

Jefferson County School District No. R-1
Jefferson County, Colorado



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2009

Presented to the Board of Education

Board Members

Sue Marinelli, President

Jane Barnes, First Vice President

Dave Thomas, Second Vice President

Rick Rush, Secretary/Treasurer

Robin Johnson, Appointee

Superintendent

Cynthia Stevenson

Prepared by the Financial Services Division
Lorie Gillis, Chief Financial Officer
Kathleen Askelson, Executive Director, Finance

Jefferson County School District, No. R-1

Comprehensive Annual Financial Report

June 30, 2009

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To the Board of Education and citizens of Jefferson County Public Schools:

The Comprehensive Annual Financial Report for the Jefferson County School District (the District) as of and for the fiscal year ended June 30, 2009, is submitted herewith. State law requires that all local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The responsibility for both the accuracy of the data and the completeness of the presentation, including all disclosures, rests with the management of the District. This report was prepared by Financial Services and to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner to present fairly the financial position and results of operations of the various funds of the District. The District's comprehensive framework of internal controls provides assurance of the accuracy of the reports. District management is responsible for establishing and maintaining internal controls designed to ensure the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. As the cost of internal controls should not outweigh the benefits, the outcome is to provide reasonable, rather than absolute, assurance the financial statements are free of any material misstatements.

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. Clifton Gunderson LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the District's financial statements for the year ended June 30, 2009. The independent auditor's report is located at the front of the financial section of this report. The independent audit of the District's financial statements also included 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 on internal controls and legal requirements involving the administration of federal awards. The results of the District's single audit for the fiscal year ended June 30, 2009 provided no instances of material weaknesses in internal controls or material violations of applicable laws, regulations, contracts and grants. These reports are located in the single audit section of this report.

Readers of this report are encouraged to consider the information presented here in conjunction with additional information presented in Management's Discussion and Analysis found on pages 16-27 of this report. All disclosures necessary to enable the reader to gain an understanding of the financial activities for the fiscal year ended June 30, 2009 have been included.

The District's profile

The District was formed in 1950 when 39 independent districts were consolidated into a countywide district encompassing the 774 square miles of Jefferson County and 5 square miles of the City and County of Broomfield, Colorado. The District is a legally separate, primary government entity that operates under an elected five member Board of Education. The Board of Education is the policy-making body of the District. The Board is responsible for educational planning and evaluation, staffing and appraisal, school facilities, financial resources and communication. The Board members are elected to alternating four-year terms with elections held every two years. Board members represent a specific area of the county but are elected at large.

The District provides a full range of educational programs and services authorized by Colorado State statute to approximately 84,700 enrolled students. District programs and services include basic K-12 education in elementary, middle, high schools, option schools, special education, vocational education and numerous other programs. There are thirteen charter schools within the District that are legally separate entities. The charter schools are funded based on the Colorado Department of Education stated per pupil revenue. This revenue is directly allocated to each charter school. The charter schools are disclosed as discretely presented component units of the District.

Colorado state statutes require that the District adopt the budget in June prior to the beginning of the subsequent fiscal year. Budget revisions may be adopted prior to January. The District maintains numerous budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the Board of Education.

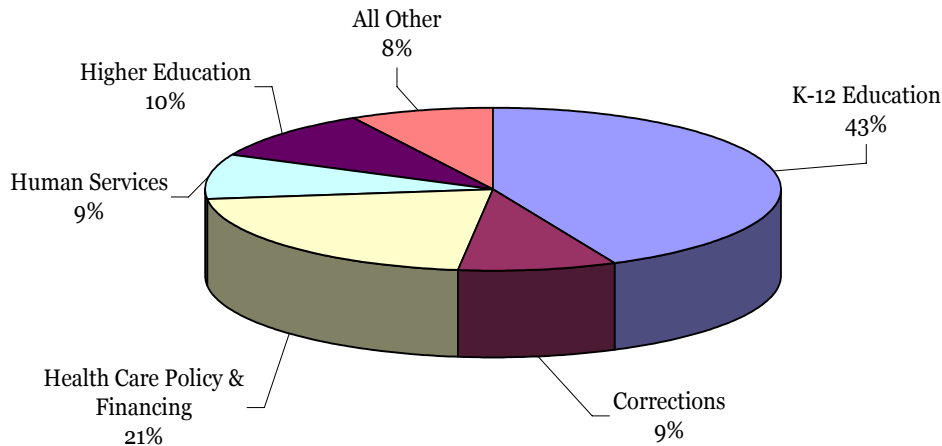
the appropriated amount) is established by fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end and are generally re-established in the following year as an obligation against that year's appropriated budget. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

Assessment of the District’s Economic Condition

Colorado has been impacted by the same factors that have brought on the national economic downturn. The housing market collapse and credit crisis have lead to the current recession, one that has been deemed the longest and most severe since World War II. As with the national forecast, the State forecast is for continued weakness in 2009 and some moderate recovery in 2010. The weakest indicators for the State are housing, unemployment and retail sales. Improvements in these indicators above the 2008 level are not expected until 2011 and for some, 2012. Housing starts were down 35.5 percent in 2008. In the State of Colorado’s September 2009 Revenue Forecast, housing starts are estimated to decrease 42.3 percent in 2009 and then estimated to increase 41.5 percent in 2010. The unemployment rate for Colorado increased to 7.8 percent in July 2009. The State is forecasting unemployment to be 7.9 percent in 2009 and increase to 8 percent in 2010. Retail sales decreased .8 percent in 2008 and the state forecasts an 11.8 percent decline in 2009. The Forecast also estimates the consumer price index for the Denver- Boulder-Greeley Metropolitan to decrease 1.6 percent in 2009 and .6 in 2010. The State, in response to the economic crisis, has had to make \$892 million in budget balancing actions in fiscal year 2008/2009. An initial \$1.4 billion adjustment was made for 2009/2010 and an additional \$318 million was added after the State June 2009 Revenue Forecast. National indicators show slowing jobless claims, manufacturing output improving and housing stabilizing. Colorado has been noted as one of the key states to emerge first out of the recession due to its diversified economy, investments in renewable energy and its housing market stability in relation to the nation.

K-12 education is 43 percent of the States’ general fund appropriations, making it difficult for the State to continue to insulate school districts from the effects of these cuts. In 2008/2009 the State rescinded \$2.8 million to the District and there is another \$11 million potential rescission for 2010. Jeffco has directly felt the negative impact of the economic downturn through lower interest earnings and lower tax collections and is facing budget shortfalls like the State of Colorado before factoring in rescissions.

**State of Colorado
FY 2009/2010 Major Department Share
of General Fund**



Source: Governor's FY 2009/2010 Budget Request dated February 23, 2009

In February 2009, the American Recovery and Reinvestment Act (ARRA) was signed into law. ARRA will provide one-time federal funding beginning in 2010, to make strategic investments in our schools. These funds are restricted to IDEA (special education) and Title I (improving the academic achievement for disadvantaged students) rules for spending. The funds cannot be used to cover the shortfalls for operating expenditures anticipated in the general fund. The District will receive \$25 million over the next two years, the program and funding ends in 2011.

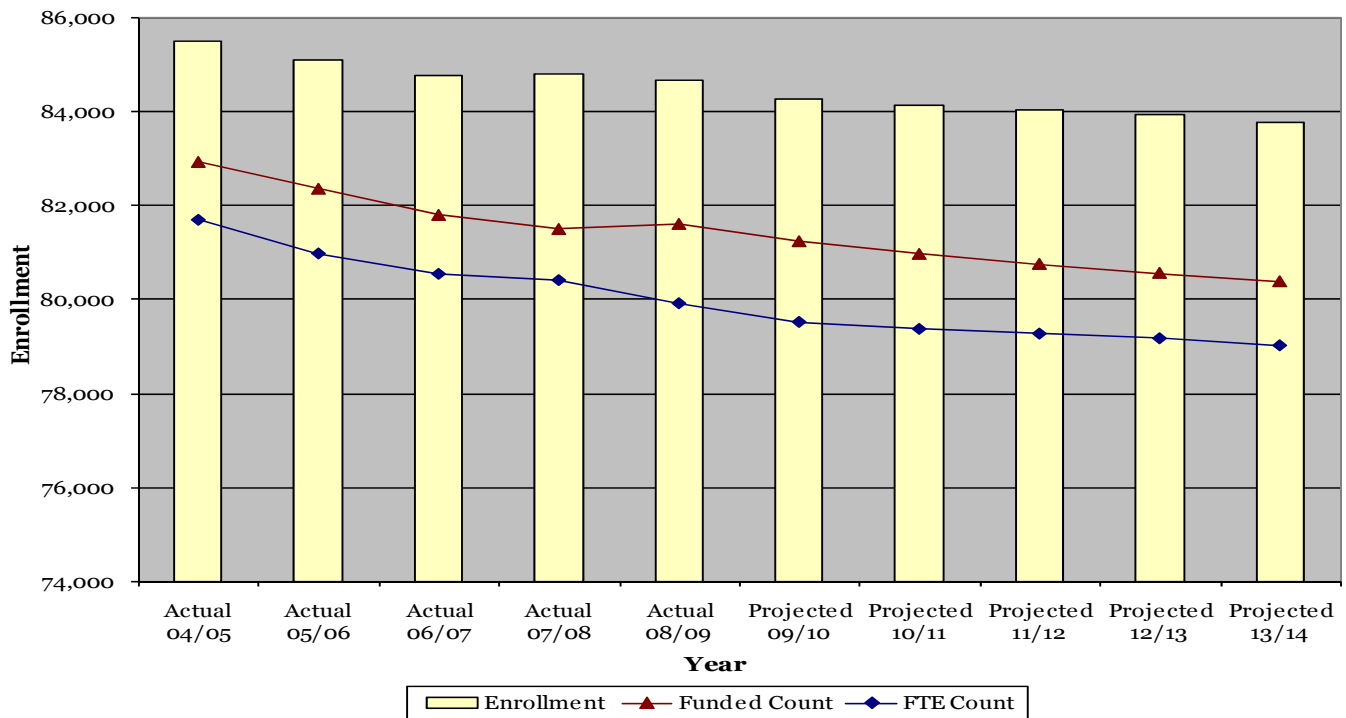
The District will receive \$8.9 million in State Fiscal Stabilization Funds (SFSF) in 2010. SFSF dollars are one-time federal money from the U.S. Department of Education provided to stabilize the State of Colorado budget. This funding will be used to back fill education funding that would likely have been reduced with other required State budget cuts. SFSF funds do not provide additional funding to school districts. The use of these funds is more flexible than the ARRA funds. The District will use the funds to pay for salary expenditures at schools with high populations of low income students. Reporting for the uses of both the ARRA and SFSF funding can be found on the Districts website under the finance link.

For Fiscal 2010, the state mandate requiring transfers for funding for capital programs was lifted. Jeffco will continue to transfer revenue to the capital reserve fund in order to maintain existing infrastructure. With the completion of the 2005/2010 bond program, the capital reserve fund will spend between \$14 million and \$16.6 million each year for capital improvements to schools. The amount, while seemingly large, becomes small when put in the perspective of supporting 94 elementary schools, 20 middle schools, 17 high schools, 17 option/special schools, 4 stadiums, and 29 preschools and support facilities. The District’s facility master planning will be critical in prioritizing the needs for schools.

