6,014,466</u>
Total Liabilities and Net Position	<u>\$ 8,840,584</u>	<u>\$ 281,137</u>	<u>\$ 9,121,721</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Internal Service Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2015

	Medical Fund 65	Short Term Disability Fund 66	Total Internal Service Funds
REVENUES			
Premium Revenue	\$ 40,292,261	\$ 640,962	\$ 40,933,223
Other	5,920	-	5,920
Total Revenue	<u>40,298,181</u>	<u>640,962</u>	<u>40,939,143</u>
EXPENSES			
Insurance and Claims	41,742,172	283,746	42,025,918
Stop Loss Premiums	552,645	-	552,645
Salaries and Benefits	20,326	-	20,326
Purchased Services	798,733	-	798,733
Other	46,623	185,888	232,511
Total Expenses	<u>43,160,499</u>	<u>469,634</u>	<u>43,630,133</u>
OPERATING INCOME (LOSS)	<u>(2,862,318)</u>	<u>171,328</u>	<u>(2,690,990)</u>
NON-OPERATING REVENUES			
Investment Earnings	6,497	-	6,497
Total Non-Operating Revenues	<u>6,497</u>	<u>-</u>	<u>6,497</u>
CHANGE IN NET POSITION	(2,855,821)	171,328	(2,684,493)
NET POSITION, Beginning	<u>8,698,959</u>	<u>-</u>	<u>8,698,959</u>
NET POSITION, Ending	<u>\$ 5,843,138</u>	<u>\$ 171,328</u>	<u>\$ 6,014,466</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 65

Medical Fund (Internal Service Fund)

Schedule of Revenues, Expenses and Changes in Fund Net Position

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015			Variance with Budget	2014 Actual
	Adopted Budget	Amended Budget	Actual		
REVENUE					
Health Revenue	\$ 37,189,274	\$ 37,189,274	\$ 38,255,827	\$ 1,066,553	\$ 35,832,639
Dental Revenue	1,979,978	1,979,978	2,036,434	56,456	2,046,727
Other	566,100	566,100	5,920	(560,180)	52,780
Total Revenue	<u>39,735,352</u>	<u>39,735,352</u>	<u>40,298,181</u>	<u>562,829</u>	<u>37,932,146</u>
EXPENSES					
Health Plan	35,666,559	35,666,559	38,948,255	(3,281,696)	34,519,171
Dental Plan	2,939,248	2,939,248	2,793,917	145,331	2,811,291
Stop Loss Premiums	1,031,471	1,031,471	552,645	478,826	671,655
Salaries and Benefits	19,439	19,439	20,326	(887)	-
Purchased Services	1,054,983	1,054,983	798,733	256,250	852,316
Other	55,561	4,130,647	46,623	4,084,024	35,613
Total Expenses	<u>40,767,261</u>	<u>44,842,347</u>	<u>43,160,499</u>	<u>1,681,848</u>	<u>38,890,046</u>
OPERATING INCOME (LOSS)	<u>(1,031,909)</u>	<u>(5,106,995)</u>	<u>(2,862,318)</u>	<u>2,244,677</u>	<u>(957,900)</u>
NON-OPERATING REVENUES					
Investment Earnings	10,173	10,173	6,497	(3,676)	11,946
Total Non-Operating Revenues	<u>10,173</u>	<u>10,173</u>	<u>6,497</u>	<u>(3,676)</u>	<u>11,946</u>
CHANGE IN NET POSITION	<u>\$ (1,021,736)</u>	<u>\$ (5,096,822)</u>	<u>(2,855,821)</u>	<u>\$ 2,241,001</u>	<u>(945,954)</u>
NET POSITION, Beginning			<u>8,698,959</u>		<u>9,644,913</u>
NET POSITION, Ending			<u>\$ 5,843,138</u>		<u>\$ 8,698,959</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 66

Short Term Disability Fund (Internal Service Fund)

Schedule of Revenues, Expenitures and Changes in Fund Net Position

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015				2014 Actual
	Adopted Budget	Amended Budget	Actual	Variance with Budget	
REVENUE					
Short Term Disability Revenue	\$ 627,295	\$ 627,295	\$ 640,962	\$ 13,667	\$ -
Total Revenue	627,295	627,295	640,962	13,667	-
EXPENSES					
Claims	615,000	615,000	283,746	331,254	-
Other	-	12,295	185,888	(173,593)	-
Total Expenses	615,000	627,295	469,634	157,661	-
OPERATING INCOME	12,295	-	171,328	171,328	-
CHANGE IN NET POSITION	\$ 12,295	\$ -	171,328	\$ 171,328	-
NET POSITION, Beginning			-		-
NET POSITION, Ending			\$ 171,328		\$ -

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 74

Agency Fund

Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2015

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015
<u>Student Activity Funds</u>				
ASSETS				
Cash and Investments	\$ 1,567,498	\$ 1,851,431	\$ 2,123,280	\$ 1,295,649
LIABILITIES				
Accrued Liabilities:				
Accounts Payable	51,689	33,655	51,689	33,655
Due to Student Groups	1,515,809	1,851,431	2,105,246	1,261,994
Total Liabilities	1,567,498	1,885,086	2,156,935	1,295,649
<u>School Discretionary Funds</u>				
ASSETS				
Cash and Investments	2,347,541	2,679	1,649,028	701,192
LIABILITIES				
Accrued Liabilities:				
Accounts Payable	8,667	26,852	8,667	26,852
Due to Schools	2,338,874	2,679	1,667,213	674,340
Total Liabilities	2,347,541	29,531	1,675,880	701,192
Grand Total Fiduciary Assets	\$ 3,915,039	\$ 1,854,110	\$ 3,772,308	\$ 1,996,841
Grand Total Fiduciary Liabilities	\$ 3,915,039	\$ 1,914,617	\$ 3,832,815	\$ 1,996,841

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Fund 75

Private Purpose Trust Scholarship

Schedule of Changes in Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended June 30, 2015

(With Comparative Actual Information for the Year Ended June 30, 2014)

	2015			Variance with Budget	2014 Actual
	Adopted Budget	Amended Budget	Actual		
ADDITIONS					
Contributions	\$ 61,600	\$ 61,600	\$ 63,646	\$ 2,046	\$ 58,800
Total Additions	61,600	61,600	63,646	2,046	58,800
DEDUCTIONS					
Grants and Scholarships	69,000	75,900	68,000	7,900	77,000
Total Deductions	69,000	75,900	68,000	7,900	77,000
CHANGE IN NET POSITION	<u>\$ (7,400)</u>	<u>\$ (14,300)</u>	(4,354)	<u>\$ 9,946</u>	(18,200)
NET POSITION, Beginning			45,666		63,866
NET POSITION, Ending			<u>\$ 41,312</u>		<u>\$ 45,666</u>

COMPONENT UNITS

DOUGLAS COUNTY SCHOOL DISTRICT REI

Non-Major Discretely Presented Component Units
 Combining Statement of Net Position
 June 30, 2015

	American Academy	American Academy Foundation	American Academy Building Corporation	Academy Charter School	Aspen View Academy Charter School
ASSETS					
Cash and Investments	\$ 3,011,561	\$ 53,769	\$ -	\$ 2,652,801	\$ 1,436,164
Accounts Receivable	47,404	215	-	191,230	11,147
Inventories	-	-	-	-	-
Prepaid Costs & Other Assets	103,321	-	148,000	27,317	7,731
Deposits	-	-	-	-	-
Restricted Cash and Investments	-	1,820,563	1,005,254	801,590	-
Capital Assets, Not Being Depreciated	-	1,833,333	-	1,354,756	2,000,000
Capital Assets, Net of Accumulated Depreciation	334,944	13,452,969	15,917,407	5,023,385	13,869,409
Total Assets	<u>3,497,230</u>	<u>17,160,849</u>	<u>17,070,661</u>	<u>10,051,079</u>	<u>17,324,451</u>
DEFERRED OUTFLOWS OF RESOURCES					
Related to Pensions	4,801,732	-	-	845,336	2,408,486
Loss on Debt Refunding	-	-	-	529,540	-
Total Deferred Outflows of Resources	<u>4,801,732</u>	<u>-</u>	<u>-</u>	<u>1,374,876</u>	<u>2,408,486</u>
LIABILITIES					
Accounts Payable	245,301	15	-	16,769	19,818
Accrued Liabilities	-	-	-	-	-
Accrued Compensation	448,966	-	-	268,390	223,859
Accrued Interest Payable	-	100,652	46,776	-	-
Unearned Revenues	203,479	-	-	300	104,861
Non-Current Liabilities:					
Due Within One Year	137,548	210,000	305,000	180,000	345,000
Due in More Than One Year	91,756	15,830,992	19,695,000	6,608,793	13,849,000
Net Pension Liability	19,292,084	-	-	8,914,681	7,805,549
Total Liabilities	<u>20,419,134</u>	<u>16,141,659</u>	<u>20,046,776</u>	<u>15,988,933</u>	<u>22,348,087</u>
DEFERRED INFLOWS OF RESOURCES					
Related to Pensions	1,440	-	-	499	583
NET POSITION					
Net Investment in Capital Assets	334,944	(754,690)	(4,082,593)	390,938	1,675,409
Restricted for:					
Emergencies	471,000	-	-	151,000	180,000
Debt Service, Repairs	-	1,559,662	958,478	-	-
Capital Projects	-	160,249	-	-	-
Unrestricted	(12,927,556)	53,969	148,000	(5,105,415)	(4,471,142)
Total Net Position	<u>\$ (12,121,612)</u>	<u>\$ 1,019,190</u>	<u>\$ (2,976,115)</u>	<u>\$ (4,563,477)</u>	<u>\$ (2,615,733)</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE1

Non-Major Discretely Presented Component Units
Combining Statement of Net Position
June 30, 2015

	Aspen View Foundation	Ben Franklin Academy Charter School	Challenge to Excellence (C2E) Charter School	C2E Building Corporation	Core Knowledge Charter School (CKCS)
ASSETS					
Cash and Investments	\$ 54,484	\$ 3,086,650	\$ 1,727,202	\$ -	\$ 1,876,846
Accounts Receivable	-	-	5,271	-	8,815
Inventories	-	-	-	-	-
Prepaid Costs & Other Assets	-	-	3,830	-	20,410
Deposits	-	-	-	-	15,032
Restricted Cash and Investments	-	-	263,679	663,840	-
Capital Assets, Not Being Depreciated	-	11,600	-	1,010,419	-
Capital Assets, Net of Accumulated Depreciation	-	26,258	949,599	3,069,866	33,066
Total Assets	<u>54,484</u>	<u>3,124,508</u>	<u>2,949,581</u>	<u>4,744,125</u>	<u>1,954,169</u>
DEFERRED OUTFLOWS OF RESOURCES					
Related to Pensions	-	873,865	311,014	-	805,142
Loss on Debt Refunding	-	-	-	259,595	-
Total Deferred Outflows of Resources	<u>-</u>	<u>873,865</u>	<u>311,014</u>	<u>259,595</u>	<u>805,142</u>
LIABILITIES					
Accounts Payable	500	22,838	5,529	-	98,557
Accrued Liabilities	-	3,392	3,741	-	107,304
Accrued Compensation	-	456,130	137,482	-	-
Accrued Interest Payable	-	-	-	25,861	-
Unearned Revenues	-	11,021	-	-	-
Non-Current Liabilities:					
Due Within One Year	-	-	128,687	170,000	6,000
Due in More Than One Year	-	-	10,857	6,279,964	18,568
Net Pension Liability	-	8,940,822	5,798,506	-	8,284,534
Total Liabilities	<u>500</u>	<u>9,434,203</u>	<u>6,084,802</u>	<u>6,475,825</u>	<u>8,514,963</u>
DEFERRED INFLOWS OF RESOURCES					
Related to Pensions	-	668	40,926	-	619
NET POSITION					
Net Investment in Capital Assets	-	37,858	810,055	(2,110,084)	33,066
Restricted for:					
Emergencies	-	214,000	122,000	-	165,000
Debt Service, Repairs	-	-	263,679	507,964	-
Capital Projects	-	-	-	130,015	-
Unrestricted	53,984	(5,688,356)	(4,060,867)	-	(5,954,337)
Total Net Position	<u>\$ 53,984</u>	<u>\$ (5,436,498)</u>	<u>\$ (2,865,133)</u>	<u>\$ (1,472,105)</u>	<u>\$ (5,756,271)</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE1

Non-Major Discretely Presented Component Units
 Combining Statement of Net Position
 June 30, 2015

	CKCS Building Corporation	Global Village Academy	Hope Online Learning Academy Co-Op	Montessori Charter School	Montessori Foundation
ASSETS					
Cash and Investments	\$ 101,735	\$ 30,910	\$ 1,819,775	\$ 1,213,433	\$ 184,791
Accounts Receivable	-	130,468	219,663	9,100	142
Inventories	-	-	-	-	41,347
Prepaid Costs & Other Assets	-	-	160,853	2,214	1,985
Deposits	-	8,700	86,171	-	-
Restricted Cash and Investments	716,802	-	-	-	1,215,393
Capital Assets, Not Being Depreciated	235,020	-	-	-	524,003
Capital Assets, Net of Accumulated Depreciation	5,038,198	-	956,515	35,105	6,132,056
Total Assets	6,091,755	170,078	3,242,977	1,259,852	8,099,717
DEFERRED OUTFLOWS OF RESOURCES					
Related to Pensions	-	-	722,386	345,044	-
Loss on Debt Refunding	496,116	-	-	-	473,526
Total Deferred Outflows of Resources	496,116	-	722,386	345,044	473,526
LIABILITIES					
Accounts Payable	-	3,693	1,190,123	11,848	-
Accrued Liabilities	-	-	192,871	-	-
Accrued Compensation	-	-	-	123,437	-
Accrued Interest Payable	56,973	-	-	-	176,899
Unearned Revenues	-	-	7,352	108,113	-
Non-Current Liabilities:					
Due Within One Year	115,000	-	328,766	-	345,000
Due in More Than One Year	6,265,444	-	330,595	-	8,659,153
Net Pension Liability	-	-	13,276,138	6,495,668	-
Total Liabilities	6,437,417	3,693	15,325,845	6,739,066	9,181,052
DEFERRED INFLOWS OF RESOURCES					
Related to Pensions	-	-	103,819	113,697	-
NET POSITION					
Net Investment in Capital Assets	(611,110)	-	635,465	35,105	(1,874,568)
Restricted for:					
Emergencies	-	-	607,881	135,000	-
Debt Service, Repairs	544,829	-	-	-	888,371
Capital Projects	115,000	-	-	-	150,123
Unrestricted	101,735	166,385	(12,707,647)	(5,417,972)	228,265
Total Net Position	\$ 150,454	\$ 166,385	\$ (11,464,301)	\$ (5,247,867)	\$ (607,809)

DOUGLAS COUNTY SCHOOL DISTRICT RE1

Non-Major Discretely Presented Component Units
 Combining Statement of Net Position
 June 30, 2015

	North Star Academy	North Star Building Corporation	North Star Academy Foundation	Platte River Academy	Platte River Building Corporation
ASSETS					
Cash and Investments	\$ 2,112,193	\$ -	\$ 10,000	\$ 2,088,623	\$ -
Accounts Receivable	8,368	-	-	10,507	-
Inventories	-	-	-	-	-
Prepaid Costs & Other Assets	18,471	-	-	-	-
Deposits	-	-	-	-	-
Restricted Cash and Investments	-	1,279,397	-	-	829,034
Capital Assets, Not Being Depreciated	-	465,000	-	-	553,332
Capital Assets, Net of Accumulated Depreciation	-	7,032,303	-	-	3,984,928
Total Assets	<u>2,139,032</u>	<u>8,776,700</u>	<u>10,000</u>	<u>2,099,130</u>	<u>5,367,294</u>
DEFERRED OUTFLOWS OF RESOURCES					
Related to Pensions	529,535	-	-	537,335	-
Loss on Debt Refunding	-	1,691,109	-	-	986,555
Total Deferred Outflows of Resources	<u>529,535</u>	<u>1,691,109</u>	<u>-</u>	<u>537,335</u>	<u>986,555</u>
LIABILITIES					
Accounts Payable	9,497	-	-	2,397	-
Accrued Liabilities	-	-	-	3,007	-
Accrued Compensation	194,078	-	-	314,280	-
Accrued Interest Payable	-	37,930	-	-	94,853
Unearned Revenues	-	-	-	13,324	-
Non-Current Liabilities:					
Due Within One Year	-	45,000	-	5,000	210,000
Due in More Than One Year	-	12,271,545	-	10,148	5,883,259
Net Pension Liability	7,315,752	-	-	6,904,082	-
Total Liabilities	<u>7,519,327</u>	<u>12,354,475</u>	<u>-</u>	<u>7,252,238</u>	<u>6,188,112</u>
DEFERRED INFLOWS OF RESOURCES					
Related to Pensions	546	-	-	516	-
NET POSITION					
Net Investment in Capital Assets	-	(3,128,133)	-	-	(568,444)
Restricted for:					
Emergencies	156,723	-	-	125,000	-
Debt Service, Repairs	-	1,165,012	-	-	663,267
Capital Projects	-	76,455	-	231,551	70,914
Unrestricted	(5,008,029)	-	10,000	(4,972,840)	-
Total Net Position	<u>\$ (4,851,306)</u>	<u>\$ (1,886,666)</u>	<u>\$ 10,000</u>	<u>\$ (4,616,289)</u>	<u>\$ 165,737</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE1

Non-Major Discretely Presented Component Units
 Combining Statement of Net Position
 June 30, 2015

	Sky View Academy Charter School	Sky View Academy Building Corporation	Sky View Academy Foundation	STEM Charter School	STEM Building Fund
ASSETS					
Cash and Investments	\$ 1,759,497	\$ 8,106	\$ 142,544	\$ 2,349,455	\$ -
Accounts Receivable	16,734	-	-	15,625	-
Inventories	-	-	-	-	-
Prepaid Costs & Other Assets	36,426	-	-	401,283	-
Deposits	-	-	-	-	-
Restricted Cash and Investments	-	4,386,674	-	-	1,119,358
Capital Assets, Not Being Depreciated	-	3,828,140	-	-	2,370,970
Capital Assets, Net of Accumulated Depreciation	110,108	19,260,688	16,498	14,002	8,396,279
Total Assets	<u>1,922,765</u>	<u>27,483,608</u>	<u>159,042</u>	<u>2,780,365</u>	<u>11,886,607</u>
DEFERRED OUTFLOWS OF RESOURCES					
Related to Pensions	2,331,330	-	-	1,560,813	-
Loss on Debt Refunding	-	135,660	-	-	308,515
Total Deferred Outflows of Resources	<u>2,331,330</u>	<u>135,660</u>	<u>-</u>	<u>1,560,813</u>	<u>308,515</u>
LIABILITIES					
Accounts Payable	76,493	264,046	-	125,245	-
Accrued Liabilities	-	29,338	-	-	-
Accrued Compensation	419,031	-	-	337,886	-
Accrued Interest Payable	-	757,544	-	-	117,403
Unearned Revenues	-	-	-	-	-
Non-Current Liabilities:					
Due Within One Year	-	-	-	-	170,000
Due in More Than One Year	-	29,120,000	-	-	14,370,215
Net Pension Liability	14,134,825	-	-	9,491,891	-
Total Liabilities	<u>14,630,349</u>	<u>30,170,928</u>	<u>-</u>	<u>9,955,022</u>	<u>14,657,618</u>
DEFERRED INFLOWS OF RESOURCES					
Related to Pensions	1,055	-	-	709	-
NET POSITION					
Net Investment in Capital Assets	110,108	(4,788,777)	16,498	14,002	(3,464,451)
Restricted for:					
Emergencies	304,000	-	-	227,000	-
Debt Service, Repairs	-	2,188,426	-	-	1,001,955
Capital Projects	-	40,585	-	-	-
Unrestricted	(10,791,417)	8,106	142,544	(5,855,555)	-
Total Net Position	<u>\$ (10,377,309)</u>	<u>\$ (2,551,660)</u>	<u>\$ 159,042</u>	<u>\$ (5,614,553)</u>	<u>\$ (2,462,496)</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE1

Non-Major Discretely Presented Component Units
 Combining Statement of Net Position
 June 30, 2015

	STEM Academy	World Compass Academy	Totals
ASSETS			
Cash and Investments	\$ 23,122	\$ 12,799	\$ 25,756,460
Accounts Receivable	-	24,435	699,124
Inventories	-	-	41,347
Prepaid Costs & Other Assets	-	150	931,991
Deposits	-	-	109,903
Restricted Cash and Investments	-	-	14,101,584
Capital Assets, Not Being Depreciated	-	-	14,186,573
Capital Assets, Net of Accumulated Depreciation	32,326	-	103,685,909
Total Assets	<u>55,448</u>	<u>37,384</u>	<u>159,512,891</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions	-	-	16,072,018
Loss on Debt Refunding	-	-	4,880,616
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>20,952,634</u>
LIABILITIES			
Accounts Payable	-	4,980	2,757,010
Accrued Liabilities	-	-	339,653
Accrued Compensation	-	1,786	2,925,325
Accrued Interest Payable	-	-	1,414,891
Unearned Revenues	-	-	448,450
Non-Current Liabilities:			
Due Within One Year	-	-	2,372,235
Due in More Than One Year	-	-	138,964,694
Net Pension Liability	-	-	116,654,532
Total Liabilities	<u>-</u>	<u>6,766</u>	<u>265,876,790</u>
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions	-	-	265,077
NET POSITION			
Net Investment in Capital Assets	32,326	-	(17,257,076)
Restricted for:			
Emergencies	-	-	2,858,604
Debt Service, Repairs	-	-	9,741,643
Capital Projects	-	-	974,892
Unrestricted	23,122	30,618	(81,994,405)
Total Net Position	<u>\$ 55,448</u>	<u>\$ 30,618</u>	<u>\$ (85,676,342)</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Discretely Presented Component Units
Combining Statement of Activities
For Fiscal Year Ended June 30, 2015

Functions/Programs	American Academy	American Academy Foundation	American Academy Building Corporation	Academy Charter School
EXPENSES				
Instruction	\$ 9,002,549	\$ -	\$ -	\$ 3,036,732
Supporting Services	4,926,689	1,634,461	1,616,100	1,473,577
Interest on Long-Term Debt	-	-	-	323,653
Total Expenses	<u>13,929,238</u>	<u>1,634,461</u>	<u>1,616,100</u>	<u>4,833,962</u>
PROGRAM REVENUES				
Charges for Services	2,849,521	-	-	288,654
Capital Grants and Contributions	-	-	-	106,333
Operating Grants and Contributions	<u>37,083</u>	<u>-</u>	<u>-</u>	<u>81,186</u>
Total Program Revenues	<u>2,886,604</u>	<u>-</u>	<u>-</u>	<u>476,173</u>
Net Program Expenses	<u>(11,042,634)</u>	<u>(1,634,461)</u>	<u>(1,616,100)</u>	<u>(4,357,789)</u>
GENERAL REVENUES				
Per Pupil Operating Revenue	11,163,446	-	-	4,230,402
Mill Levy	921,237	-	-	349,212
Capital Construction	281,195	-	-	-
Investment Earnings	8,954	1,631	1,401	8,206
Contributions and Grants	208,979	10,495	-	-
Other	102,048	-	-	61,527
TRANSFERS	<u>(2,548,140)</u>	<u>1,504,032</u>	<u>1,044,108</u>	<u>-</u>
Total General Revenues and Transfers	<u>10,137,719</u>	<u>1,516,158</u>	<u>1,045,509</u>	<u>4,649,347</u>
CHANGE IN NET POSITION	(904,915)	(118,303)	(570,591)	291,558
NET POSITION, Beginning, restated	<u>(11,216,697)</u>	<u>1,137,493</u>	<u>(2,405,524)</u>	<u>(4,855,035)</u>
NET POSITION, Ending	<u><u>\$ (12,121,612)</u></u>	<u><u>\$ 1,019,190</u></u>	<u><u>\$ (2,976,115)</u></u>	<u><u>\$ (4,563,477)</u></u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Discretely Presented Component Units (Continued)
 Combining Statement of Activities
 For Fiscal Year Ended June 30, 2015