Jefferson County continues to age in population with a corresponding decrease in the school aged population. As enrollment declines, some variable costs are avoided (approximately 40 percent). Although fewer students can mean fewer classrooms and fewer teachers, some fixed costs cannot be reduced such as buildings, utilities, maintenance and insurance. As declining enrollment is spread throughout areas of the District, there are certain geographic areas that are growing causing a need for increased building capacities.

The District has been experiencing declining enrollment since the school year 2000/2001. This declining enrollment continues to challenge the District to provide services and keep a balanced budget while building up necessary reserves. Funded pupil count is projected to decline by approximately 372 students in fiscal 2009/2010 from the prior year. The decrease in enrollment will result in a decrease in funding of approximately \$2.6 million. Based on current county demographics, declining enrollment will continue for the next four years. The student count is conducted on October 1 of each year. Per state statute, the budget may be adjusted until October 15 of each year to take into account the October count.

Student Enrollment



School Year	Actual 04/05	Actual 05/06	Actual 06/07	Actual 07/08	Actual 08/09	Projected 09/10	Projected 10/11	Projected 11/12	Projected 12/13	Projected 13/14
Enrollment	85,478	85,083	84,769	84,796	84,657	84,260	84,110	84,010	83,910	83,760
Funded Count	82,922	82,348	81,789	81,488	81,598	81,226	80,955	80,743	80,551	80,371
FTE Count	81,688	80,969	80,534	80,401	79,907	79,509	79,359	79,259	79,159	79,009
Change in Funded Count	(650)	(574)	(559)	(301)	110	(372)	(271)	(213)	(192)	(180)

Jeffco continues to forecast and plan to meet these challenges and prepare for change. The current reduction amount that is estimated to be necessary for the next four years is over \$50 million. Projected reductions only factor in what is known or estimated from the State funding, projected inflation, declining enrollment and other current projected economic changes. Additional reductions will be required depending on Board direction in regards to any cost of living or benefit increase and/or any other legislative mandated expenditure increases such as employer contributions to the Public Employees' Retirement Association (PERA).

Major initiatives

Strategic plan

Jeffco Schools adopts a strategic plan to define the mission of the District, support the Board of Education's ends policies, establish goals and objectives and provide measurable indicators. Each year, as part of the ongoing strategic planning process, the Strategic Planning Advisory Council meets to advise the District on setting priorities, allocating district funds and help with the strategic planning process. The strategic plan is designed to ensure that all members of the Jeffco team focus their work and resources in support of the core mission of the District.

With two goals;

- All students graduate prepared for continued learning and the world of work in the 21st century.
- All employees are accountable for a high performing organization.

The strategic plan is divided up into the district's business groups with their respective goals, objectives, indicators and targets identified that support the two overarching goals.

Fiscal management and strategic policies

The District has adopted a conservative approach for long-range planning to improve the financial condition of the District. The following are the key components of this plan:

- The budget cycle for each budget year will begin in the fall to ensure adequate time for input and any program adjustments due to projected revenue increases or decreases.
- The District's annual budget is projected for the next four years to enable long-range planning, identify and correct possible issues and ensure fiscal responsibility.
- The District is continuing to support the internal audit department to provide site evaluations of accounting and internal control processes.
- An independent citizen Financial Oversight Committee meets to review District financial management practices, activities, make recommendations and report to the Board of Education.
- Quarterly financial reports are a Board of Education workshop agenda item. The Board reviews the quarterly reports with the Financial Oversight Committee and the external auditors. The reports are designed to meet the Colorado Revised Statute 22-45-102 requirements.
- All District financial policies are reviewed annually.
- Monthly budget reports to provide trend data to ensure District spending is monitored and within appropriated levels.

Budget development process

The 2008/2009 budget development process continued the incorporation of the Budgeting for Results process. This process is a long-term initiative that better aligns available resources to positively impact student achievement. The Budgeting for Results approach encourages communication and leverage between organizational units within the entire District and focuses attention on District goals. Staff and community input during the process is a key component of its success. The District is committed to this long term initiative and anticipates results to be evident and measurable. Please refer to the 2009/2010 Adopted Budget for details on the budgeting process.

Student achievement

The District's focus on student achievement includes meeting the goals defined within two different accountability systems. The third accountability system in Colorado was the SAR or School Accountability Reports which have been eliminated this year per state statute (SB-09-163); data reporting previously included on the SAR is now available on the Colorado Department of Education's SchoolView.org website.

1) The State Accreditation system is administered by the Colorado Department of Education. The Jeffco Schools accreditation process aligns with State Accreditation and is a comprehensive system which reviews many performance indicators in schools including:

- **State Mandated measures** [e.g., CSAP student academic achievement, CSAP student longitudinal growth scores, accountability for subgroups and CO (Colorado) ACT]
- **Attendance and Academic Indicators** [e.g., district reading assessments, rigorous course work enrollment]
- **Climate and Community Involvement** [e.g., safety, student and parent survey indicators]
- **School action plan** [e.g., identification of urgent academic challenges]

2) The Federal Government mandated the Elementary and Secondary Education Act (ESEA) in 2001 which requires states to set student achievement target goals for all public schools, also known as Adequate Yearly Progress. The goal is for 100 percent student proficiency in reading and math by the year 2013/2014. Colorado utilizes CSAP and CSAPA math and reading scores and participation to measure the progress of subgroups toward the targets.

21st Century learning environments – Capital improvements

The physical infrastructure is integral to the core mission of Jeffco Public Schools. The capital improvement program includes funding cycles, planning, design, construction and operation of assets. This capital improvement process extends over multiple years to multiple decades and is measured in the context of long-term life-cycle management. Once constructed, a facility has a serviceable life of at least 40 years.

The District's policy for capital improvement funding has been that all capital improvement projects with an estimated useful life in excess of 20 years are financed through the use of general obligation bonds. Those projects include construction of new facilities, additions to existing facilities, major renovations, replacement of heating/ventilating, electrical and plumbing systems. All capital improvements with an estimated useful life of less than 20 years are financed from the capital reserve fund. Projects in this category include improvement or replacement of roofs, floor coverings, parking lots, site work and minor remodeling. The 2005/2010 capital construction program, funded in large part with voter approved general obligation debt, has completed its fifth year with projects being delivered on time and within budget. The construction program is reviewed by the Capital Improvement Oversight Committee. The Capital Improvement Program Oversight Committee is made up of independent citizens with experience in the construction industry. The committee provides guidance and advice to the District and the Board of Education on the management of the program.

District Wide Facilities Master Plan

In 2009, the District initiated a District Wide Facilities Master Plan in order to support the Jeffco Strategic Plan and prepare for the next Capital Improvement Plan. There are three components for this plan, Capital Asset Planning, Facilities Usage Committee and the State Wide Financial Assistance Priority Assessments. The District selected Jacobs Engineering to coordinate the process of Capital Asset Planning. Once this project is complete, the District will have an up-to-date capital asset inventory that can be maintained and utilized to provide financial information on capital assets and future needs. The project will provide much needed data and prioritization for long-term and ongoing capital planning. The Facilities Usage Committee was formed to evaluate the use of District facilities and to provide recommendations for the effective and efficient use of those facilities. The committee is made up of community members, employee association appointees and Board of Education appointees. The committee is to study and recommend options for facilities as well as solicit public comment and listen to their input. The committee will recommend options for the Board of Education and superintendent to consider. The third component of the master plan is the State Wide Financial Assistance Priority Assessments. This is a statewide project. The state has engaged a third party to conduct educational adequacy and building life cycle surveys for all schools in Colorado. The combination of these three activities will give the District guidance on building utilization and needs prioritization for ongoing program planning, budgeting and capital improvement planning.

Renewed instructional and business technology systems

In 2007/2008, the District established a Technology Plan. Jeffco Schools has developed this Technology Plan to guide the district through the next three years. The plan objectives, expectations, indicators, targets and action plans will be updated and/or expanded on an annual basis to accommodate the changing dynamics associated with technology and education. The Plan is designed to be a living document with annual updates for technology changes and/or funding challenges to allow for the most agility. This Technology Plan articulates a common District vision. The Plan identifies the strategies for the use of technology in promoting guaranteed and viable curriculum standards and for developing critical thinking skills that are

essential for academic and workplace success in the 21st century. Funding has been approved in 2009/2010 to continue the process of equalizing technology at all schools, investing in school wireless technology, hardware upgrades, graduation requirement system changes, data warehousing and bandwidth expansion. The District is also providing additional technology support staff at schools.

Awards and Acknowledgements

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Jefferson County School District, No. R-1, for its comprehensive annual financial report for the fiscal year ended June 30, 2008. This was the twenty-sixth consecutive year the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to thank Superintendent Cynthia Stevenson and the Board of Education for their interest and support in planning and conducting the financial operations of the Jefferson County School District in a responsible and professional manner. We would also like to express our appreciation to the District's independent auditors, Clifton Gunderson LLP, for the professional manner in which they have accomplished the audit.

Respectfully submitted,



Lorie Gillis
Chief Financial Officer



Kathleen Askelson
Director of Accounting

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jefferson County
School District No. R-1
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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