Functions/Programs	Aspen View Academy Charter School	Aspen View Foundation	Ben Franklin Academy Charter School	Challenge to Excellence (C2E) Charter School
EXPENSES				
Instruction	\$ 3,981,584	\$ -	\$ 3,406,527	\$ 2,483,106
Supporting Services	2,264,357	78,056	3,321,583	1,031,021
Interest on Long-Term Debt	270,598	-	-	7,229
Total Expenses	<u>6,516,539</u>	<u>78,056</u>	<u>6,728,110</u>	<u>3,521,356</u>
PROGRAM REVENUES				
Charges for Services	657,839	-	826,563	357,629
Capital Grants and Contributions	-	-	-	-
Operating Grants and Contributions	29,136	-	8,829	7,946
Total Program Revenues	<u>686,975</u>	<u>-</u>	<u>835,392</u>	<u>365,575</u>
Net Program Expenses	<u>(5,829,564)</u>	<u>(78,056)</u>	<u>(5,892,718)</u>	<u>(3,155,781)</u>
GENERAL REVENUES				
Per Pupil Operating Revenue	4,735,208	-	5,666,333	3,320,471
Mill Levy	389,571	-	468,045	274,101
Capital Construction	119,097	-	142,765	83,444
Investment Earnings	-	-	1,255	5,718
Contributions and Grants	215,090	69,688	10,065	-
Other	15,612	1,559	-	13,921
TRANSFERS	-	-	-	(485,329)
Total General Revenues and Transfers	<u>5,474,578</u>	<u>71,247</u>	<u>6,288,463</u>	<u>3,212,326</u>
CHANGE IN NET POSITION	(354,986)	(6,809)	395,745	56,545
NET POSITION, Beginning, restated	<u>(2,260,747)</u>	<u>60,793</u>	<u>(5,832,243)</u>	<u>(2,921,678)</u>
NET POSITION, Ending	<u>\$ (2,615,733)</u>	<u>\$ 53,984</u>	<u>\$ (5,436,498)</u>	<u>\$ (2,865,133)</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Discretely Presented Component Units (Continued)
Combining Statement of Activities
For the Fiscal Year Ended June 30, 2015

Functions/Programs	C2E Building Corporation	Core Knowledge Charter School (CKCS)	CKCS Building Corporation	Global Village Academy
EXPENSES				
Instruction	\$ -	\$ 3,468,125	\$ -	\$ -
Supporting Services	490,272	1,787,697	502,159	151,263
Interest on Long-Term Debt	-	-	-	-
Total Expenses	<u>490,272</u>	<u>5,255,822</u>	<u>502,159</u>	<u>151,263</u>
PROGRAM REVENUES				
Charges for Services	-	915,180	-	-
Capital Grants and Contributions	-	-	-	-
Operating Grants and Contributions	-	10,595	-	130,367
Total Program Revenues	<u>-</u>	<u>925,775</u>	<u>-</u>	<u>130,367</u>
Net Program Expenses	<u>(490,272)</u>	<u>(4,330,047)</u>	<u>(502,159)</u>	<u>(20,896)</u>
GENERAL REVENUES				
Per Pupil Operating Revenue	-	3,999,484	-	-
Mill Levy	-	331,556	-	-
Capital Construction	-	101,135	-	-
Investment Earnings	83	2,161	598	-
Contributions and Grants	-	116,016	-	-
Other	-	2,419	-	187,281
TRANSFERS	<u>485,329</u>	<u>(462,470)</u>	<u>462,470</u>	<u>-</u>
Total General Revenues and Transfers	<u>485,412</u>	<u>4,090,301</u>	<u>463,068</u>	<u>187,281</u>
CHANGE IN NET POSITION	(4,860)	(239,746)	(39,091)	166,385
NET POSITION, Beginning, restated	<u>(1,467,245)</u>	<u>(5,516,525)</u>	<u>189,545</u>	<u>-</u>
NET POSITION, Ending	<u>\$ (1,472,105)</u>	<u>\$ (5,756,271)</u>	<u>\$ 150,454</u>	<u>\$ 166,385</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Discretely Presented Component Units (Continued)
Combining Statement of Activities
For the Fiscal Year Ended June 30, 2014

Functions/Programs	Hope Online Learning Academy Co-Op	Montessori Charter School	Montessori Foundation	North Star Academy
EXPENSES				
Instruction	\$ 16,951,398	\$ 2,811,520	\$ -	\$ 2,985,101
Supporting Services	4,051,861	936,097	907,091	1,152,564
Interest on Long-Term Debt	-	-	-	-
Total Expenses	<u>21,003,259</u>	<u>3,747,617</u>	<u>907,091</u>	<u>4,137,665</u>
PROGRAM REVENUES				
Charges for Services	-	1,497,778	-	292,296
Capital Grants and Contributions	-	-	-	-
Operating Grants and Contributions	<u>3,331,630</u>	<u>10,583</u>	<u>-</u>	<u>19,424</u>
Total Program Revenues	<u>3,331,630</u>	<u>1,508,361</u>	<u>-</u>	<u>311,720</u>
Net Program Expenses	<u>(17,671,629)</u>	<u>(2,239,256)</u>	<u>(907,091)</u>	<u>(3,825,945)</u>
GENERAL REVENUES				
Per Pupil Operating Revenue	17,544,379	2,681,123	-	4,279,711
Mill Levy	-	220,850	-	353,136
Capital Construction	-	67,514	-	107,738
Investment Earnings	4,115	126	315,464	2,027
Contributions and Grants	-	5,413	4,371	171,476
Other	53,091	11,476	-	194
TRANSFERS	<u>-</u>	<u>(647,622)</u>	<u>647,622</u>	<u>(1,076,820)</u>
Total General Revenues and Transfers	<u>17,601,585</u>	<u>2,338,880</u>	<u>967,457</u>	<u>3,837,462</u>
CHANGE IN NET POSITION	(70,044)	99,624	60,366	11,517
NET POSITION, Beginning, restated	<u>(11,394,257)</u>	<u>(5,347,491)</u>	<u>(668,175)</u>	<u>(4,862,823)</u>
NET POSITION, Ending	<u>\$ (11,464,301)</u>	<u>\$ (5,247,867)</u>	<u>\$ (607,809)</u>	<u>\$ (4,851,306)</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Discretely Presented Component Units (Continued)
 Combining Statement of Activities
 For the Fiscal Year Ended June 30, 2015

Functions/Programs	North Star Building Corporation	North Star Academy Foundation	Platte River Academy	Platte River Building Corporation
EXPENSES				
Instruction	\$ -	\$ -	\$ 3,141,436	\$ -
Supporting Services	1,284,418	158,148	929,533	473,792
Interest on Long-Term Debt	-	-	-	-
Total Expenses	<u>1,284,418</u>	<u>158,148</u>	<u>4,070,969</u>	<u>473,792</u>
PROGRAM REVENUES				
Charges for Services	-	-	284,978	-
Capital Grants and Contributions	-	-	-	-
Operating Grants and Contributions	-	-	5,298	-
Total Program Revenues	<u>-</u>	<u>-</u>	<u>290,276</u>	<u>-</u>
Net Program Expenses	<u>(1,284,418)</u>	<u>(158,148)</u>	<u>(3,780,693)</u>	<u>(473,792)</u>
GENERAL REVENUES				
Per Pupil Operating Revenue	-	-	3,394,942	-
Mill Levy	-	-	281,668	-
Capital Construction	-	-	85,764	-
Investment Earnings	68	-	18,329	88
Contributions and Grants	-	158,148	53,098	-
Other	-	-	37,679	-
TRANSFERS	<u>1,076,820</u>	<u>-</u>	<u>(502,224)</u>	<u>502,224</u>
Total General Revenues and Transfers	<u>1,076,888</u>	<u>158,148</u>	<u>3,369,256</u>	<u>502,312</u>
CHANGE IN NET POSITION	(207,530)	-	(411,437)	28,520
NET POSITION, Beginning, restated	<u>(1,679,136)</u>	<u>10,000</u>	<u>(4,204,852)</u>	<u>137,217</u>
NET POSITION, Ending	<u>\$ (1,886,666)</u>	<u>\$ 10,000</u>	<u>\$ (4,616,289)</u>	<u>\$ 165,737</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Discretely Presented Component Units (Continued)
Combining Statement of Activities
For the Fiscal Year Ended June 30, 2015

Functions/Programs	Sky View Academy Charter School	Sky View Academy Building Corporation	Sky View Academy Foundation	STEM Charter School
EXPENSES				
Instruction	\$ 6,297,438	\$ -	\$ -	\$ 3,678,992
Supporting Services	3,000,823	3,101,751	273,610	2,358,875
Interest on Long-Term Debt	-	-	-	-
Total Expenses	<u>9,298,261</u>	<u>3,101,751</u>	<u>273,610</u>	<u>6,037,867</u>
PROGRAM REVENUES				
Charges for Services	1,350,026	-	-	191,676
Capital Grants and Contributions	-	-	-	-
Operating Grants and Contributions	<u>26,305</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Program Revenues	<u>1,376,331</u>	<u>-</u>	<u>-</u>	<u>191,676</u>
Net Program Expenses	<u>(7,921,930)</u>	<u>(3,101,751)</u>	<u>(273,610)</u>	<u>(5,846,191)</u>
GENERAL REVENUES				
Per Pupil Operating Revenue	8,050,571	-	-	6,610,545
Mill Levy	665,633	-	-	550,164
Capital Construction	202,355	-	-	165,991
Investment Earnings	-	351	-	2,008
Contributions and Grants	160,810	-	223,303	40,599
Other	150,923	-	-	17,182
TRANSFERS	<u>(1,768,335)</u>	<u>1,768,335</u>	<u>-</u>	<u>(913,432)</u>
Total General Revenues and Transfers	<u>7,461,957</u>	<u>1,768,686</u>	<u>223,303</u>	<u>6,473,057</u>
CHANGE IN NET POSITION	(459,973)	(1,333,065)	(50,307)	626,866
NET POSITION, Beginning, restated	<u>(9,917,336)</u>	<u>(1,218,595)</u>	<u>209,349</u>	<u>(6,241,419)</u>
NET POSITION, Ending	<u>\$ (10,377,309)</u>	<u>\$ (2,551,660)</u>	<u>\$ 159,042</u>	<u>\$ (5,614,553)</u>

DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Non-Major Discretely Presented Component Units (Continued)
 Combining Statement of Activities
 For the Fiscal Year Ended June 30, 2015

Functions/Programs	STEM Building Fund	STEM Academy	World Compass Academy	Totals
EXPENSES				
Instruction	\$ -	\$ -	\$ -	\$ 61,244,508
Supporting Services	1,674,256	41,631	115,696	39,737,381
Interest on Long-Term Debt	-	-	-	601,480
Total Expenses	1,674,256	41,631	115,696	101,583,369
PROGRAM REVENUES				
Charges for Services	-	-	86,320	9,598,460
Capital Grants and Contributions	-	-	-	106,333
Operating Grants and Contributions	-	-	55,941	3,754,323
Total Program Revenues	-	-	142,261	13,459,116
Net Program Expenses	(1,674,256)	(41,631)	26,565	(88,124,253)
GENERAL REVENUES				
Per Pupil Operating Revenue	-	-	-	75,676,615
Mill Levy	-	-	-	4,805,173
Capital Construction	-	-	-	1,356,998
Investment Earnings	109	-	-	372,692
Contributions and Grants	-	23,718	-	1,471,269
Other	-	-	4,053	658,965
TRANSFERS	913,432	-	-	-
Total General Revenues and Transfers	913,541	23,718	4,053	84,341,712
CHANGE IN NET POSITION	(760,715)	(17,913)	30,618	(3,782,541)
NET POSITION, Beginning, restated	(1,701,781)	73,361	-	(81,893,801)
NET POSITION, Ending	\$ (2,462,496)	\$ 55,448	\$ 30,618	\$ (85,676,342)

***STATISTICAL
SECTION***



Douglas County School District
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DOUGLAS COUNTY SCHOOL DISTRICT RE. 1

Listing of Statistical Information

The Statistical Section presents detailed information that assists users in utilizing the basic financial statements, related notes to the financial statements as well as required and other supplementary information to assess the condition of Douglas County School District Re.1.

Financial Trends Data 132-139

These schedules show trend information to help the reader understand the District’s performance and financial position over time.

- Net Position by Component
- Change in Net Position
- Fund Balances, Governmental Funds
- Change in Fund Balances, Governmental Funds

Revenue Capacity Data 140-145

These schedules present property tax information related to the District.

- Assessed Value and Estimated Actual Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Principal Property Tax Payers
- Property Tax Levies and Collections

Debt Capacity Data..... 146-153

These schedules present information regarding the District’s levels of outstanding debt and other related information.

- Ratios of Outstanding Debt by Type
- Ratios of Net General Bonded Debt Outstanding
- Direct and Overlapping Debt
- Legal Debt Margin

Demographic and Economic Statistics 154-155

These schedules provide demographic and economic indicators relative to the District.

- Demographic and Economic Statistics
- Principal Employers

Operating Information 156-160

These schedules contain service and infrastructure data pertaining the District operations for the last ten years.

- Full-time Equivalent District Employees by Function/Program
- Operating Indicators by Function/Program
- Capital Asset Statistics by Function/Program

Note: Unless otherwise noted, the information in these schedules is derived from internal sources.

Douglas County School District Re. 1
Net Position by Component
Last Ten Fiscal Years

	2015 ⁽¹⁾	2014	2013
General activities:			
Net Investment in Capital Assets	\$ 223,953,589	\$ 195,973,287	\$ 174,072,099
Restricted	102,440,756	95,722,952	74,749,578
Unrestricted	(800,342,280)	45,382,747	72,738,537
Total governmental activities net position	<u>\$ (473,947,935)</u>	<u>\$ 337,078,986</u>	<u>\$ 321,560,214</u>
Business-type activities			
Invested in Capital Assets	\$ -	\$ 3,528,490	\$ 3,290,033
Restricted	-	-	-
Unrestricted	-	4,526,262	839,446
Total business-type activities net position	<u>\$ -</u>	<u>\$ 8,054,752</u>	<u>\$ 4,129,479</u>
Primary government			
Invested in Capital Assets	\$ 223,953,589	\$ 199,501,777	\$ 177,362,132
Restricted	102,440,756	95,722,952	74,749,578
Unrestricted	(800,342,280)	49,909,009	73,577,983
Total primary government net position	<u>\$ (473,947,935)</u>	<u>\$ 345,133,738</u>	<u>\$ 325,689,693</u>

(1) In fiscal year 2015, the District restated beginning net position/fund balance due to a reclassification of non-major enterprise funds to non-major special revenue funds. Consistent with the guidance from the Colorado Department of Education and in accordance with GASB Statement No. 54, management of the District has reclassified the Nutrition Services Fund and Child Care Fund from an enterprise fund to a special revenue fund, and the Outdoor Education Fund as part of the Combined General Fund.

In addition, during fiscal year 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which requires the District to record its proportionate share of PERA's net pension liability and related deferred inflows and outflows of resources in the government-wide financial statement.

Balances prior to 2015 are shown as originally presented and have not been restated for accounting changes.

Table 1

2012	Restated 2011	2010	2009	2008	2007	2006
\$ 125,537,753	\$ 95,943,480	\$ 37,510,363	\$ 42,172,382	\$ 27,281,732	\$ 42,795,199	\$ 27,400,729
92,237,379	100,536,282	97,561,208	141,671,418	204,803,878	230,580,780	47,339,851
67,437,692	40,060,467	6,722,286	(72,687,504)	(150,796,048)	(157,426,046)	34,217,591
\$ 285,212,824	\$ 236,540,229	\$ 141,793,857	\$ 111,156,296	\$ 81,289,562	\$ 115,949,933	\$ 108,958,171
\$ 3,721,875	\$ 4,090,512	\$ 4,332,085	\$ 2,730,010	\$ 2,505,690	\$ 1,414,170	\$ 2,201,834
-	-	-	-	-	-	60,115
181,336	(1,568,281)	(1,371,707)	659,110	5,122,236	7,770,595	7,591,959
\$ 3,903,211	\$ 2,522,231	\$ 2,960,378	\$ 3,389,120	\$ 7,627,926	\$ 9,184,765	\$ 9,853,908
\$ 129,259,628	\$ 100,033,992	\$ 41,842,448	\$ 44,902,392	\$ 29,787,422	\$ 44,209,369	\$ 29,602,563
92,237,379	100,536,282	97,561,208	141,671,418	204,803,878	230,580,780	47,399,966
67,619,028	38,492,186	5,350,579	(72,028,394)	(145,673,812)	(149,655,451)	41,809,550
\$ 289,116,035	\$ 239,062,460	\$ 144,754,235	\$ 114,545,416	\$ 88,917,488	\$ 125,134,698	\$ 118,812,079

Douglas County School District Re. 1
Change in Net Position
Last Ten Fiscal Years

	2015 ⁽¹⁾	2014	2013
EXPENSES			
Governmental activities:			
Instruction	\$ 301,623,918	\$ 269,742,706	\$ 270,892,918
Supporting services	224,759,449	196,761,368	171,113,103
Payment to Component Units ⁽²⁾	80,957,702	73,281,995	59,994,588
Interest on long-term debt	24,041,678	28,911,330	30,187,963
Total governmental activities expenses	<u>631,382,747</u>	<u>568,697,399</u>	<u>532,188,572</u>
Business-type activities:			
Nutrition Services	-	14,628,994	14,470,523
Non-Major Enterprise Funds	-	9,938,248	9,457,490
Total business-type activities expenses	<u>-</u>	<u>24,567,242</u>	<u>23,928,013</u>
PROGRAM REVENUES			
Governmental activities:			
Charges for services	53,492,483	28,530,827	27,874,860
Operating grants and contributions	36,769,664	30,342,355	28,777,165
Capital grants and contributions	-	-	-
Total governmental activities	<u>90,262,147</u>	<u>58,873,182</u>	<u>56,652,025</u>
Business-type activities:			
Charges for services - Nutrition Services	-	12,179,758	10,941,844
Operating grants and contributions	-	3,091,358	3,602,925
Charges for services - non-major enterprise funds	-	10,490,492	9,664,554
Total business-type activities	<u>-</u>	<u>25,761,608</u>	<u>24,209,323</u>
Total primary government program revenues	<u>\$ 90,262,147</u>	<u>\$ 84,634,790</u>	<u>\$ 80,861,348</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION			
Governmental activities:			
Property taxes	230,044,555	224,180,235	225,526,250
Specific ownership taxes	21,630,690	19,916,387	17,961,028
State equalization	293,357,217	270,410,414	255,686,365
COP Charter school repayment	-	-	-
Investment earnings	147,171	144,848	247,485
Grants and contributions not specific to programs	-	-	-
Other	9,923,025	13,296,105	12,407,767
Transfers	-	(2,605,000)	55,042
Total governmental activities	<u>555,102,658</u>	<u>525,342,989</u>	<u>511,883,937</u>
Business-type activities:			
Investment earnings	-	-	-
Other	-	125,907	-
Extraordinary item (w/o assets <\$5k)	-	-	-
Transfers	-	2,605,000	(55,042)
	<u>-</u>	<u>2,730,907</u>	<u>(55,042)</u>
Total primary government general revenues	<u>\$ 555,102,658</u>	<u>\$ 528,073,896</u>	<u>\$ 511,828,895</u>
CHANGE IN NET POSITION			
Governmental activities	13,982,058	15,518,772	36,347,390
Business-type activities	-	3,799,366	226,268
	<u>\$ 13,982,058</u>	<u>\$ 19,318,138</u>	<u>\$ 36,573,658</u>

(1) In fiscal year 2015, the District restated beginning net position/fund balance due to a reclassification of non-major enterprise funds to non-major special revenue funds. Consistent with the guidance from the Colorado Department of Education in accordance with GASB Statement No. 54, and management of the District has reclassified the Nutrition Services Fund and Child Care Fund from an enterprise fund to a special revenue fund, and Outdoor Education Fund to the Combined General Fund.

(2) Payments to Component Units were included under instructional expense fiscal year 2010 and prior.

Table 2

	2012	2011	2010	2009	2008	2007	2006
\$	266,574,362	\$ 255,901,180	\$ 305,026,427	\$ 280,588,259	\$ 330,050,883	\$ 262,994,204	\$ 233,882,864
	149,913,182	142,363,827	182,308,594	197,239,443	153,020,191	138,132,132	128,319,312
	54,244,208	46,384,715	-	-	-	-	-
	28,148,114	35,322,746	31,755,542	31,732,601	32,362,410	31,977,580	27,443,334
	498,879,866	479,972,468	519,090,563	509,560,303	515,433,484	433,103,916	389,645,510
	14,163,053	14,396,183	15,301,521	16,488,675	13,958,595	11,369,440	10,018,401
	8,945,976	8,560,831	8,857,027	9,464,830	7,596,573	6,740,000	6,017,367
	23,109,029	22,957,014	24,158,548	25,953,505	21,555,168	18,109,440	16,035,768
	26,326,938	24,594,662	17,634,758	18,493,995	13,907,195	5,902,190	9,523,795
	23,774,694	28,805,131	26,849,162	24,380,125	19,776,495	35,835,862	20,063,968
	-	-	63,492	-	-	-	-
	50,101,632	53,399,793	44,547,412	42,874,120	33,683,690	41,738,052	29,587,763
	10,624,082	10,850,000	11,621,798	9,851,990	9,412,258	9,437,965	8,982,460
	3,576,019	3,726,239	2,917,705	2,803,292	2,346,509	1,685,307	1,540,352
	9,139,908	8,905,075	9,122,383	9,158,931	8,223,883	6,903,660	6,379,827
	23,340,009	23,481,314	23,661,886	21,814,213	19,982,650	18,026,932	16,902,639
\$	73,441,641	\$ 76,881,107	\$ 68,209,298	\$ 64,688,333	\$ 53,666,340	\$ 59,764,984	\$ 46,490,402
	213,087,082	232,462,054	227,029,556	224,686,214	210,261,080	187,833,547	181,523,863
	16,186,615	15,522,850	15,949,421	17,932,981	19,748,994	18,554,862	17,903,441
	246,289,764	244,359,000	249,467,855	234,872,441	191,877,073	161,027,430	158,044,093
	12,364,050	-	-	-	-	-	-
	174,758	442,416	1,331,324	5,157,300	11,510,006	10,879,889	4,674,447
	159,476	1,572,533	-	-	-	-	-
	10,339,083	9,160,063	11,402,556	13,786,604	13,692,270	20,061,898	10,662,806
	(1,150,000)	-	-	117,377	-	-	-
	497,450,828	503,518,916	505,180,712	496,552,917	447,089,423	398,357,626	372,808,650
	-	-	-	-	5	200,428	116,376
	-	9,308	67,920	17,863	15,674	17,567	242,700
	-	-	-	-	-	(804,630)	-
	1,150,000	-	-	(117,377)	-	-	-
	1,150,000	9,308	67,920	(99,514)	15,679	(586,635)	359,076
\$	498,600,828	\$ 503,528,224	\$ 505,248,632	\$ 496,453,403	\$ 447,105,102	\$ 397,770,991	\$ 373,167,726
	48,672,594	76,946,241	30,637,561	29,866,734	(34,660,371)	6,991,762	12,750,903
	1,380,980	524,300	(496,662)	(4,256,669)	(1,572,518)	(82,508)	866,871
\$	50,053,574	\$ 77,470,541	\$ 30,140,899	\$ 25,610,065	\$ (36,232,889)	\$ 6,909,254	\$ 13,617,774

Douglas County School District Re. 1
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2015 ⁽²⁾	2014	2013	2012
Combined General Fund				
Reserved	\$ -	\$ -	\$ -	-
Nonspendable	734,907	1,027,061	820,300	806,542
Restricted - TABOR Emergency Reserve	15,290,000	15,132,000	14,043,000	12,790,000
Assigned	79,177,558	71,579,987	89,027,824	68,735,779
Unassigned	463,134	486,854	537,143	18,052,019
Total Combined General Fund	\$ 95,665,599	\$ 88,225,902	\$ 104,428,267	\$ 100,384,340
All other governmental funds				
Non Spendable	\$ 671,255	\$ -	\$ 30,000	\$ -
Reserved for Emergencies	-	-	-	-
Reserved:				
Special Revenue Funds	-	-	-	-
Restricted:				
Building	8,634,778	14,536,321	14,342,407	18,002,255
Aspen View Academy Charter	437,120	450,072	-	-
Debt Service/Lease Payment Funds	70,039,530	64,595,606	59,785,966	60,333,964
Grants	185,120	185,120	185,120	185,120
Student Athletics Activities Fund	395,743	823,833	735,492	926,040
Nutrition Services	250,452	-	-	-
Child Care	4,998,474	-	-	-
Total all other governmental funds	\$ 85,612,472	\$ 80,590,952	\$ 75,078,985	\$ 79,447,379
Governmental Funds				
Reserved/Assigned	\$ 180,814,937	\$ 239,459,915	\$ 267,997,933	\$ 230,515,479
Unreserved	463,134	486,854	537,143	18,052,019
Total governmental funds	\$ 181,278,071	\$ 239,946,769	\$ 268,535,076	\$ 248,567,498

(1) In fiscal year 2011 the District adopted GASB 54, Fund Balance Reporting and Fund Type Definitions, changing the titles and classifications of fund balance.

The District has retroactively applied this statement for the purposes of providing a comparative reference.

(2) In fiscal year 2015, the District restated beginning net position/fund balance due to a reclassification of a non-major enterprise funds to non-major special revenue funds. Consistent with the guidance from the Colorado Department of Education and in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, management of the District has reclassified the Nutrition Services Fund and Child Care Fund from an enterprise fund to a special revenue fund, and Outdoor Education Fund to the Combined General Fund.