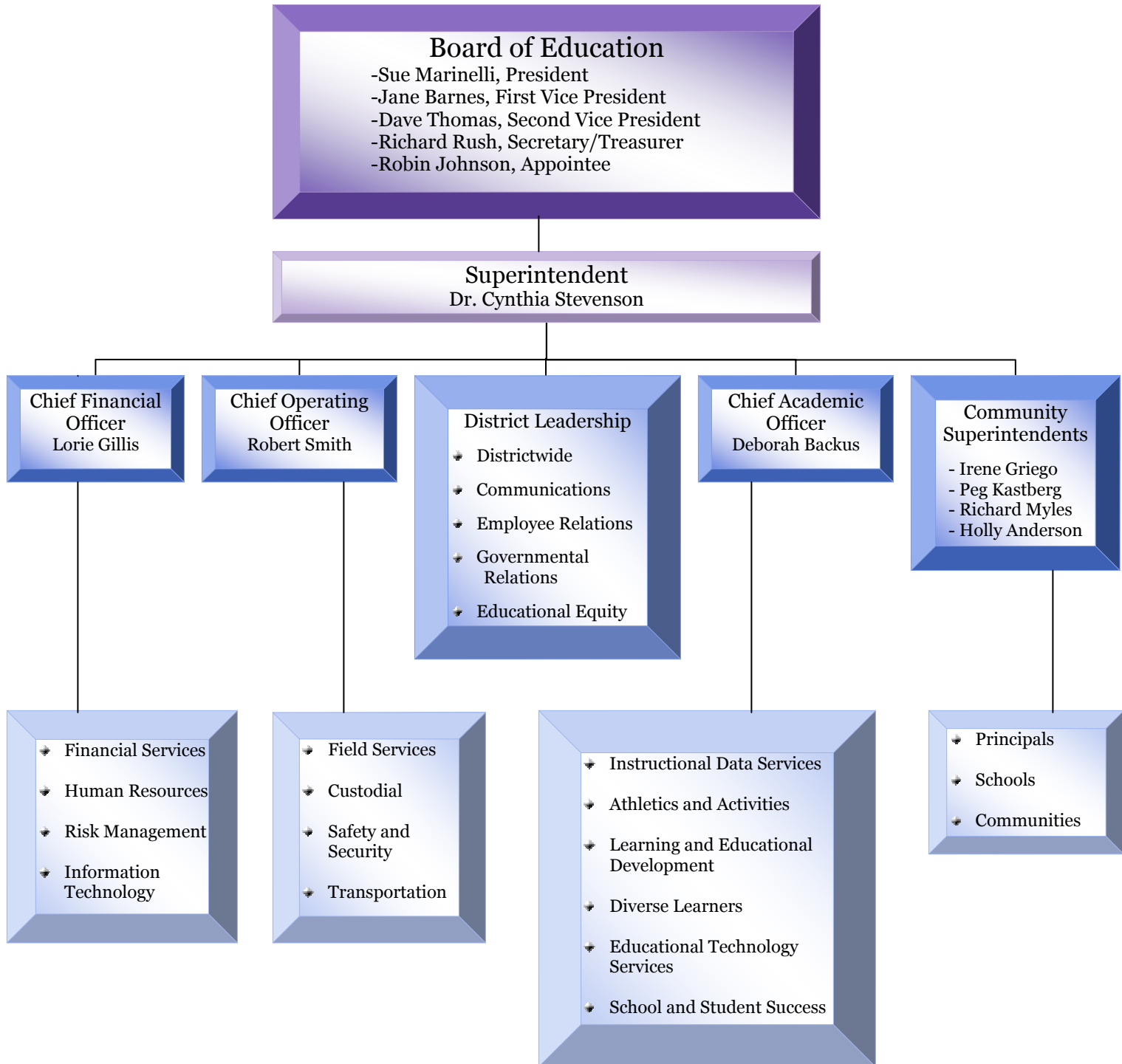


A handwritten signature in black ink, appearing to read "M. L. Rut".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director



Superintendent's Cabinet

Cynthia Stevenson Superintendent

Helen Neal Manager

Debbie Backus Chief Academic Officer

Lorie Gillis Chief Financial Officer

Bob Smith..... Chief Operating Officer

Lynn Setzer Executive Director – Communications

Holly Anderson Community Superintendent

Irene Griego Community Superintendent

Peg Kastberg Community Superintendent

Rick Myles Community Superintendent

Warren Blair President, JCAA

Allen Taggart Attorney



Independent Auditor's Report

The Board of Education
Jefferson County School District No. R-1
Jefferson County, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County School District No. R-1 (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County School District No. R-1 as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1 (P) to the basic financial statements, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2009, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 16 through 27 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 and individual fund financial statements and schedules and the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures report listed in the table of contents are presented for purposes of legal compliance and 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and statistical tables 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 express no opinion on them.

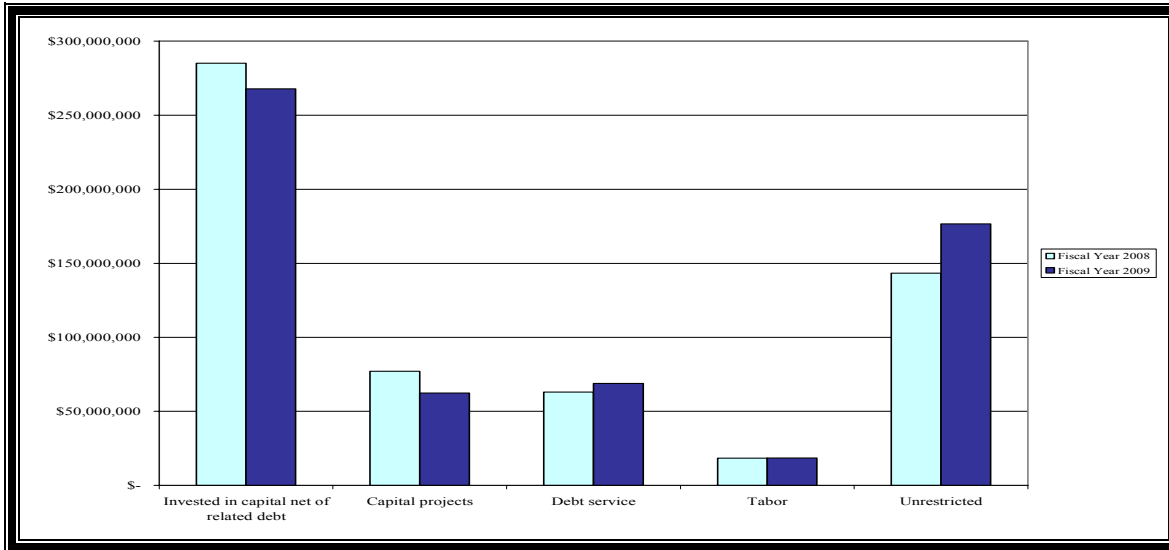
Clifton Gunderson LLP

Greenwood Village, Colorado
October 30, 2009

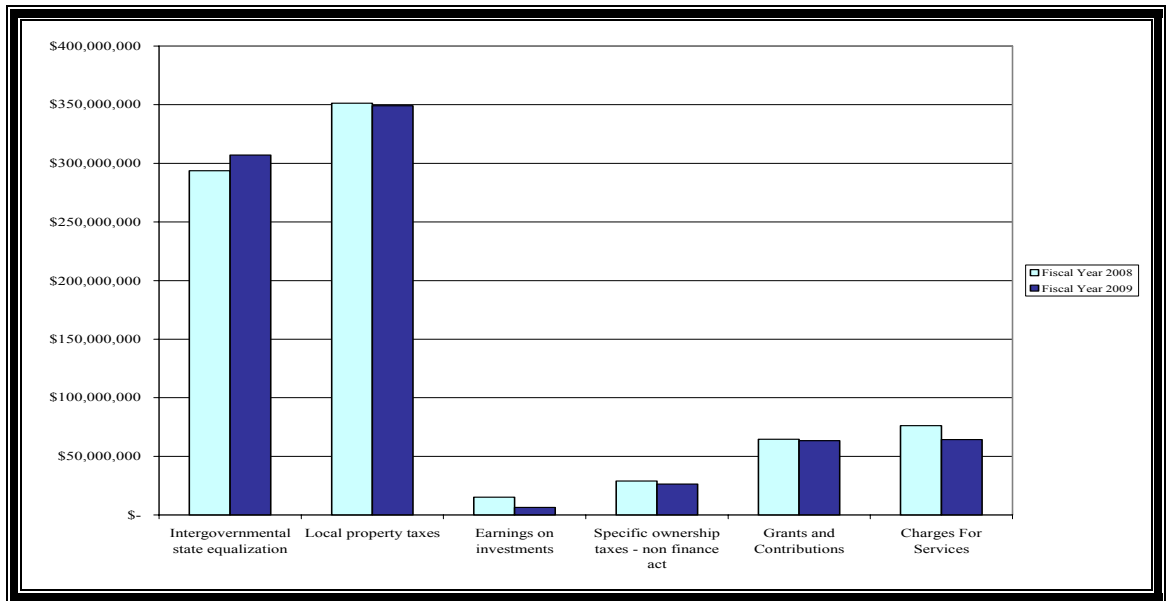


Management's Discussion and Analysis

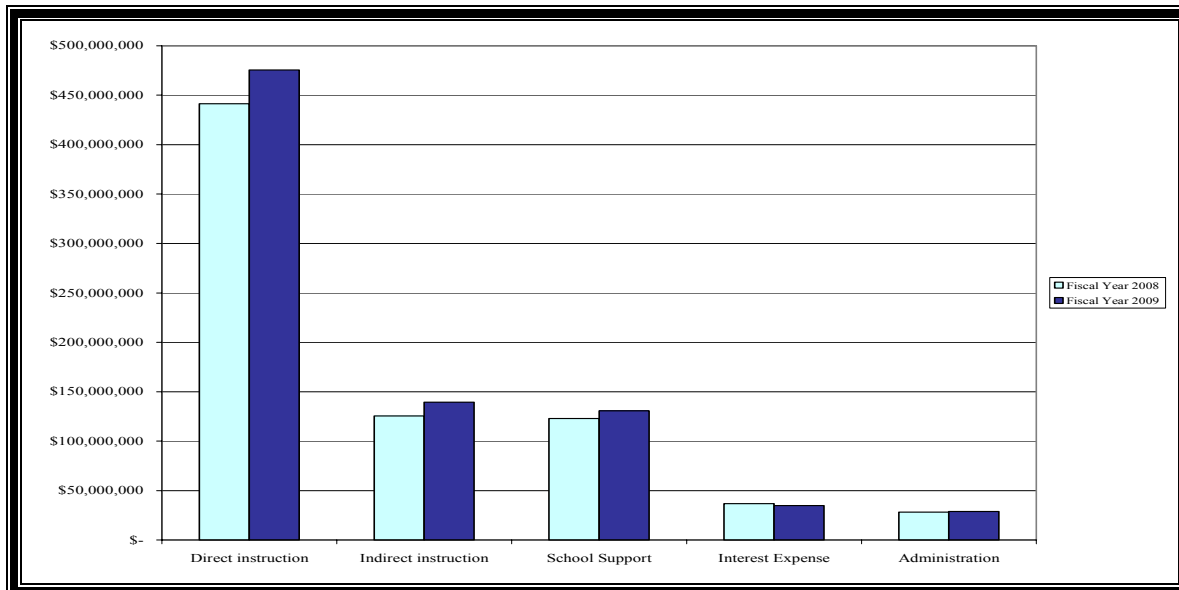
**Jefferson County School District, No. R-1
Management's Discussion and Analysis
As of and for the fiscal year ended June 30, 2009**



Primary Government Government-wide Net Assets:
Increased \$7 million over prior year.



Primary Government Government-wide Revenues:
Decreased \$13 million from the prior year.



Primary Government Government-wide Expenses:
Increased \$55 million over prior year.

**Jefferson County School District, No. R-1
Management's Discussion and Analysis
As of and for the fiscal year ended June 30, 2009**

As management of the Jefferson County School District, No. R-1, Jefferson County, Colorado (the District), we offer readers of the District's Comprehensive Annual Financial Report this narrative and analysis of the financial activities of the primary government for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letter of transmittal on pages 1-6.

Financial highlights

- Government-wide total net assets increased \$7 million in 2009. \$141 million (24 percent) of the total \$594 million is unrestricted and available to meet ongoing obligations.
- Government-wide current assets decreased \$71 million. The building fund capital projects fund continued to spend down cash by \$66 million from the 2005 bond issuance proceeds. Conversely, government-wide capital assets, before depreciation, increased \$58 million with the asset additions from the building fund capital projects.
- Government-wide noncurrent liabilities decreased \$47 million due to payments and amortization of discounts of general obligation and certificate of participation (COP) outstanding debt.
- Government-wide revenues decreased \$13 million (1.6 percent) over the prior year. \$9 million of this decrease relates to insurance recoveries related to the prior year that was not repeated in the current year from the District's fire claims. Government-wide expenses increased \$55 million (7 percent) from the prior year. The credit adjustment for the net pension asset on the government wide schedules was \$37 million less in 2009, resulting in expenses in 2009 being higher. Expenses for salaries and benefits increased \$25 million in the general fund for 2009. Expenses from the insurance reserve internal service fund decreased \$6.8 million, the majority of change relating to fire claim expenses.
- The general fund decreased total fund balance by \$13 million. Expenses for salaries and benefits increased \$27 million over the prior year. \$57 million (58 percent) of the total \$98 million of fund balance is unreserved and undesignated. Total fund balance for all governmental funds decreased \$72 million with the continued spend down of the building fund capital projects and capital reserve fund balances.

Overview of the financial statements

Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements presented on pages 30-70 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves on pages 74-97.

Government-wide financial statements

The government-wide financial statements are designed to provide the reader of the District's Comprehensive Annual Financial Report a broad overview of the financial activities in a manner similar to a private sector business. The government-wide financial statements include the statement of net assets and the statement of activities. The statement of net assets presents information about all of the District's assets and liabilities. The difference between assets and liabilities is reported as net assets. Over time changes in net assets may serve as a useful indicator whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net assets of the District changed during the current fiscal year. Changes in net assets are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flow may be recorded in a future period.

The government-wide financial statements consolidate governmental and internal service activities that are supported from taxes and intergovernmental revenues and business-type activities that are intended to recover all or most of their costs from user fees and charges. Governmental activities consolidate governmental funds including the general fund, debt service fund, capital reserve capital projects fund, building fund capital projects fund and special revenue funds with internal services funds

**Jefferson County School District, No. R-1
Management's Discussion and Analysis
As of and for the fiscal year ended June 30, 2009**

including the employee benefits fund, the central services fund, the risk management fund and the technology fund. Business-type activities consolidate funds that include the food service fund, the child care fund and property management fund.

The government-wide financial statements also include information on component units that are legally separate from the District (known as the primary government). At the close of the current fiscal year, the District has included information for two component units, the Jefferson County School Finance Corporation and Charter Schools.

The only activity of the District's Finance Corporation is to act as a conduit for the transfer of funds relating to the issuance and refunding of COPs. The Corporation has no assets or liabilities at June 30, 2009, and therefore has no financial impact on the District. Financial information for the Charter Schools is presented separately from the primary government because the Charter Schools are considered discrete component units of the District.

The government-wide financial statements can be found on pages 30-31. The financial statements for the Charter School component units can be found on pages 90-97.

Fund financial statements

Fund financial statements are designed to demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. Fund financial statements for the District include two of the three possible fund types. The fund types presented here are governmental funds and proprietary funds. The District currently does not use fiduciary fund types.

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The District maintains six different governmental funds. The major funds are the general fund, the capital reserve capital projects fund, the building fund capital projects and the bond redemption debt service fund. They are presented separately in the fund financial statements with the remaining governmental funds combined into a single aggregated presentation labeled other governmental funds. Individual fund information for the non-major funds is presented as other supplemental information in this document.

The District adopts an annual appropriated budget for each of the governmental funds. A budgetary comparison schedule for the general fund is included in the fund financial statements to demonstrate compliance with the adopted budget. The remaining governmental funds budgetary comparisons are reported as other supplemental information.

The basic governmental fund financial statements can be found on pages 32-39.

The District maintains two types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to present the same functions as the business-type activities presented in the government-wide financial statements. The fund financial statements of the enterprise funds provide the same information as the government-wide financial statements only in more detail. Internal service funds are used to accumulate and allocate costs internally among the governmental functions.

The enterprise funds (food service fund, child care fund, and property management fund) are listed individually and are considered to be major funds. Individual internal service fund information is presented as other supplemental information in this document. The District's internal service funds are the central services fund, the employee benefits fund, the insurance reserve fund and the technology fund.

The basic proprietary fund financial statements are presented on pages 40-45.

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Notes to the basic financial statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 48-70 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also contains other supplemental information concerning the District's non-major governmental and internal service funds. Combining and individual fund statements and schedules can be found on pages 74-87 of this report.

Government-wide financial analysis

Government-wide net assets

The assets of the District are classified as current assets, capital assets and noncurrent assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the District. Cash and investments account for 92 percent of the current assets. Receivables are due in large part as a result of the property tax collection process and federal grants reimbursements. The District receives almost 60 percent of the annual property tax assessment between April and June.

Capital assets are used in the operations of the District. These assets are land, construction in progress, buildings, equipment, and vehicles. Capital assets are discussed in greater detail in the section titled Capital Assets and Debt Administration elsewhere in this analysis.

The deferred charges and net pension asset are classified as noncurrent assets as they are not current resources. The pension asset is in association with the District's supplemental retirement plan. The deferred charges are bond issuance costs from issuing general obligation and certificates of participation debt.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenue, interest payable, estimates for claims and premiums, and current debt obligations. The liquidation of current liabilities is anticipated to be either from current available resources, current assets or new resources that become available during fiscal 2010. Long-term liabilities such as long-term debt obligations, early retirement benefits and compensated absences will be liquidated from resources that will become available after fiscal 2010. The \$78 million of accrued salaries as of June 30, 2009 includes \$70 million of earned but unpaid salaries associated with teacher contracts for the 2009 school year requiring resources from fiscal 2010 to liquidate.

The assets of the primary government activities exceed liabilities by \$594 million with an unrestricted net asset balance of \$141 million.

A net investment of \$303 million in land, buildings, equipment, and vehicles, net of debt, to provide the services to the District's 84,700 public school students represents 51 percent of the District's net assets. The capital projects net assets of \$62 million are restricted for construction projects. Debt service net assets of \$69 million have been accumulated due to voter approved bonded debt mill levy assessments that have been restricted to provide resources to liquidate the current general obligation bond principal and related interest payments. The legally required TABOR reserve has also been restricted.

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Comparative Summary of Net Assets

As of June 30

	Fiscal Year 2008			Fiscal Year 2009		
	Governmental Activities	Business-type Activities	Government-Wide	Governmental Activities	Business-type Activities	Government-Wide
Assets:						
Total current assets	\$ 470,046,861	\$ 15,341,231	\$ 485,388,092	\$ 398,958,710	\$ 15,925,458	\$ 414,884,168
Capital assets, net of depreciation	911,973,986	2,399,710	914,373,696	936,250,618	2,702,062	938,952,680
Total noncurrent assets	<u>49,368,571</u>	<u>-</u>	<u>49,368,571</u>	<u>53,432,136</u>	<u>-</u>	<u>53,432,136</u>
Total assets	<u>\$1,431,389,418</u>	<u>\$ 17,740,941</u>	<u>\$ 1,449,130,359</u>	<u>\$ 1,388,641,464</u>	<u>\$ 18,627,520</u>	<u>\$ 1,407,268,984</u>
Liabilities:						
Total current liabilities	\$ 182,664,112	\$ 1,997,227	\$ 184,661,339	\$ 179,845,642	\$ 2,197,493	\$ 182,043,135
Total noncurrent liabilities	<u>677,312,597</u>	<u>114,079</u>	<u>677,426,676</u>	<u>630,740,046</u>	<u>175,279</u>	<u>630,915,325</u>
Total liabilities	<u>859,976,709</u>	<u>2,111,306</u>	<u>862,088,015</u>	<u>810,585,688</u>	<u>2,372,772</u>	<u>812,958,460</u>
Net assets:						
Invested in capital net of related debt	282,779,947	2,399,710	285,179,657	303,549,882	2,702,062	303,251,944
Restricted for:						
Capital projects	77,091,459	-	77,091,459	62,400,677	-	62,400,677
Debt service	63,022,587	-	63,022,587	68,924,667	-	68,924,667
TABOR	17,567,744	799,858	18,367,602	17,737,918	781,383	18,519,301
Unrestricted	<u>130,950,972</u>	<u>12,430,067</u>	<u>143,381,039</u>	<u>128,442,632</u>	<u>12,771,303</u>	<u>141,213,935</u>
Total net assets	<u>571,412,709</u>	<u>15,629,635</u>	<u>587,042,344</u>	<u>578,055,776</u>	<u>16,254,748</u>	<u>594,310,524</u>
Total liabilities and net assets	<u>1,431,389,418</u>	<u>\$ 17,740,941</u>	<u>\$ 1,449,130,359</u>	<u>\$ 1,388,641,464</u>	<u>\$ 18,627,520</u>	<u>\$ 1,407,268,984</u>

Investments in capital assets net of related debt for the District's governmental and business-type activities is computed as follows:

**Comparative Schedule of Capital Assets Net of Related Debt
As of June 30**

	Fiscal Year 2008		Fiscal Year 2009	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Capital assets, net of accumulated depreciation	\$ 911,973,986	\$ 2,399,710	\$ 936,250,618	\$ 2,702,062
Less: General obligation bonds	672,901,212	-	630,515,736	-
Certificates of participation	6,252,247	-	5,185,000	-
Add: Unspent proceeds from 2004 bonds	<u>49,959,420</u>	<u>-</u>	<u>-</u>	<u>-</u>
Invested in capital net of related debt	<u>\$ 282,779,947</u>	<u>\$ 2,399,710</u>	<u>\$ 303,251,944</u>	<u>\$ 2,702,062</u>

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Government-wide activities

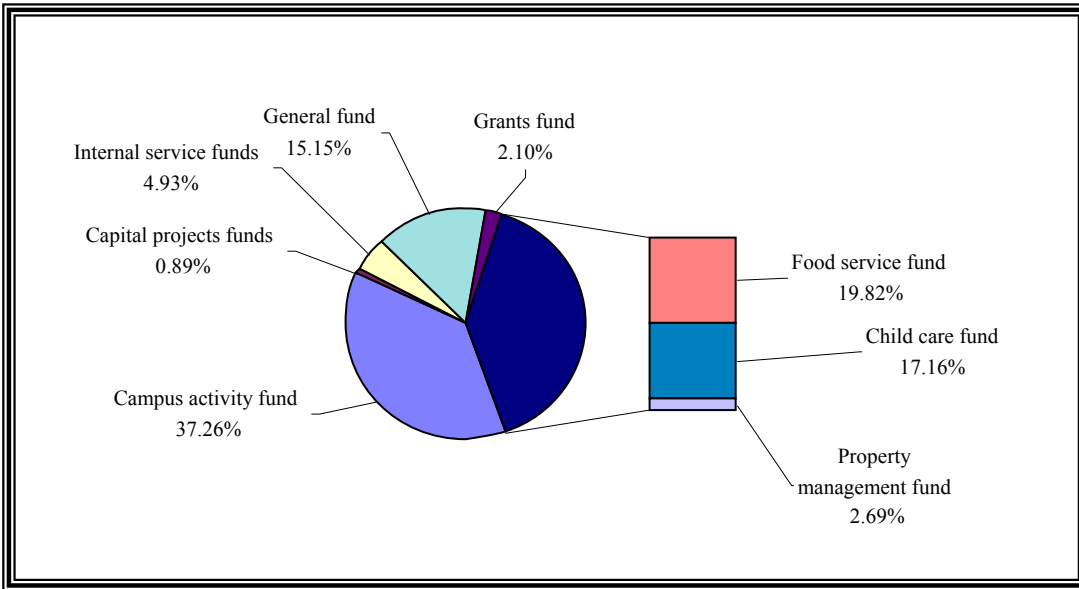
Government-wide activities increased the net assets of the District by \$7 million during the year ended June 30, 2009. The following schedules, charts and analysis focus on this increase.