Balances prior to 2015 are shown as originally presented and have not been restated for accounting changes.

Table 3

Restated ⁽¹⁾							
2011	2010	2009	2008	2007	2006		
\$ -	\$ -	\$ 2,065,105	\$ 1,213,125	\$ 1,183,606	\$ 1,088,263		
762,782	750,463	-	-	-	-		
11,745,301	12,313,022	12,414,008	11,750,000	10,377,000	9,236,009		
41,226,027	22,832,627	-	-	-	-		
26,815,727	10,197,615	6,141,834	7,224,933	24,065,111	24,561,408		
<u>\$ 80,549,837</u>	<u>\$ 68,926,354</u>	<u>\$ 20,620,947</u>	<u>\$ 20,188,058</u>	<u>\$ 35,625,717</u>	<u>\$ 34,885,680</u>		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
-	-	-	-	-	-		741,728
-	10,422,477	5,649,724	5,837,202	11,764,401	9,778,315		
15,338,607	30,123,296	81,761,934	152,572,604	185,916,546	64,480,360		
-	-	-	-	-	-		
59,340,736	55,124,890	45,430,371	40,481,274	34,287,234	32,441,936		
185,120	-	-	-	-	-		
1,076,248	-	-	-	-	-		
-	-	-	-	-	-		
-	-	-	-	-	-		
<u>\$ 75,940,711</u>	<u>\$ 95,670,663</u>	<u>\$ 132,842,029</u>	<u>\$ 198,891,080</u>	<u>\$ 231,968,181</u>	<u>\$ 107,442,339</u>		
\$ 129,674,821	\$ 131,566,775	\$ 147,321,142	\$ 211,854,205	\$ 243,528,787	\$ 117,766,611		
26,815,727	10,197,615	6,141,834	7,224,933	24,065,111	24,561,408		
<u>\$ 156,490,548</u>	<u>\$ 141,764,390</u>	<u>\$ 153,462,976</u>	<u>\$ 219,079,138</u>	<u>\$ 267,593,898</u>	<u>\$ 142,328,019</u>		

Douglas County School District Re. 1
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2015	2014	2013	2012
REVENUES				
Taxes	\$ 252,092,362	\$ 247,142,354	\$ 237,365,348	\$ 236,258,181
Payment in Lieu of Taxes	-	-	-	-
Intergovernmental	330,125,900	300,752,769	284,463,530	270,223,934
Charges for services	53,492,483	28,530,827	27,874,860	26,326,938
Investment Earnings	140,674	132,902	276,635	160,793
Other	12,803,286	13,932,610	12,211,910	10,188,833
Total Revenues	648,654,705	590,491,462	562,192,283	543,158,679
EXPENDITURES				
Current operating:				
Instruction	283,860,606	276,669,387	274,167,817	247,204,042
Supporting Services	198,026,671	180,116,275	160,186,452	143,195,462
Other charges	-	-	-	-
Capital Outlay	5,904,688	12,945,707	18,620,893	19,743,061
Payment to Component Unit	80,957,702	73,281,995	59,994,588	54,244,208
Debt Service:				
Debt issuance costs	431,679	172,052	483,024	489,201
Principal	42,298,688	41,851,380	43,289,338	40,960,449
Interest and fiscal charges	29,681,349	32,193,583	29,603,277	29,153,263
Total Expenditures	641,161,383	617,230,379	586,345,389	534,989,686
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	47,135,000	-	31,020,000	71,095,000
Premium on Bonds	3,197,689	-	3,925,547	14,185,059
Payments to Refunded Bond Escrow	(49,891,056)	-	(34,353,871)	(84,800,060)
Issuance of COP	-	15,000,000	15,500,000	-
COP Charter School Repayment	-	-	-	12,364,049
Issuance of Capital Lease	-	3,530,800	7,636,963	3,478,130
Other Sources (Uses)	-	122,719	100,000	-
Transfers In	7,436,481	10,063,087	6,715,311	5,377,499
Transfers Out	(7,436,481)	(12,668,087)	(6,715,311)	(6,527,499)
Total other financing sources (uses)	441,633	16,048,519	23,828,639	15,172,178
Net change in fund balances	\$ 7,934,955	\$ (10,690,398)	\$ (324,466)	\$ 23,341,172
Debt service as a percentage of non-capital expenditures	11.5%	12.5%	13.3%	13.6%

Table 4

	Restated 2011	2010	2009	2008	2007	2006
\$	244,884,158	\$ 244,581,528	\$ 235,594,106	\$ 230,010,074	\$ 206,388,408	\$ 196,724,413
	92,000	123,192	71,114	661,285	1,153,540	1,552,643
	274,736,664	276,380,509	259,252,566	211,653,568	196,863,292	178,108,061
	24,594,662	17,634,758	18,493,995	13,907,195	5,902,190	4,804,824
	423,889	1,084,491	4,937,959	11,379,892	10,619,817	4,345,063
	8,908,432	11,279,364	13,715,490	13,030,985	18,908,358	15,381,777
	553,639,805	551,083,842	532,065,230	480,642,999	439,835,605	400,916,781
	246,797,488	285,889,484	287,206,411	258,791,779	238,315,149	214,099,665
	138,836,902	154,940,755	161,978,101	154,749,135	130,719,659	114,712,396
	-	-	-	-	-	3,075
	30,882,869	72,549,474	85,360,848	121,340,086	83,770,734	44,142,400
	46,384,715	867,667	-	-	-	-
	542,871	832,407	-	-	-	-
	38,179,739	30,823,505	28,945,000	22,300,000	15,963,132	15,508,721
	30,532,096	31,755,542	31,732,601	32,362,410	31,977,580	28,693,879
	532,156,680	577,658,834	595,222,961	589,543,410	500,746,254	417,160,136
	86,405,000	101,770,000	-	63,944,949	207,944,942	-
	17,247,133	13,504,761	-	12,260,702	24,533,628	-
	(103,113,364)	(100,398,355)	-	(14,260,000)	(47,675,872)	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	19,227,111	21,136,366	24,358,656	22,240,125	14,793,293	14,013,267
	(23,043,821)	(21,136,366)	(26,817,087)	(23,800,125)	(14,793,293)	(13,013,267)
	(3,277,941)	14,876,406	(2,458,431)	60,385,651	184,802,698	1,000,000
\$	18,205,184	\$ (11,698,586)	\$ (65,616,162)	\$ (48,514,760)	\$ 123,892,049	\$ (15,243,355)
	13.5%	12.4%	11.8%	10.2%	11.2%	11.3%

Douglas County School District Re. 1
 Assessed Value and Estimated Actual Value of Taxable Property ⁽¹⁾
 Last Ten Calendar Years

Residential Property

Other Property Classes

Tax Year	Collection Year	Assessed Value	Actual Value	Vacant Land	Commercial	Industrial	Agricultural
2014	2015	\$ 2,772,808,070	\$ 34,834,272,236	\$ 207,204,100	\$ 1,438,065,210	\$ 116,662,310	\$ 17,590,720
2013	2014	2,700,797,330	33,929,614,698	212,708,100	1,409,372,620	113,493,760	17,339,320
2012	2013	2,633,649,430	33,086,048,116	230,484,200	1,352,916,980	107,361,790	16,897,990
2011	2012	2,605,060,140	32,726,886,181	237,907,000	1,352,671,890	106,996,720	16,967,090
2010	2011	2,835,278,200	35,619,072,864	328,390,830	1,461,043,520	114,075,070	18,733,120
2009	2010	2,804,614,750	35,233,853,643	338,451,120	1,465,556,170	98,981,380	17,633,480
2008	2009	2,712,177,010	34,072,575,503	352,466,660	1,398,061,420	51,894,240	19,303,880
2007	2008	2,630,673,430	33,048,661,181	334,701,420	1,334,996,740	57,097,880	18,486,600
2006	2007	2,356,476,840	29,603,980,402	266,327,340	1,220,874,170	49,165,040	14,281,410
2005	2006	2,206,389,260	27,718,458,040	268,822,740	1,168,970,503	49,576,470	13,926,590

(1) Source: Douglas County Assessor

<http://www.douglas.co.us/assessor/documents/current-abstract-of-assessment.pdf>

(2) CDE Website: FY 14-15 Mill Levies and Overrides

<http://www.cde.state.co.us/cdefinance/sfmilllevy>

Table 5

Natural Resources	State Assessed	Other Property Classes Assessed	Other Property Classes Actual Value	Total Assessed Value	Grand Total Actual Value	Direct ⁽²⁾ Tax Rate
\$ 458,850	\$ 227,523,800	\$ 1,980,896,450	\$ 6,830,677,414	\$ 4,681,693,780	\$ 40,760,292,112	48.277
422,900	235,325,500	1,988,662,200	6,857,455,862	4,689,459,530	40,787,070,561	48.277
435,290	209,659,400	1,924,637,390	6,636,680,655	4,529,697,530	39,363,566,836	48.727
425,920	184,707,000	2,107,375,460	7,266,811,931	4,942,653,660	42,885,884,795	48.788
343,730	158,980,100	2,079,945,980	7,172,227,517	4,884,560,730	42,406,081,160	46.890
219,050	154,083,000	1,976,028,250	6,813,890,517	4,688,205,260	40,886,466,020	46.681
318,030	143,966,400	1,889,567,070	6,515,748,517	4,520,240,500	39,564,409,698	47.103
380,290	137,184,200	1,688,212,450	5,821,422,241	4,044,689,290	35,425,402,643	46.500
401,120	115,320,030	1,617,017,453	5,575,922,252	3,823,406,713	33,294,380,292	46.500
471,970	116,537,000	1,454,104,970	5,014,155,069	3,427,804,640	29,809,377,054	46.500

Douglas County School District Re. 1
Direct and Overlapping Property Tax Rates ⁽¹⁾
Last Ten Calendar Years

Assessment Year	Collection Year	General Fund	Debt Service Fund	Total	Douglas County ⁽²⁾	Total
2014	2015	32.849	15.43	48.277	24.27	72.55
2013	2014	32.935	15.34	48.277	24.27	72.55
2012	2013	33.599	15.13	48.727	24.27	73.00
2011	2012	33.341	15.45	48.788	24.27	73.06
2010	2011	32.644	14.25	46.890	24.27	71.16
2009	2010	32.485	14.196	46.681	24.27	70.95
2008	2009	33.197	13.906	47.103	24.27	71.38
2007	2008	33.358	13.142	46.500	24.27	70.77
2006	2007	33.970	12.530	46.500	24.27	70.77
2005	2006	33.066	13.434	46.500	24.27	70.77

- (1) In addition to the County and the School District, there are five cities and towns and one hundred three (103) special districts which levy property taxes in Douglas County. Because of this number of taxing entities, this table identifies only the District and the County.
- (2) Includes the Law Enforcement Authority (LEA) and Douglas County Government.

Source: Douglas County Treasurer

<http://www.douglas.co.us/documents/2014-tax-district-levies.pdf>

Douglas County School District Re. 1
Principal Property Tax Payers
Current Year and Nine Years Ago as of December 31

	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Park Meadows Mall LLC	\$ 68,665,810	1	1.44%	\$ 55,121,810	1	1.44%
Intermountain Rural Elec Assn.	57,419,220	2	1.20%	26,700,200	4	0.70%
Public Service Co. of Colo	56,307,300	3	1.18%	25,186,500	5	0.66%
HCA HealthOne LLC	50,703,350	4	1.06%	27,217,340	3	0.71%
Century Link (was Qwest Corporation)	37,272,000	5	0.78%	35,884,680	2	0.94%
Kaiser Foundation Hospitals	33,363,380	6	0.70%	-		
Qwest Communications	19,148,300	7	0.40%	-		
Target Corporation	15,524,250	8	0.32%	-		
Plaza Drive Properties LLC	15,080,010	9	0.32%	18,865,320	7	0.49%
Wells Reit II South Jamaica St LLC	11,785,520	10	0.25%	-		
Craig Realty Group Castle Rock LLC	-		-	20,140,380	6	0.53%
Visa USA Inc.	-		-	16,416,350	8	0.43%
Liberty Property Holdings Inc.	-		-	13,456,530	9	0.35%
EchoStar Real Estate Corporation IV	-		-	11,975,160	10	0.31%
Total Principal Taxpayers	\$ 365,269,140		7.65%	\$ 250,964,270		6.56%

Source: Douglas County 2014 CAFR

<http://www.douglas.co.us/documents/2014-cafr.pdf>



Douglas County School District
Learn today. Lead tomorrow.