**Comparative Schedule of Changes in Net Assets
For the fiscal years ended June 30, 2008 and 2009**

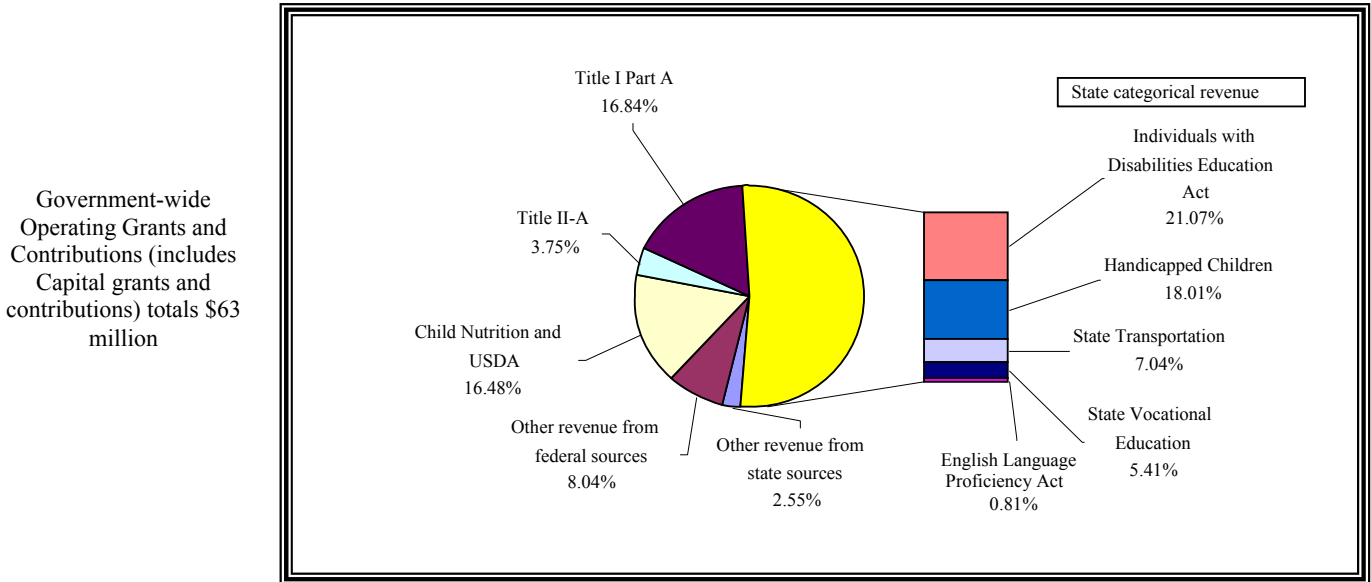
	Fiscal Year 2008			Fiscal Year 2009		
	Governmental Activities	Business-type Activities	Government Wide	Governmental Activities	Business-type Activities	Government Wide
Revenues						
Program revenues:						
Charges for services	\$ 49,833,464	\$ 26,441,316	\$ 76,274,780	\$ 38,742,782	\$ 25,481,489	\$ 64,224,271
Operating grants and contributions	54,867,476	7,758,304	62,625,780	52,961,796	8,735,385	61,697,181
Capital grants and contributions	-	1,981,771	1,981,771	-	1,715,380	1,715,380
General revenues:						
Taxes:						
Local property taxes	351,299,729	-	351,299,729	349,209,271	-	349,209,271
Automotive ownership taxes	28,858,670	-	28,858,670	26,428,023	-	26,428,023
Intergovernmental state equalization	293,763,172	-	293,763,172	307,102,545	-	307,102,545
Earnings on investments	<u>14,824,519</u>	<u>386,920</u>	<u>15,211,439</u>	<u>6,230,214</u>	<u>223,967</u>	<u>6,454,181</u>
Total revenues	<u>793,447,030</u>	<u>36,568,311</u>	<u>830,015,341</u>	<u>780,674,631</u>	<u>36,156,221</u>	<u>816,830,852</u>
Expenses						
Governmental activities:						
Direct instruction	441,488,697	-	441,488,697	475,473,399	-	475,473,399
Indirect instruction	125,534,158	-	125,534,158	139,506,864	-	139,506,864
Transportation	20,201,331	-	20,201,331	21,744,799	-	21,744,799
Custodial services	26,277,156	-	26,277,156	27,158,925	-	27,158,925
Field services	21,725,526	-	21,725,526	24,507,637	-	24,507,637
Telecommunications, networking and utilities	18,945,386	-	18,945,386	19,361,791	-	19,361,791
Support services	21,950,387	-	21,950,387	23,191,961	-	23,191,961
General administration	2,575,859	-	2,575,859	3,328,842	-	3,328,842
District-wide	2,296,287	-	2,296,287	1,123,258	-	1,123,258
Interest expense, unallocated	36,810,282	-	36,810,282	34,967,047	-	34,967,047
Food services	-	22,169,060	22,169,060	-	23,425,181	23,425,181
Child care	-	13,611,593	13,611,593	-	14,547,344	14,547,344
Property management	-	<u>1,356,529</u>	<u>1,356,529</u>	-	<u>1,225,624</u>	<u>1,225,624</u>
Total expenses	<u>717,805,069</u>	<u>37,137,182</u>	<u>754,942,251</u>	<u>770,364,523</u>	<u>39,198,149</u>	<u>809,562,672</u>
Increase (decrease) in net assets before transfers	<u>75,641,961</u>	<u>(568,871)</u>	<u>75,073,090</u>	<u>10,310,108</u>	<u>(3,041,928)</u>	<u>7,268,180</u>
Special items	(2,620,742)	-	(2,620,742)	-	-	-
Transfers	<u>(2,830,012)</u>	<u>2,830,012</u>	<u>-</u>	<u>(3,667,041)</u>	<u>3,667,041</u>	<u>-</u>
Increase in net assets	70,191,207	2,261,141	72,452,348	6,643,067	625,113	7,268,180
Net assets, July 1	<u>501,221,502</u>	<u>13,368,494</u>	<u>514,589,996</u>	<u>571,412,709</u>	<u>15,629,635</u>	<u>587,042,344</u>
Net assets, June 30	<u>\$ 571,412,709</u>	<u>\$ 15,629,635</u>	<u>\$ 587,042,344</u>	<u>\$ 578,055,776</u>	<u>\$ 16,254,748</u>	<u>\$ 594,310,524</u>

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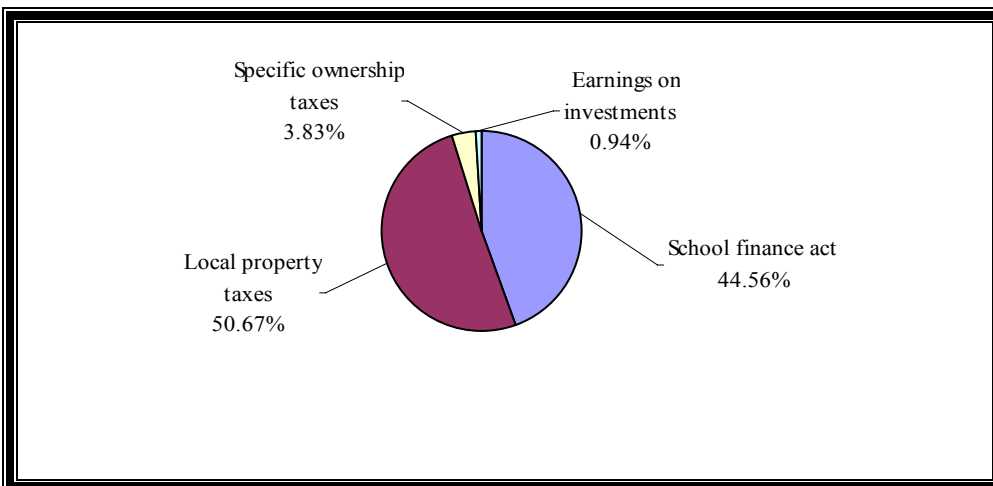
Analysis of Revenues



Government-wide
Charges for Services
totals
\$64 million



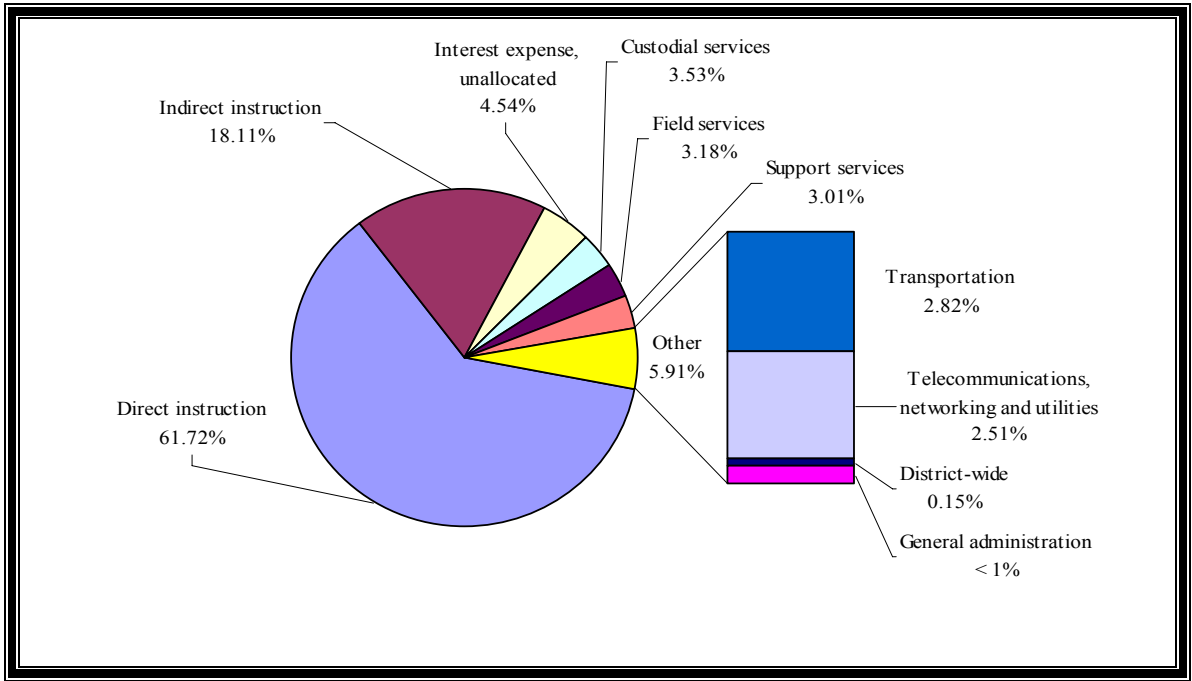
Government-wide
Operating Grants and
Contributions (includes
Capital grants and
contributions) totals \$63
million