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Douglas County School District Re. 1
Property Tax Levies and Collections
Last Ten Years

Assessment Year	Collection Year	Total Tax Levy ⁽¹⁾	Collected within the Fiscal Year of the Levy			Total Tax Collections	Percent of Total Tax Collections to Levy
			Current Tax Collections	Percent of Levy Collected	Collection in Subsequent Years		
2014	2015	\$ 231,973,131	\$ 229,982,554	99.14%	\$ 86,893	\$ 230,069,447	99.18%
2013	2014	227,593,608	227,223,163	99.84%	103,769	227,326,932	99.88%
2012	2013	223,058,985	215,369,540	96.55%	28,714	215,398,254	96.57%
2011	2012	221,044,051	219,450,816	99.28%	56,221	219,507,037	99.30%
2010	2011	233,933,234	231,099,780	98.79%	148,133	231,247,913	98.85%
2009	2010	229,275,614	226,434,281	98.76%	50,528	226,484,809	98.78%
2008	2009	221,968,627	215,341,376	97.01%	30,010	215,371,386	97.03%
2007	2008	211,754,477	205,145,167	96.88%	73,455	205,218,622	96.91%
2006	2007	188,393,901	184,592,058	97.98%	120,339	184,712,397	98.05%
2005	2006	179,088,243	176,590,109	98.61%	194,135	176,784,244	98.71%

(1) CDE Website: FY 14-15 Mill Levies and Overrides
<http://www.cde.state.co.us/cdefinance/sfmillevy>

Douglas County School District Re. 1
Ratios of Outstanding Debt by Type
Last Ten Years

Governmental Activities

Year Ended June 30	General Obligation Bonds	Certificates of Participation	Accreted Interest	Bond Premiums	Capital Leases	Total
2015	\$ 390,608,248	\$ 50,510,000	\$ 9,620,808	\$ 45,288,506	\$ 9,206,434	\$ 505,233,996
2014	432,426,936	52,200,000	15,722,043	49,067,791	10,174,165	559,590,935
2013	470,743,316	40,735,000	19,695,769	53,252,046	7,364,704	591,790,835
2012	509,211,093	26,505,000	18,532,441	63,924,242	1,159,302	619,332,078
2011	543,221,501	27,540,000	-	-	-	570,761,501
2010	580,366,240	28,575,000	-	-	-	608,941,240
2009	608,924,744	16,920,000	-	-	-	625,844,744
2008	637,134,744	17,655,000	-	-	-	654,789,744
2007	609,424,795	17,980,000	-	-	-	627,404,795
2006	477,537,985	4,465,000	-	-	-	482,002,985

(1) Douglas County Government

<http://www.douglas.co.us/documents/current-abstract-of-assessment.pdf>

(2) 2014 Douglas County CAFR -Demographic and Economic Statistics

<http://www.douglas.co.us/documents/2014-cafr.pdf>

Figures included in this schedule represent the most recent data available.

2014 and prior numbers have not been revised to match the County's updated data.

Table 9

Assessed Value ⁽¹⁾	Personal Income ⁽²⁾	Population ⁽²⁾	Percentage of Personal Income	Total Debt Per Capita
\$ 4,780,313,060	\$24,006,648	308,000	4.75%	\$ 1,640
4,689,459,530	22,858,414	302,464	4.08%	1,850
4,551,405,080*	21,954,925	295,689	3.71%	2,001
4,504,735,760	18,081,970	291,083	2.92%	2,128
4,916,844,570	17,514,402	288,430	3.07%	1,979
4,879,538,950	17,108,472	290,059	2.81%	2,099
4,678,187,640	16,969,723	286,780	2.71%	2,182
4,513,520,560	14,706,467	281,418	2.25%	2,327
4,022,845,950	12,993,222	268,506	2.07%	2,337
3,824,694,533	11,347,684	252,988	2.35%	1,905

Douglas County School District Re. 1
Ratios of Net General Bonded Debt Outstanding
Last Ten Years

Year Ended June 30	General Obligation Bonds	Debt Service Funds Available	Net Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita	Actual Value	Assessed Value ⁽¹⁾	Personal Income ⁽²⁾	Population ⁽²⁾
2015	\$445,517,562	\$ 48,358,535	\$397,159,027	0.95%	1,289	\$41,756,703,236	\$ 4,780,313,060	\$24,006,648	308,000
2014	497,216,770	39,363,688	457,853,082	1.12%	1,514	40,787,070,561	4,689,459,530	22,858,414	302,464
2013	543,691,131	46,691,379	496,999,752	1.25%	1,681	39,698,998,633	4,551,405,080	21,954,925	295,689
2012	591,667,776	40,687,776	550,980,000	1.40%	1,893	39,277,491,767	4,504,735,760	18,081,970	291,083
2011	543,221,541	34,010,448	509,211,093	1.19%	1,765	42,796,887,933	4,916,844,570	17,514,402	288,430
2010	580,366,240	37,144,738	543,221,502	1.28%	1,873	42,388,764,678	4,879,538,950	17,108,472	290,059
2009	608,924,744	28,558,504	580,366,240	1.42%	2,024	40,851,922,503	4,678,187,640	16,969,723	286,780
2008	637,134,744	28,210,000	608,924,744	1.54%	2,164	39,541,237,491	4,513,520,560	14,706,467	281,418
2007	609,424,795	34,287,234	575,137,561	1.63%	2,142	35,350,080,781	4,022,845,950	12,993,222	268,506
2006	477,537,985	32,441,936	445,096,049	1.34%	1,759	33,298,821,051	3,824,694,533	11,347,684	252,988

(1) Douglas County Government

<http://www.douglas.co.us/documents/current-abstract-of-assessment.pdf>

(2) 2014 Douglas County CAFR

<http://www.douglas.co.us/documents/2014-cafr.pdf>

(3) General Obligation Bond related amounts include General Obligation Bonds, accreted interest and bond premiums.

Figures included in this schedule represent the most recent data available.

Data is estimated and is subject to change based on updated information.

2014 and prior numbers have not been updated to match the County's updated data .

Douglas County School District Re. 1
 Estimated Overlapping General Obligation Debt
 (Unaudited)

In addition to the general obligation indebtedness of the District, other taxing entities are authorized to incur general obligation debt within boundaries which overlap or partially overlap the boundaries of the District. The following table sets forth the estimated overlapping general obligation debt attributable to property owners within the District as of June 30, 2015. Additional taxing entities may overlap with the District in the future.

Estimated Overlapping General Obligation Debt

	2014	Entity's Debt Outstanding	Outstanding Debt Attributable to the District ⁽⁴⁾	
	Assessed Valuation ⁽²⁾		Percent	Amount
Direct Debt				
Douglas County School District RE-1	\$ 4,681,693,780	\$ 505,233,996	100%	<u>\$ 505,233,996</u>

Overlapping G.O. Debt⁽¹⁾

Name of Overlapping Entity	Valuation ⁽³⁾	G.O. Debt	Percent	Amount
Antelope Heights Metropolitan District	\$ 12,567,670	\$ 10,035,000	100.00%	\$ 10,035,000
Arapahoe County Water and Wastewater P.I.D.	343,704,769	131,915,000	2.45	3,231,918
City of Aurora	2,979,564,029	2,115,000	0.29	6,134
Canterberry Crossing Metropolitan District	24,148,430	11,780,000	100	11,780,000
Canterberry Crossing Metropolitan District II	19,739,840	12,290,000	100	12,290,000
Castle Oaks Metropolitan District	12,986,450	17,025,000	100	17,025,000
Castle Pines Metropolitan District	125,381,120	1,540,000	100	1,540,000
Castle Pines North Metropolitan District ⁽⁴⁾	134,903,840	10,130,000	100	10,130,000
Castlewood Ranch Metropolitan District	25,309,700	19,760,000	100	19,760,000
Chatfield South Water District	5,000,170	104,662	100	104,662
Cherokee Ridge Estates Metropolitan District	2,757,390	1,065,000	100	1,065,000
Cherry Creek South Metropolitan District No. 1	35,027,670	3,930,000	100	3,930,000
Cherry Creek South Metropolitan District No. 2	3,897,080	1,850,000	100	1,850,000
Compark Business Campus Metropolitan District ⁽⁵⁾	37,020,880	51,110,000	100	51,110,000
Concord Metropolitan District	22,019,360	5,330,000	100	5,330,000
Consolidated Bell Mountain Ranch Metro. District	13,849,170	13,240,000	100	13,240,000
Cottonwood Water and Sanitation District	76,436,440	18,610,275	100	18,610,275
Crystal Crossing Metropolitan District	6,061,080	6,920,000	100	6,920,000
Crystal Valley Metropolitan District No. 1	17,020	19,527,005	100	19,527,005
Crystal Valley Metropolitan District No. 2	16,535,800	38,370,000	100	38,370,000
Elkhorn Ranch Metropolitan District No. 1	4,925,540	7,293,683	100	7,293,683
Heritage Hills Metropolitan District	39,061,300	475,000	100	475,000
Highfield Metropolitan District	7,184,980	3,250,000	100	3,250,000
Highlands Ranch Metropolitan District	1,204,989,130	46,635,000	100	46,635,000
Horse Creek Metropolitan District	11,325,730	4,465,000	100	4,465,000
Horseshoe Ridge Metropolitan Districts Nos. 1-3 ⁽⁶⁾	7,968,070	3,850,000	100	3,850,000
Hunting Hill Metropolitan District	2,787,260	3,850,000	100	3,850,000
Inverness Metropolitan Improvement District	291,312,879	4,660,000	31.84	1,483,744
Inverness Water and Sanitation District	292,483,959	14,565,000	31.71	4,618,562
Jordan Crossing Metropolitan District	2,394,260	1,330,000	100	1,330,000
Larkspur Fire Protection District	121,436,340	2,530,000	100	2,530,000
Lincoln Creek Metropolitan District ⁽⁷⁾	1,262,110	4,130,000	100	4,130,000
Lincoln Meadows Metropolitan District	8,318,780	8,490,292	100	8,490,292
Lincoln Park Metropolitan District ⁽⁸⁾	29,707,500	31,485,000	100	31,485,000
Lincoln Station Metropolitan District	42,363,750	16,435,000	100	16,435,000

Douglas County School District Re. 1
Estimated Overlapping General Obligation Debt
(Unaudited)

Estimated Overlapping General Obligation Debt
(Continued)

Name of Overlapping Entity	Valuation ⁽³⁾	G.O. Debt	Percent	Amount
Lincoln Meadows Metropolitan District	8,318,780	8,490,292	100	8,490,292
Lincoln Park Metropolitan District ⁽⁸⁾	29,707,500	31,485,000	100	31,485,000
Lincoln Station Metropolitan District	42,363,750	16,435,000	100	16,435,000
Louviers Water and Sanitation District ⁽⁹⁾	1,608,050	773,993	100	773,993
Maher Ranch Metropolitan District No. 4 ⁽¹⁰⁾	24,090,750	19,720,000	100	19,720,000
Meadow Station Public Improvement District	2,458,860	395,000	100	395,000
Meadows Metropolitan Districts Nos. 1 - 7 ⁽¹¹⁾	137,575,720	70,000,000	100	70,000,000
Meridian Metropolitan District	165,692,390	70,000,000	100	70,000,000
Meridian Village Metropolitan District Nos. 1 & 2 ⁽¹²⁾	24,610,160	35,185,000	100	35,185,000
Neu Towne Metropolitan District ⁽¹³⁾	3,728,230	7,607,123	100	7,607,123
North Meridian Metropolitan District	846,710	7,240,000	100	7,240,000
North Pines Metropolitan District	3,494,380	2,420,000	100	2,420,000
Olde Town Metropolitan District	2,729,860	905,000	100	905,000
Omnipark Metropolitan District	44,254,070	4,800,000	100	4,800,000
Parker Automotive Metropolitan District	4,273,980	3,855,000	100	3,855,000
Parker Homestead Metropolitan District	4,326,970	6,500,000	100	6,500,000
Parker Water and Sanitation District	473,284,647	90,110,000	100	90,110,000
Pine Bluffs Metropolitan District	7,074,828	4,510,000	100	4,510,000
Pinery West Metropolitan District No. 2 ⁽¹⁴⁾	32,704,100	17,330,000	100	17,330,000
Pinery West Metropolitan District No. 3 ⁽¹⁵⁾	9,306,330	1,890,000	100	1,890,000
Plum Creek Metropolitan District	20,439,280	1,005,039	100	1,005,039
Ravenna Metropolitan District	6,272,650	9,000,000	100	9,000,000
Reata North Metropolitan District ⁽¹⁶⁾	16,638,580	10,971,051	100	10,971,051
Reata South Metropolitan District ⁽¹⁷⁾	14,237,820	19,350,000	100	19,350,000
Regency Metropolitan District	4,859,640	2,983,000	100	2,983,000
Robinson Ranch Metropolitan District	1,199,730	695,000	100	695,000
RockingHorse Metropolitan District No. 2	8,732,230	42,348,508	100	42,348,508
Roxborough Village Metropolitan District	53,712,330	11,125,114	100	11,125,114
Roxborough Water and Sanitation District	130,059,573	6,220,000	73.70	4,584,140
Sedalia Water and Sanitation District ⁽¹⁸⁾	6,327,670	113,342	100	113,342
Solitude Metropolitan District	2,990	5,000,000	100	5,000,000
South Meridian Metropolitan District	32,812,520	8,337,000	100	8,337,000
South Suburban Park and Recreation District	2,716,997,033	15,715,000	19.86	3,120,999
Southeast Public Improvement Metro. District	1,905,845,650	3,330,000	34.38	1,144,854
Stone Canon Ranch Metropolitan District	1,618,950	418,316	100	418,316
Stonegate Village Metropolitan District	71,598,390	25,490,000	100	25,490,000
Tallman Gulch Metropolitan District	531,370	4,214,000	100	4,214,000
Thunderbird Water and Sanitation District ⁽¹⁹⁾	5,950,550	266,548	100	266,548
Villages at Castle Rock Metropolitan Dist. No. 4 and Founders Village Metropolitan District ⁽²⁰⁾	35,500,810	25,911,000	100	25,911,000
Villages at Castle Rock Metropolitan District No. 6	12,365,710	36,524,206	100	36,524,206
Villages at Castle Rock Metropolitan District No. 7	19,660,950	2,440,000	100	2,440,000
West Metro Fire Protection District	2,866,088,199	32,805,000	3.54	1,161,297
Total Overlapping				<u>\$ 945,620,805</u>
Total Direct Debt and Overlapping Debt				<u>\$1,450,854,801</u>