Total general revenues
of \$689 million

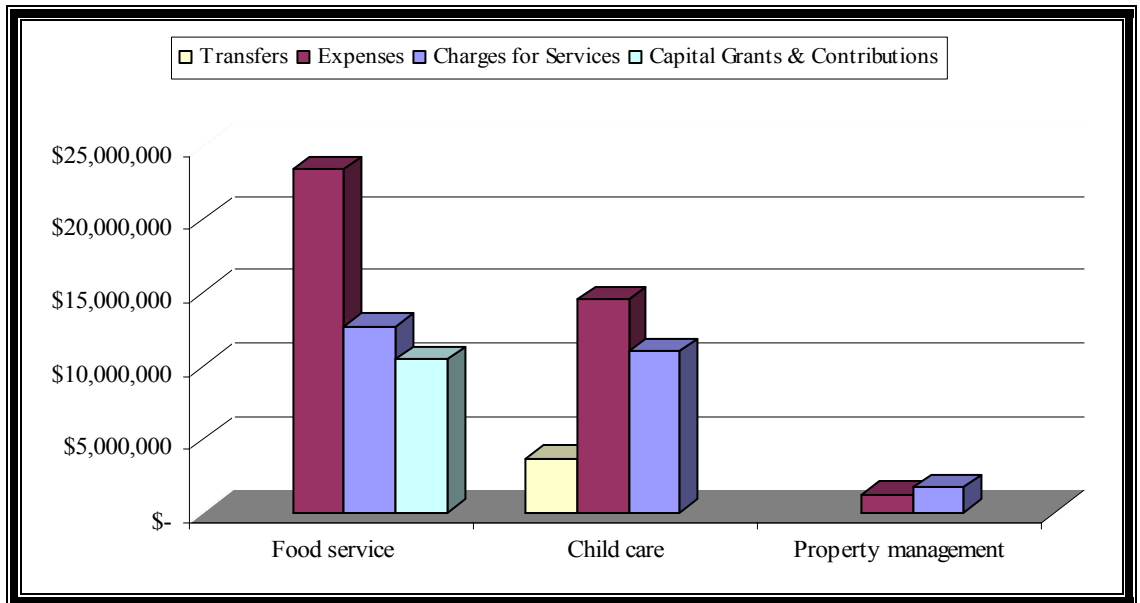
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Analysis of Expenditures



Governmental activities
Expenses total \$770 million

Business-type activities
Expenses and Program revenue



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Government-wide revenues

Government-wide revenues decreased \$13 million from the prior year. Intergovernmental state equalization and local property taxes provide school funding per the 1994 Colorado School Finance Act. The annual approved increases combined with the mill levy stabilization act increased funding by \$9 million. Charges for services decreased \$12 million from the prior year, the majority of which was from additional external revenue from insurance recoveries relating to two fires in the insurance reserve fund received in 2008. Operating grants and contributions decreased by \$1 million. This was primarily due to grants revenue from the federal program for IDEA decreasing \$2 million. Interest revenues decreased \$9 million with spending down the 2005 construction proceeds and lower yields.

Government-wide expenses

Government-wide expenses increased \$55 million from the prior year. The net pension asset for the supplemental retirement program increased \$2 million in 2009, compared to \$34 million in 2008. The adjustment for the asset creates a credit to the expense lines; this resulted in much lower expenses in 2008. Expenses for salaries and benefits increased \$25 million in the general fund for 2009. Expenses from the insurance reserve internal service fund decreased \$6.8 million, the majority of change relating to fire claim expenses.

Proprietary funds

Governmental activities – Internal Service Funds for the District provide greater detail of the same information presented in the government-wide financial statements. Combining fund financial statements of the internal service funds can be found on pages 82-87 of this report. Following are highlights of activity in the District's internal service funds for fiscal year 2009.

- Central services had a net loss of \$85,620 for the year. Printing and copier revenues decreased for the year. Budget reductions at schools and departments decreased usage. Equipment repair increased revenues from projector installations for Smartboards but billings to schools did not include indirect costs.
- The employee benefits fund accounts for the self insurance activities for dental, vision and group life insurance available to employees. Revenues increased compared to the prior year due to a rebate from Kaiser of \$1.7 million to be used for the District's wellness program. Group life claims decreased \$392,000 from the prior year.
- The insurance reserve had lower net income from the prior year of \$1.9 million. The adjustment for incurred but not reported claims was \$690,560 less favorable than the prior year. Insurance premium costs increased \$762,373 over the prior year.
- The technology fund is spending lower than anticipated due to delays in projects and availability of human capital to accelerate implementation of projects. Reserves are being built in anticipation of replacement of the Districts telecom infrastructure.

The District's business-type activities increased net assets by \$625,113. Key elements that highlight the activities in fiscal year 2009 are as follows. The basic proprietary fund financial statements are presented on pages 40-45.

- The food services fund change in net assets year to date is down from the prior year by \$1,151,878. There were four less serving days in 2009. Revenue from food sales is down and reimbursements for free and reduced lunches have increased. Purchased food costs have increased and milk costs increased with a change in container size. Additional expenses were incurred in 2009 to replace kitchen equipment.
- The child care fund change in net assets is \$448,310, lower from the prior year by \$378,172. The decrease is a result of increasing salaries and benefits in the preschool and school age child care programs.
- The property management fund accounts for revenues and expenditures related to the public use of District property. A \$200,000 transfer was made to the school's campus activity funds to distribute additional funds to the school level.

Financial analysis of the District's governmental funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with GAAP, the School Finance Act and other related legal requirements.

The governmental funds of the District provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. Unreserved fund balance, in particular, measures the District's net resources available for spending at the end of the fiscal year.

Unassigned fund balance for the District at the end of the fiscal year is comprised of the general fund balance of \$56,787,350.

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The general fund is the primary operating fund of the District with the majority of funding based on School Finance Act per pupil revenue. Student funded enrollment decreased by 200 students during the fiscal year. This reduction amounts to approximately \$1.3 million in decreases from the state's School Finance Act funding. The immediate effect of this decrease is softened by the four-year average calculation used by the Colorado Department of Education.

The District's general fund had a decrease in fund balance of \$13 million at year end. The prior year's fund balance increased \$5 million. The following factors are key points in the \$18 million decrease from the prior year:

- Total revenues increased \$8.6 million over the prior year. This was primarily due to a \$12 million increase from state equalization funding which was offset by a \$4 million decrease in interest earnings.
- Salaries and benefits account for 87 percent of the general fund expenditures. Salaries and benefits increased 11 percent (or \$25 million) over the prior year.
- Increased technology spending for specified projects accounted for an increase of \$3.5 million.
- Utilities decreased \$628,000 from the prior year.
- Reduced purchased services cost from 2008 to 2009 for: consulting \$927,000, out-of-district student expense \$1,300,000, expenses from issuing COP's \$446,000, radio purchases \$1,900,000 and textbook expenses \$828,000.
- Additional school purchases in 2009 for technology equipment \$2.5 million.
- \$2 million additional transfers in 2009 to capital reserve, insurance reserve and child care (Colorado preschool funding).

The bond redemption debt service fund has fund balance of \$68,924,667, an increase of \$6 million from the prior year. This fund accounts for the voter approved property taxes collected to repay general obligation debt. The mill levy to accumulate resources for the June 2010 principal and interest payments will be certified in December 2009. In compliance with Senate Bill 237, the District has contracted with a third party custodian to administer bond principal and interest payments.

The capital reserve capital projects fund is now providing the funding to finish the remaining 2004 bond projects as planned. Expenditures have increased from the prior year due to this transition. The building fund capital projects fund was utilized to account for the proceeds of the bond issuance and usage for the 2004 voter approved capital projects program. The building fund capital projects fund has zero fund balance at the end of the year due to the fact the \$3 million in cash held by the fund is offset by \$3 million in retainage.

The grants fund ended the third year in a row spending down reserves. The spending down is a result of the planned use of carry forwards as well as other grants ending and no new funding being received. The campus activity fund had decreased revenue and expenditures for the year. The current economic issues affected fundraising opportunities and lowered donations.

General fund budgetary highlights

The final budget of the general fund increased the projected loss of income. The major adjustments to the budget are as follows:

- Decreased interest earnings due to the economy of \$2 million.
- Increased expenditures for fall election expenses \$537,000.
- Increased mandatory transfers to capital reserve and child care of \$605,000.

The unassigned fund balance for the general fund at the end of the fiscal year is \$56,787,350. For budgetary purposes, however, the current available resources for the general fund can be computed as follows:

Fund balance-GAAP basis	\$ 97,766,584
Add: Effect of salaries earned but unpaid	<u>68,522,709</u>
Total fund balance (Budgetary basis)	\$166,289,293
Less restricted for: TABOR	16,943,784
Board of education contingency	24,613,766
School carry forward	11,200,000
Maintenance operations	3,000,000
School operations	<u>1,500,000</u>
Unreserved fund balance (Budgetary basis)	<u>\$ 109,031,743</u>

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As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total fund expenditures. Actual budget basis expenditures of the general fund including other financing uses - transfers out amounted to \$650,598,619. Unreserved fund balance (budgetary basis) represents 17 percent of expenditures while total fund balance (budgetary basis) represents 26 percent of budget based expenditures. This is a percentage decrease from the prior year of 2 percent for each. The passage of the mill levy override in November 2004 resulted in reserves being set aside to help offset future budget reductions. Fiscal 2009 is the first year using these reserves.

Capital assets and debt administration

The District's investment in capital assets for its governmental and business-type activities as of June 30, 2009 increased to \$938,952,680 (net of accumulated depreciation). The majority of increases are due to the capital improvement program with new buildings as well as major renovations creating additions to construction in progress, land and buildings. Capital assets include land, buildings, construction in progress, vehicles, and equipment.

Major capital events during the year include the following:

- Additions to construction in progress of \$83,374,962 which include: Bear Creek High School replacement, Golden High School replacement, Arvada West High School Replacement, Evergreen Middle School addition and Warren Tech electric/HVAC.
- Depreciation of \$59,157,006 for governmental activities and \$365,538 for business-type activities.
- Major transfers from construction in progress to buildings include: Golden High School replacement, Arvada West High School replacement, Wheat Ridge High School addition, Dakota Ridge High School addition and Sierra Elementary School partial replacement.

	<u>Fiscal Year 2008</u>		<u>Fiscal Year 2009</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Non-depreciable assets:				
Land	\$ 56,510,989	-	\$ 57,070,963	-
Construction in progress	<u>133,060,491</u>	<u>-</u>	<u>101,873,722</u>	<u>-</u>
Total non-depreciable assets	189,571,480	-	158,944,685	-
Depreciable assets (net of accumulated depreciation):				
Buildings and site improvements	691,024,512	-	748,105,573	-
Equipment and vehicles	<u>31,377,994</u>	<u>\$ 2,399,710</u>	<u>29,200,360</u>	<u>\$ 2,702,062</u>
Total depreciable assets	<u>722,402,506</u>	<u>2,399,710</u>	<u>777,305,933</u>	<u>2,702,062</u>
Total capital assets:	<u>\$ 911,973,986</u>	<u>\$ 2,399,710</u>	<u>\$ 936,250,618</u>	<u>\$ 2,702,062</u>

Additional information on the District's capital assets can be found in note 7 on pages 59-61 of this report.

At June 30, 2009, the District had total bonded debt outstanding of \$609,570,000 backed by the full faith and credit of the District. Additionally, the District has long-term debt obligations certificates of participation in the amount of \$40,910,000 for governmental activities still outstanding at the end of the current fiscal year.

General Obligation Bonds, Capital Leases and Certificates of Participation

	<u>Fiscal Year 2008</u>			<u>Fiscal Year 2009</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
General obligation bonds	\$ 651,955,000	-	\$ 651,955,000	\$ 609,570,000	-	\$ 609,570,000
Certificates of participation	<u>43,335,000</u>	<u>-</u>	<u>43,335,000</u>	<u>40,910,000</u>	<u>-</u>	<u>40,910,000</u>
Total outstanding long-term debt	<u>\$ 695,290,000</u>	<u>-</u>	<u>\$ 695,290,000</u>	<u>\$ 650,480,000</u>	<u>-</u>	<u>\$ 650,480,000</u>

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The certificates of participation were issued to fund bus purchases and the supplemental retirement program. The District maintains an Aa3 rating from Moody's and an A- stable with Standard & Poor's for general obligation debt. State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$1,464,620,756 and the legal debt margin was \$923,975,424.

Additional information on the District's long-term obligations can be found in notes 10 and 11 on pages 62-66.

General budgetary highlights and economic factors

For the 2009/2010 budget, the Board of Education established objectives to be met by the budget process. They determined that the budget would:

- Effectively allocate monetary resources to enhance student achievement..
- Clearly communicate the financial state of the district to the public.
- Identify evidenced –based results that increase student achievement.
- Comply with all state, federal, and local statutes and regulations as well as internal organizational controls.
- Set appropriations to ensure positive reserve balances in all funds

The budget process will continue to:

- Meet specified deadlines while producing a comprehensive and accurate budget.
- Provide opportunities for community and staff input.
- Identify budget assumptions used for the development process.
- Use forecasting to anticipate future needs and resources.
- Review all programs and department budgets.
- Embrace new thinking and unique perspectives even when advocating for change.

Several factors impact the District's Adopted Budget and are considered when making budget assumptions; public school finance act increases, student funded counts declining, salary and benefit costs increases, reduced specific ownership tax collection, state rescissions, Office of Civil Rights mandates, increased graduation requirements, and retirement savings. For the 2009/2010 adopted budget, \$11.4 million net revenue increase is projected with \$21.7 million in net expenditure increases. These changes result in the planned incremental utilization of voter-approved mill levy dollars (previously reserved) of \$10.3 million.

The budget cycle begins in July and ends in June with the Board adopting the budget. The cycle includes review of all program and department budgets to help establish the budget assumptions. Economic conditions are factored in with the demographic changes for the District. Budget workgroups that involve the community provide significant and valuable input to the process. An in-depth perspective of the budget process is available in the adopted budget.

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. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Kathleen Askelson, Executive Director, Finance
Jefferson County School District, No. R-1
1829 Denver West Drive, Building 27
Golden, Colorado 80401



Basic Financial Statements

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Statement of Net Assets
June 30, 2009

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Charter Schools
Assets				
Current assets:				
Cash	\$ 3,007,722	\$ 4,611	\$ 3,012,333	\$ 58,918
Restricted cash	112,298	-	112,298	4,743,221
Restricted cash TABOR	-	-	-	1,144,967
Cash held by county treasurer	2,739,467	-	2,739,467	-
Equity in pooled cash and investments	296,609,097	13,552,608	310,161,705	5,763,380
Investments	67,596,526	-	67,596,526	-
Property taxes receivable	13,705,953	-	13,705,953	-
Accounts receivable	2,836,340	211,575	3,047,915	24,047
Intergovernmental receivable	6,792,994	829,269	7,622,263	-
Due from component units	102,791	-	102,791	-
Inventories	2,484,495	1,277,974	3,762,469	-
Prepaid expenses	2,971,027	49,421	3,020,448	-
Total current assets	<u>398,958,710</u>	<u>15,925,458</u>	<u>414,884,168</u>	<u>11,734,533</u>
Capital assets:				
Land and construction in progress	158,944,685	-	158,944,685	4,299,020
Depreciable assets	1,361,047,229	6,894,257	1,367,941,486	34,554,248
Accumulated depreciation	(583,741,296)	(4,192,195)	(587,933,491)	(6,129,791)
Capital assets, net of depreciation	<u>936,250,618</u>	<u>2,702,062</u>	<u>938,952,680</u>	<u>32,723,477</u>
Noncurrent assets:				
Deferred charges	1,704,003	-	1,704,003	978,794
Net pension asset	51,728,133	-	51,728,133	-
Total noncurrent assets	<u>53,432,136</u>	<u>-</u>	<u>53,432,136</u>	<u>978,794</u>
Total assets	<u>\$ 1,388,641,464</u>	<u>\$ 18,627,520</u>	<u>\$ 1,407,268,984</u>	<u>\$ 45,436,804</u>
Liabilities				
Current liabilities:				
Accounts payable	\$ 22,557,279	\$ 206,531	\$ 22,763,810	\$ 490,798
Accrued salaries and benefits	76,497,322	1,141,744	77,639,066	1,482,932
Payroll withholding	21,294,240	-	21,294,240	-
Due to primary government	-	-	-	102,791
Unearned revenue	5,459,009	849,218	6,308,227	364,377
Liability claims/premiums	4,994,211	-	4,994,211	-
Interest payable	1,393,581	-	1,393,581	310,315
General obligation bonds	45,120,000	-	45,120,000	-
Certificates of participation	2,530,000	-	2,530,000	-
Capital leases and promissory notes	-	-	-	1,009,003
Total current liabilities	<u>179,845,642</u>	<u>2,197,493</u>	<u>182,043,135</u>	<u>3,760,216</u>
Noncurrent liabilities:				
General obligation bonds	585,395,736	-	585,395,736	-
Certificates of participation	38,109,310	-	38,109,310	-
Capital leases	-	-	-	39,766,958
Early retirement	3,600,000	-	3,600,000	-
Compensated absences	3,635,000	175,279	3,810,279	-
Total noncurrent liabilities	<u>630,740,046</u>	<u>175,279</u>	<u>630,915,325</u>	<u>39,766,958</u>
Total liabilities	<u>810,585,688</u>	<u>2,372,772</u>	<u>812,958,460</u>	<u>43,527,174</u>
Net assets				
Invested in capital assets, net of related debt	300,549,882	2,702,062	303,251,944	(7,894,827)
Restricted for:				
Capital projects	62,400,677	-	62,400,677	628,308
Debt service	68,924,667	-	68,924,667	4,585,567
TABOR	17,737,918	781,383	18,519,301	1,144,967
Unrestricted	128,442,632	12,771,303	141,213,935	3,445,615
Total net assets	<u>578,055,776</u>	<u>16,254,748</u>	<u>594,310,524</u>	<u>1,909,630</u>
Total liabilities and net assets	<u>\$ 1,388,641,464</u>	<u>\$ 18,627,520</u>	<u>\$ 1,407,268,984</u>	<u>\$ 45,436,804</u>

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

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Statement of Activities
Fiscal year ended June 30, 2009

	Net (Expenses) Revenue and Changes in Net Assets						
	Program Revenues			Primary Government		Component Units	
	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	TOTAL	Charter Schools
Functions/Programs							
Primary government:							
Governmental activities:							
Direct instruction	\$ 475,473,399	\$ 4,323,891	\$ -	\$ (429,876,058)	\$ -	\$ (429,876,058)	-
Indirect instruction	139,506,864	30,296,343	7,225,032	(101,985,489)	-	(101,985,489)	-
Transportation	21,744,799	384,133	4,463,314	(16,897,352)	-	(16,897,352)	-
Custodial services	27,158,925	-	-	(27,158,925)	-	(27,158,925)	-
Field services	24,507,637	3,169,242	-	(21,338,395)	-	(21,338,395)	-
Telecommunications, networking and utilities	19,361,791	-	-	(19,361,791)	-	(19,361,791)	-
Support services	23,191,961	-	-	(23,191,961)	-	(23,191,961)	-
General administration	3,328,842	-	-	(3,328,842)	-	(3,328,842)	-
District-wide	1,123,258	569,173	-	(554,085)	-	(554,085)	-
Interest expense, unallocated	34,967,047	-	-	(34,967,047)	-	(34,967,047)	-
Total governmental activities	770,364,523	38,742,782	52,961,796	(678,659,945)	-	(678,659,945)	-
Business-type Activities:							
Food services	23,425,181	12,732,788	8,735,385	-	\$ (274,366)	(274,366)	-
Child care	14,547,344	11,019,746	-	-	(3,494,860)	(3,494,860)	-
Property management	1,225,624	1,728,955	-	-	503,331	503,331	-
Total business-type activities	39,198,149	25,481,489	8,735,385	-	(3,265,895)	(3,265,895)	-
Total primary government	\$ 809,562,672	\$ 64,224,271	\$ 61,697,181	\$ (678,659,945)	\$ (3,265,895)	\$ (681,925,840)	-
Component units-Charter schools	\$ 38,119,256	\$ 6,036,786				\$ (32,082,470)	
General revenues							
Taxes:							
Local property taxes				349,209,271	-	349,209,271	-
Automotive ownership taxes				26,428,023	-	26,428,023	-
Unrestricted intergovernmental state equalization				307,102,545	-	307,102,545	32,128,892
Unrestricted Investment income				6,230,214	223,967	6,454,181	-
Transfers				(3,667,041)	3,667,041	-	-
Total general revenues and transfers				685,303,012	3,891,008	689,194,020	32,128,892
Change in net assets				6,643,067	625,113	7,268,180	46,422
Net assets July 1, 2008				571,412,709	15,629,635	587,042,344	1,863,208
Net assets June 30, 2009				\$ 578,055,776	\$ 16,254,748	\$ 594,310,524	\$ 1,909,630

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

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Balance Sheet
Governmental Funds
June 30, 2009

	General	Bond Redemption Debt Service
Assets		
Cash	\$ 3,125	\$ -
Restricted Cash	2	-
Cash held by county treasurer	2,594,006	145,461
Equity in pooled cash and investments	162,654,993	-
Investments	-	67,596,526
Property taxes receivable, net of allowance for doubtful collections of \$7,071,775	10,497,594	3,208,359
Accounts, notes, contracts, and interest receivable	1,802,317	-
Intergovernmental receivables	-	-
Due from other funds	2,606,982	-
Due from component units	102,791	-
Inventories	1,736,584	-
Prepaid items	122,601	-
Total assets	\$ 182,120,995	\$ 70,950,346
 Liabilities and Fund Balances		
Liabilities:		
Accounts and retainages payable	\$ 3,320,817	\$ 38,426
Accrued salaries, benefits, and compensated absences	69,973,652	-
Due to other funds	-	-
Unearned property tax revenues	6,487,888	1,987,253
Other unearned revenues	4,572,054	-
Total liabilities	84,354,411	2,025,679
 Fund balances:		
Nonspendable:		
Inventory	1,736,584	-
Prepaid items	122,601	-
Restricted for:		
TABOR	16,943,784	-
Grants	-	-
Debt service	-	68,924,667
Construction	-	-
Committed to:		
School carry forward	11,200,000	-
Maintenance operations	3,000,000	-
School operations	1,500,000	-
Assigned to:		
Encumbrances, general and special revenue funds	6,476,265	-
Special revenue funds	-	-
Unassigned	56,787,350	-
Total fund balances	97,766,584	68,924,667
Total liabilities and fund balances	\$ 182,120,995	\$ 70,950,346