Douglas County School District Re. 1
Estimated Overlapping General Obligation Debt
(Unaudited)

Estimated Overlapping General Obligation Debt
(Continued)

- (1) Other entities also overlap the District, but have no outstanding general obligation debt.
- (2) The 2014 assessed valuation figures certified by the County Assessors are for collection of ad valorem property taxes in 2015.
- (3) The percentage of each entity's outstanding debt attributable to the District is calculated by comparing the assessed valuation of the portion overlapping the District to the total assessed valuation of the overlapping entity. To the extent the District's assessed valuation changes disproportionately with the assessed valuation of overlapping entities, the percentage of debt for which property owners within the District are responsible will also change.
- (4) Castle Pines North Metropolitan District ("CPNMD") has issued limited tax general obligation bonds backed by a required mill levy with a variable maximum. The debt service mill levy for 2014 is 22 mills. CPNMD also has an agreement with Hidden Pointe Metropolitan District whereby Hidden Pointe remits net revenues equivalent to 12 mills to CPNMD for repayment of these bonds.
- (5) Pursuant to an agreement with Compark Business Campus Metropolitan District, E-470 Potomac Metropolitan District is required (through 2018) to levy a limited mill levy to pay debt service on a portion of the bonds.
- (6) Pursuant to a capital pledge agreement, Horseshoe Ridge Metropolitan Districts Nos. 2 and 3 (the "Financing Districts") pledge certain tax revenues to Horseshoe Ridge Metropolitan District No. 1 to pay obligations associated with the property tax supported revenue bonds issued by District No. 1. The Financing Districts pledge proceeds from a required mill levy of 35 mills which will be imposed upon all taxable property therein.
- (7) Lincoln Creek Metropolitan District has defaulted on its general obligation debt and, as of December 31, 2014, the outstanding principal balance is the original amount of \$4,130,000.
- (8) The outstanding debt figure for Lincoln Park Metropolitan District is as of October 2, 2014, the date it obtained a mill levy supported bank loan.
- (9) Louviers Water and Sanitation District's debt is comprised of general obligation bonds and a mill levy supported Colorado Water Resources and Power Development Authority loan.
- (10) Maher Ranch Metropolitan District No. 4's general obligation debt consists of limited tax general obligation bonds secured by a required mill levy not to exceed 55.063 mills and specific ownership tax revenue.
- (11) Seven contiguous districts entered into a Regional Facilities Cost Sharing Agreement whereby each district is liable for a portion of the total general obligation debt incurred by the other districts.
- (12) Meridian Village Metropolitan District No. 1's debt is supported by pledged revenues partially consisting of ad valorem property taxes levied against all taxable property in Meridian Village Metropolitan District No. 2.
- (13) Neu Towne Metropolitan District's general obligation debt consists of limited tax general obligation bonds secured by a required mill levy not to exceed 35 mills, facility fees, and specific ownership tax revenue.
- (14) Pinery West Metropolitan District No. 2's general obligation debt consists of limited tax general obligation bonds secured by a required mill levy not to exceed 57.475 mills and specific ownership tax revenue.
- (15) Pinery West Metropolitan District No. 3's general obligation debt consists of limited tax general obligation bonds secured by a required mill levy not to exceed 50 mills and specific ownership tax revenue.
- (16) Reata North Metropolitan District's general obligation debt consists of limited tax general obligation bonds secured by a required mill levy not to exceed 50 mills and facility fees.
- (17) Reata South Metropolitan District's general obligation debt consists of limited tax general obligation bonds secured by a required mill levy of not less than 40 mills and not more than 50 mills, facility fees, specific ownership tax revenue, and paym
- (18) Sedalia Water and Sanitation District's debt is a mill levy supported Colorado Water Resources and Power Development Authority Loan secured with a Governmental Agency Bond.
- (19) Thunderbird Water and Sanitation's debt consists of mill levy supported loans from the Colorado Water Resources and Power Development Authority.
- (20) Pursuant to a Plan for Adjustment of Debts approved by the U.S. Bankruptcy Court, Villages at Castle Rock Metropolitan District No. 4 ("Villages No. 4") issued Revenue Refunding Bonds Series 1991 in the amount of \$29,970,000. Pursuant to an agreement

Sources: Assessors' Offices of Adams, Arapahoe, Douglas, Elbert, and Jefferson Counties and the City and County of Denver; and individual taxing entities.

Douglas County School District Re. 1
 Legal Debt Margin
 For The Last Ten Fiscal Years

	2015	2014	2013	2012	2011
Debt limit ⁽¹⁾	\$ 1,195,078,265	\$ 1,172,364,883	\$ 1,137,851,270	\$ 1,126,183,940	\$ 1,229,211,143
Total debt applicable to limit	390,608,248	432,426,936	543,691,131	509,211,093	543,221,541
Legal debt margin ⁽²⁾	804,470,017	739,937,947	594,160,139	616,972,847	685,989,602
Total debt applicable to the limit as a percentage of debt limit	32.68%	36.89%	47.78%	45.2%	44.2%

(1) Debt limit is calculated by determining the total assessed value as reported in Table 9 on page 147 and multiplying by 2.5 percent.
 (2) Legal debt margin is calculated by subtracting the "total debt applicable to limit from the debt limit".

Table 12

2010	2009	2008	2007	2006
\$ 1,219,884,738	\$ 1,169,546,910	\$ 1,128,380,140	\$ 1,005,711,488	\$ 962,840,013
580,366,240	608,924,744	637,134,744	609,424,795	477,537,985
639,518,498	560,622,166	491,245,396	396,286,693	485,302,028
47.6%	52.1%	56.5%	60.6%	49.6%

Douglas County School District Re. 1
Demographic and Economic Statistics ⁽¹⁾

Year	Estimated Population	Per Capita Personal Income	Personal Income Total	Average Household Size	Median AGE	School Enrollment ⁽²⁾	Unemployment Rate
2014	308,000	\$ 77,944	\$ 24,006,648	2.82	36.9	66,230	4.50%
2013	302,464	75,574	22,858,414	2.80	37.5	64,657	5.60%
2012	295,689	74,250	21,954,925	2.95	37.4	63,114	5.90%
2011	291,083	71,463	20,801,664	2.79	36.6	61,465	6.10%
2010	288,430	63,056	17,743,150	2.86	36.6	59,932	6.70%
2009	290,059	62,633	17,255,256	2.90	34.3	58,723	6.60%
2008	286,780	58,305	15,577,869	2.88	35.7	52,393	5.10%
2007	281,418	53,329	13,659,407	2.85	33.5	50,370	3.20%
2006	268,506	48,416	11,770,604	2.80	35.4	48,043	4.90%
2005	252,988	43,115	10,024,521	2.88	33.7	45,814	3.60%

(1) 2014 Douglas County CAFR

<http://www.douglas.co.us/documents/2014-cafr.pdf>

(2) School enrollment as of October 1 of the referenced calendar year

Figures included in this schedule represent the most recent data available.

Data is estimated and is subject to change based on updated information.

2014 and prior numbers have not been updated to match the County's updated data in their most recent Annual Financial Report.

Douglas County School District Re. 1
Principal Employers
Current Year and Nine Years Ago

	2014			2005	
	<u>Employees</u>		<u>% of Total County Employment</u>	<u>Employees</u>	<u>% of Total County Employment</u>
Douglas County Schools	5,470	1	3.32%	5,565	5.36%
CH2M Hill	2,000	2	1.21%	1,200	1.16%
EchoStar Communications	1,930	3	1.17%	1,765	1.70%
HealthOne: Sky Ridge Medical	1,300	4	0.79%	1,038	1.00%
Western Union	1,130	5	0.69%		
Douglas County Government	1,110	6	0.67%		
Centura: Parker Adventist Hospital	900	7	0.55%		
Information Handling Systems	890	8	0.54%	800	0.77%
The Trizetto Group	840	9	0.51%		
VISA Debit Processing Services	700	10	0.42%		
First Data Corporation				1,700	1.64%
Avaya				1,600	1.54%
Visa USA				1,125	1.08%
Teletch Holdings				950	0.92%
Nextel				900	0.87%
Total for Principal Employers	<u>16,270</u>		<u>9.87%</u>	<u>16,643</u>	<u>16.04%</u>
Total Average Employment in Douglas County	164,925			103,755	

2014 Douglas County CAFR

<http://www.douglas.co.us/documents/2014-cafr.pdf>

Douglas County School District Re. 1
 Full-time Equivalent (FTE) District Employees by Function/Program FTE⁽¹⁾
 Last Ten Fiscal Years

	2015	2014	2013
Instructional Services:			
Administrators Direct Educational Support	12	15	10
Principals and Assistant Principals	149	143	134
Admin. Intern, BRT, RTI Staff	91	79	64
Instructional Support Professionals ⁽²⁾	27	19	6
Classroom Teachers, Regular and Special Services	2,891	2,869	2,725
Educational Assistants- Regular and Special Services	544	557	546
Preschool and Child Care	219	220	257
Food Services	141	158	128
Guidance Counselors	70	66	62
Student Support Professionals :	260	223	191
Speech Pathologist, Orthopedic and Physical Therapists			
Psychologists, Social Workers, Occupational Therapists			
Certified Librarians	13	14	14
Media Specialists - Classified	32	35	36
Nurses	29	25	28
Health Assistants	20	19	20
Athletic Trainers	9	8	9
Computer Resource Tech Support	31	34	30
Operational Support Services:			
Administrators	37	32	33
Technical Professionals	34	34	30
Business Services, Human Resources and Operational Professionals	59	43	43
Security Services; including Crossing Guards	46	47	35
Operations & Maintenance	265	252	255
Pupil Transportation and Bus Drivers	217	220	224
School Clerical, Business Office, Payroll and Benefits	369	358	345
	5,563	5,470	5,226

(1) FTE is defined as the number of hours worked per day divided by 8 or by 7.5 for licensed staff regardless of the number of months an employee works.

For example, 8 hours a day equals to one FTE. 4 hours a day equals 0.5 FTE.

Prior years have been updated to reflect this FTE definition.

(2) Job class was changed for Coordinators from licensed to professional

Table 15

2012	2011	2010	2009	2008	2007	2006
10	15	16	16	13	11	10
127	131	158	160	163	146	132
59	91	72	79	63	72	69
3	6	7	12	11		7
2,668	2,752	2,900	2,973	2,968	2,677	2,572
503	509	579	539	583	532	646
250	224	241	262	252	233	190
128	134	168	162	147	96	116
62	65	66	66	76	60	58
187	144	176	192	88	166	210
25	13	13	15	15	14	15
34	22	39	43	42	45	61
21	19	21	22	21	17	16
25	28	1	22	21	20	34
9	9	9	8	8	9	7
36	51	24	46	36	32	82
34	32	34	43	44	44	46
16	24	26	29	28	25	26
49	34	30	26	26	24	43
35	31	27	32	44	40	45
260	277	298	305	319	301	275
201	209	239	258	249	236	255
352	371	428	438	380	365	418
5,094	5,194	5,571	5,746	5,596	5,165	5,333

Douglas County School District Re. 1
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2015	2014	2013	2012
School Enrollment ⁽¹⁾	66,702	66,230	64,657	63,114
Funded Pupil Count ⁽¹⁾	63,037	62,241	60,823	59,232
Average Student Teacher Ratio ⁽²⁾	22.4	21.5	21.0	26.7
Expenses - Total Governmental Funds ⁽³⁾	\$ 631,382,747	\$ 568,697,399	\$ 532,188,572	\$ 534,989,686
Cost per FPC	\$ 10,016	\$ 9,137	\$ 8,750	\$ 8,975
Bus Miles Traveled ⁽⁴⁾	3,727,278	4,025,069	3,807,811	3,600,911
Preventive Maintenance Work Orders	19,136	19,287	20,438	16,861
Building Square Footage	6,678,758	6,661,633	6,661,633	6,660,845
Free & Reduced Student Count ⁽⁵⁾	7,326	8,023	7,321	6,867
% of Free & Reduced to Total School Enrollment	11.3%	12.5%	11.6%	10.9%
Average Teacher Salary ⁽⁶⁾	\$ 54,162	\$ 53,983	\$ 53,582	\$ 54,429

(1) Colorado Department of Education: District Summary of Pupil Counts as of October of the referenced fiscal year.

(2) Colorado Department of Education Website- 2014 Pupil FTE Ratio by School

<http://www.cde.state.co.us/search/node/2014%20Pupil/Teacher%20FTE%20Ratio>

(3) Table 2 -DCSD CAFR Stat Section

(4) Per CDE 40 Transportation Reimbursement form.

(5) From Colorado Department of Education Website: Free and reduced lunch eligibility

<http://www.cde.state.co.us/cdereval/pupilcurrentdistrict>

(6) Average teacher salary reported is for teachers working within the District's neighborhood schools. Does not include teachers working at District charter schools.

Table 16

2011	2010	2009	2008	2007	2006
61,465	59,932	58,723	52,393	50,370	48,043
57,566	56,181	54,921	49,695	47,363	44,827
24.2	22.1	20.6	19.3	19.6	19.6
\$ 532,156,679	\$ 577,658,834	\$ 594,356,294	\$ 603,803,410	\$ 548,422,117	\$ 417,160,136
\$ 9,244	\$ 9,639	\$ 10,121	\$ 11,525	\$ 10,888	\$ 8,683
3,381,542	3,295,241	4,212,904	4,196,613	3,640,784	3,032,104
22,428	17,777	15,539	13,865	15,618	13,543
6,617,016	6,282,231	6,137,617	5,596,976	5,375,895	5,267,680
6,502	4,887	4,416	2,377	1,972	2,227
10.6%	8.2%	7.5%	4.5%	3.9%	4.6%
\$ 54,771	\$ 54,520	\$ 54,714	\$ 51,547	\$ 53,532	\$ 49,239

Douglas County School District Re. 1
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Schools										
Elementary Schools	47	47	47	47	47	46	46	44	41	41
Middle Schools	9	9	9	9	9	9	9	7	7	7
High Schools	9	9	9	9	9	9	9	9	9	8
Charter Schools ⁽¹⁾	15	13	13	11	9	8	8	7	6	6
Magnet Schools	2	2	2	2	2	2	2	2	1	1
Alternative High Schools	1	1	1	1	1	1	2	2	2	2
Night Schools	1	1	1	1	1	1	1	1	1	1
University Center	1	1	1	1	1	1	1	1	1	1
Plum Creek	1	1	1	1	1	1	1	1	1	1
Administration										
Administration	2	2	2	2	2	2	1	1	1	1
Bus Terminals	3	3	3	3	3	3	3	3	3	3
Operations & Maintenance	3	3	3	3	3	3	3	3	2	2
Warehouse	2	2	2	2	2	2	1	1	1	1
Cantril	1	1	1	1	1	1	1	1	1	1

(1) American Academy constructed a second school site in FY 2012-2013.

***COMPLIANCE
SECTION***



RSM US LLP

**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***

Independent Auditor's Report

To the Board of Education
Douglas County School District RE.1
Castle Rock, 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, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Douglas County School District RE.1 (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 23, 2015. The beginning net position/fund balance of the governmental activities were restated due to the implementation of GASB Statement Nos. 68 and 71 and the reclassification of the Nutrition Services Fund and the Child Care Fund from enterprise funds to special revenue funds and the Outdoor Education Fund from an enterprise fund to the General Fund. Our report includes a reference to other auditors who audited the financial statements of the District's Charter Schools (the aggregated discretely presented component units), as described in our report on the District's financial statements. The financial statements of the District's Charter Schools were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the District's Charter Schools.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

Denver, Colorado
December 23, 2015



RSM US LLP

**Report on Compliance for the Major Federal
Program and Report on Internal
Control Over Compliance**

Independent Auditor's Report

To the Board of Education
Douglas County School District RE.1
Castle Rock, Colorado

Report on Compliance for the Major Federal Program

We have audited Douglas County School District RE. 1's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2015. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The District's financial statements include the operations of their Charter Schools, which are presented as the aggregate discretely presented component units. Any federal awards received by the Charter Schools are not included in the District's schedule of federal awards for the year ended June 30, 2015. Our audit, described below, did not include the operations of the Charter Schools because they were audited by other auditors.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the 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 its major federal programs for the year ended June 30, 2015.

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 the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

RSM US LLP

Denver, Colorado
December 23, 2015

Douglas County School District RE.1

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed Through State Department of Education:			
Title I, Part A	84.010	4010--5051	\$ 1,599,588
Title I, Part A (Prevention Integration)	84.010	5010	86,202
Title I, Part A	84.010	5010 (9202--5051)	142,546
Title I, Part A	84.010	5010 (9210--5051)	27,308
Title I, Part A	84.010	5010 (9211--5051)	11,298
Title I, Part A	84.010	5010 (9206-5051)	52,643
Title I, Part A (Turnaround Grant)	84.010	5010	27,155
Total CFDA No. 84.010			1,946,740
IDEA Part B: Special Education (IDEA, Part B)	84.027	4027--5041	8,257,086
Special Education Preschool Grants	84.173	4173--5049	112,307
Total Special Education Cluster			8,369,393
Title V, Part B: Charter Schools Program	84.282	5282	296,869
Title III, Part A: English Language Acquisition Grants	84.365	4365--5024	203,764
Title II, Part A: Improving Teacher Quality	84.367	4367--5056	178,928
DCECC Race to the Top	84.412	2412	28,921
Passed Through State Department of Human Services:			
Vocational Rehabilitation Grants	84.126	5126--5050	219,880
Passed Through State Board for Community College and Occupational Education,			
Career & Technical Education Grant	84.048	4048--5060	172,454
Total Department of Education			11,416,949
U.S. Department of Health and Human Services			
Passed Through State Department of Education,			
Childcare Development & Block Grant	93.575	7575	78,376
Childcare Development & Block Grant (EQUIT)	93.575	7574 (2574)	21,004
Total Department of Health and Human Services			99,380
U.S. Department of Agriculture			
Passed Through State Department of Education:			
School Breakfast Program	10.553	4553	135,375
National School Lunch Program	10.555	4555	2,063,280
Summer Food Program for Children	10.559	4559	33,319
			2,231,974
Passed Through State Department of Human Services,			
National School Lunch Program	10.555	4555	631,335
Total Department of Agriculture			2,863,309
Total Expenditures of Federal Awards			\$ 14,379,638

See Notes to Schedule of Expenditures of Federal Awards.

Douglas County School District RE.1

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2015

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Douglas County School District RE.1 (the District) for the year ended June 30, 2015. The schedule does not include the federal grant activity of the District's Charter Schools, discretely presented component units. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the schedule. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Note 2. Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is presented on the modified accrual basis of accounting. Revenue from federal awards is recognized when the District has done everything necessary to establish its right to the revenue. For the District's governmental funds, revenue from federal grants is recognized when they become both measurable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, where in certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Noncash Assistance

The schedule includes federal awards in the form of noncash assistance (food commodities) received during the year in the amount of \$631,335 from the U.S. Department of Agriculture passed through the State Department of Education and the State Department of Human Services – CFDA No. 10.555. The commodities are recognized as expenditures when used by the schools.

Note 4. Total Expenditures by Program

The total expenditures for the National School Lunch Program, CFDA No. 10.555 is \$2,694,615.

Douglas County School District RE.1

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2015**

Number	Comment	Status	Corrective Action Plan or Other Explanation
None reported			

Douglas County School District RE.1

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2015**

I. Summary of the Independent Auditor's Results

Financial Statements

Type of auditor's report issued: 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 auditor's report issued on compliance for major programs: Unmodified

- . Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major program:

CFDA Number	Name of Federal Program
84.027, 84.173	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between type A and type B programs: \$431,389

Auditee qualified as low-risk auditee? Yes No

(Continued)

Douglas County School District RE.1

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2015

II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

A. Internal Control

None reported

B. Compliance Findings

None reported

III. Findings and Questioned Costs for Federal Awards

A. Internal Control in Administering Federal Awards

None reported

B. Compliance Findings

None reported

Douglas County School District RE.1

**Corrective Action Plan
Year Ended June 30, 2015**

Current Finding Number	Comment	Corrective Action Plan	Anticipated Date of Completion	Contact Person
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None reported



RSM US LLP

**Report on Electronic
Financial Data Integrity Check Figures**

Independent Auditor's Report

To the Board of Education
Douglas County School District RE.1
Castle Rock, Colorado

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and aggregate remaining fund information of Douglas County School District RE.1 as of and for the year ended June 30, 2015, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 23, 2015. The beginning net position of the governmental activities were restated due to the implementation of GASB Statement Nos. 68 and 71, and the beginning net position/fund balance of the governmental activities, business-type activities, the General Fund and aggregate remaining fund information were restated due to the reclassification of the Nutrition Services Fund and the Child Care Fund from enterprise funds to special revenue funds and the Outdoor Education Fund from an enterprise fund to the General Fund. Our report includes a reference to other auditors who audited the District's Charter Schools (the aggregate discretely presented component units). Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of electronic financial data integrity check figures is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of electronic data integrity check figures is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 by us and other auditors. In our opinion, based on our audit, the procedures described above and the reports of the other auditors, the schedule of electronic data integrity check figures is fairly stated in all material respects in relation to the basic financial statements as a whole.

RSM US LLP

Denver, Colorado
December 23, 2015

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Colorado Department of Education
Auditors Integrity Report
 District 0900—DOUGLAS COUNTY RE 1
 Fiscal Year 2014-2015
 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	75,781,225	398,030,716	391,882,676	81,929,264
18 Risk Mgmt Sub-Fund of General Fund	1,761,059	3,862,288	4,327,067	1,296,280
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	77,542,284	401,893,004	396,209,743	83,225,544
11 Charter School Fund	16,144,552	95,424,421	90,144,563	21,424,410
20,26-29 Special Revenue Fund	5,236,331	25,304,003	25,146,116	5,394,217
21 Food Service Spec Revenue Fund	202,302	17,581,270	16,780,178	1,003,402
22 Govt Designated-Purpose Grants Fund	185,120	12,415,875	12,415,875	185,120
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	532,856	21,937,976	20,342,661	2,128,172
31 Bond Redemption Fund	62,838,661	117,417,763	111,755,177	68,501,246
39 Certificate of Participation (COP) Debt Service Fund	1,756,948	10,301,395	10,520,058	1,538,284
41 Building Fund	14,986,391	17,729	5,932,222	9,071,898
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	10,150,987	12,301,452	12,140,556	10,311,883
Totals	189,576,431	714,594,895	701,387,150	202,784,176
Proprietary				
50 Other Enterprise Funds	-6,501,767	1,862,522	4,937,094	-9,576,339
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	8,698,957	9,593,748	12,278,240	6,014,466
Totals	2,197,190	11,456,271	17,215,334	-3,561,873
Fiduciary				
70 Other Trust and Agency Funds	45,666	63,646	68,000	41,312
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	1,918,197	1,854,111	3,772,308	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	1,963,862	1,917,757	3,840,308	41,312

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.

12/29/15



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