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

Capital Reserve Capital Projects	Building Fund Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 300	\$ 2,899,470	\$ 104,527	\$ 3,007,422
112,296	-	-	112,298
-	-	-	2,739,467
76,399,061	-	9,151,729	248,205,783
-	-	-	67,596,526
-	-	-	13,705,953
106,877	-	45,792	1,954,986
-	-	6,792,994	6,792,994
-	-	-	2,606,982
-	-	-	102,791
-	-	368,927	2,105,511
-	-	6,059	128,660
<u>\$ 76,618,534</u>	<u>\$ 2,899,470</u>	<u>\$ 16,470,028</u>	<u>\$ 349,059,373</u>
\$ 14,019,484	\$ 2,892,861	\$ 521,759	\$ 20,793,347
141,004	-	2,844,661	72,959,317
-	6,609	2,600,373	2,606,982
-	-	-	8,475,141
-	-	196,054	4,768,108
<u>14,160,488</u>	<u>2,899,470</u>	<u>6,162,847</u>	<u>109,602,895</u>
-	-	368,927	2,105,511
-	-	6,059	128,660
57,369	-	660,475	17,661,628
-	-	1,142,927	1,142,927
-	-	-	68,924,667
62,400,677	-	-	62,400,677
-	-	-	11,200,000
-	-	-	3,000,000
-	-	-	1,500,000
-	-	932,578	7,408,843
-	-	7,196,215	7,196,215
-	-	-	56,787,350
<u>62,458,046</u>	<u>-</u>	<u>10,307,181</u>	<u>239,456,478</u>
<u>\$ 76,618,534</u>	<u>\$ 2,899,470</u>	<u>\$ 16,470,028</u>	<u>\$ 349,059,373</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
 Reconciliation of governmental funds balance sheet to statement of net assets
 June 30, 2009

Governmental funds total fund balances	\$	239,456,478
Add:		
Unearned property tax revenue: Revenues that do not provide current financial resources are unearned on the governmental fund financial statements but recognized on the government-wide financial statements.		8,475,141
Capital assets used in governmental funds are not considered current financial resources and, therefore, not reported in the governmental funds.		1,494,596,010
Deferred charges for costs of issuing general obligation and certificates of participation are not considered current financial resources and not reported in the governmental funds.		1,704,003
Net pension assets are not considered current financial resources, therefore, not reported in the governmental funds. The net pension asset is recorded in the noncurrent asset section.		51,728,133
Internal service funds are used by management to charge costs of various activities to the general and other funds. The net assets of the internal service funds are included in the governmental activities statement of net assets.		29,277,941
Less:		
Accumulated depreciation is not recognized in the governmental funds because capital assets are expensed at the time of acquisition. Internal service funds include depreciation.		568,051,961
Long-term liabilities for general obligation debt, net of discounts and premiums (\$630,515,736), certificates of participation net of discounts and premiums (\$40,639,310), early retirement estimate (\$3,600,000), and compensated absences (\$2,981,342) are not due and payable in the current period and, therefore, not reported in the funds.		677,736,388
Interest payable on certificates of participation and general obligation debt is not recorded on the fund statements because it is not a current use of cash. Interest is accrued on the government-wide statements since the liability is to be paid in the near term.		1,393,581
Governmental activities net assets	<u>\$</u>	<u>578,055,776</u>

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



JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
Fiscal Year Ended June 30, 2009

	<u>General</u>	<u>Bond Redemption Debt Service</u>	<u>Capital Reserve Capital Projects</u>
Revenues:			
Taxes	\$ 294,465,228	\$ 81,427,715	\$ -
Intergovernmental	327,223,284	-	-
Investment income	4,311,036	123,329	1,343,113
Other	15,493,515	-	569,173
Total revenues	<u>641,493,063</u>	<u>81,551,044</u>	<u>1,912,286</u>
Expenditures:			
Current:			
Direct instruction	397,093,926	-	-
Indirect instruction	102,673,077	-	-
Transportation	21,630,426	-	-
Custodial services	26,858,804	-	-
Field services	21,002,692	-	-
Telecommunications, networking and utilities	19,036,775	-	-
Support services	22,895,006	-	-
General administration	3,348,044	-	-
District-wide	980,999	-	-
Capital outlay	-	-	37,400,195
Debt Service:			
Principal retirements	1,225,000	42,385,000	1,200,000
Interest and fiscal charges	1,974,710	33,263,964	200,913
Total expenditures	<u>618,719,459</u>	<u>75,648,964</u>	<u>38,801,108</u>
Excess (deficiency) of revenues over (under) expenditures	22,773,604	5,902,080	(36,888,822)
Other Financing Sources (Uses):			
Transfers out	(35,484,341)	-	-
Transfers in	-	-	22,128,000
Total other financing sources (uses)	<u>(35,484,341)</u>	<u>-</u>	<u>22,128,000</u>
Net change in fund balances	(12,710,737)	5,902,080	(14,760,822)
Fund balances - July 1, 2008	110,477,321	63,022,587	77,218,868
Fund balances - June 30, 2009	<u>\$ 97,766,584</u>	<u>\$ 68,924,667</u>	<u>\$ 62,458,046</u>

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

Building Fund Capital Projects	Other Governmental Funds	Total Governmental Funds
\$	\$ -	\$ 375,892,943
	32,841,057	360,064,341
448,667	4,069	6,230,214
-	25,276,965	41,339,653
<u>448,667</u>	<u>58,122,091</u>	<u>783,527,151</u>
-	24,360,674	421,454,600
-	34,048,660	136,721,737
-	-	21,630,426
-	-	26,858,804
-	-	21,002,692
-	-	19,036,775
-	-	22,895,006
-	-	3,348,044
-	-	980,999
50,408,087	-	87,808,282
-	-	44,810,000
-	-	35,439,587
<u>50,408,087</u>	<u>58,409,334</u>	<u>841,986,952</u>
(49,959,420)	(287,243)	(58,459,801)
-	-	(35,484,341)
-	200,000	22,328,000
<u>-</u>	<u>200,000</u>	<u>(13,156,341)</u>
(49,959,420)	(87,243)	(71,616,142)
49,959,420	10,394,424	311,072,620
<u>\$ -</u>	<u>\$ 10,307,181</u>	<u>\$ 239,456,478</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Reconciliation of Revenues, Expenditures and Changes in Fund Balances (Deficit) of Governmental Funds to the
Statement of Activities
Fiscal year ended June 30, 2009

Governmental funds changes in fund balances	\$ (71,616,142)
Add:	
Unearned property tax revenue: Revenues that do not provide current financial resources are unearned on the governmental fund financial statements but recognized on the government-wide financial statements.	8,475,141
Principal retirements (net of amortization of discounts): Retirements of principal outstanding on the District's debt result in a reduction of accumulated resources on the fund financial statements. The government-wide statements show these reductions against the long-term liabilities.	46,206,303
Reverse the prior year interest payable accrued to offset current year expenditures.	1,509,723
Internal service funds are used by management to charge costs of various activities to the general and other funds. The net income of the internal service funds are included in the statement of activities.	4,215,123
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (governmental additions less construction in progress transfers \$86,653,981) exceeded depreciation (governmental additions \$55,479,688) in the current period.	31,174,293
Governmental funds report pension funding in excess of the annual required contribution as expenditures. However, in the statement of activities the cost of pension funding in excess of the annual required contribution should be reported as an asset.	2,359,562
Reduction in the amount of early retirement liability.	202,500
Less:	
Loss on disposals: The net effect of transactions involving these capital assets is to reduce net assets.	4,941,487
Unearned property taxes of the prior year: Property taxes unearned in the prior year and received in the current year are recognized in the prior year net assets on the statement of activities.	8,730,790
Interest payable on certificates of participation and general obligation debt is not recorded on the fund statements because it is not a current use of cash. Interest is accrued on the government-wide statements since the liability is to be paid in the near term.	1,393,581
Amortization of deferred charges from issuing general obligation debt and certificates of participation	173,635
Amount of long term compensated absences accrued for the current year.	643,943
Governmental activities change in net assets	\$ 6,643,067

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

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)
General Fund
Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 274,454,000	\$ 268,489,100	\$ 268,037,205	\$ (451,895)
Automotive ownership taxes	29,400,000	26,255,000	26,428,023	173,023
Total taxes	<u>303,854,000</u>	<u>294,744,100</u>	<u>294,465,228</u>	<u>(278,872)</u>
State of Colorado:				
State equalization	298,973,900	306,649,434	307,102,545	453,111
Education of handicapped	11,000,000	11,000,000	11,422,252	422,252
Transportation	4,200,000	4,200,000	4,463,314	263,314
Vocational education	4,200,000	4,200,000	3,428,901	(771,099)
Other	350,000	645,666	806,272	160,606
Total State of Colorado	<u>318,723,900</u>	<u>326,695,100</u>	<u>327,223,284</u>	<u>528,184</u>
Investment income	5,000,000	3,000,000	4,311,036	1,311,036
Other	13,084,800	13,595,700	15,493,515	1,897,815
Total revenues	<u>640,662,700</u>	<u>638,034,900</u>	<u>641,493,063</u>	<u>3,458,163</u>
Expenditures:				
Current:				
Direct instruction	402,947,060	392,648,587	394,926,266	(2,277,679)
Indirect instruction	96,739,138	107,610,614	101,824,843	5,785,771
Transportation	22,800,429	22,142,429	21,517,649	624,780
Custodial services	27,106,222	27,006,222	26,578,601	427,621
Field services and property management	19,954,995	21,704,995	20,899,658	805,337
Telecommunications, network and utilities	21,095,000	19,052,554	19,036,775	15,779
Support services	21,862,257	23,606,500	22,821,225	785,275
General administration	4,088,247	3,564,447	3,328,778	235,669
District-wide	1,056,352	850,352	980,773	(130,421)
Debt Service:				
Principal retirements	1,225,000	1,225,000	1,225,000	-
Interest and fiscal charges	1,972,500	1,972,500	1,974,710	(2,210)
Total expenditures	<u>620,847,200</u>	<u>621,384,200</u>	<u>615,114,278</u>	<u>6,269,922</u>
Excess of revenues over expenditures	19,815,500	16,650,700	26,378,785	9,728,085
Other financing sources (uses) -				
Transfers out	(34,885,500)	(35,490,500)	(35,484,341)	6,159
Total other financing uses	<u>(34,885,500)</u>	<u>(35,490,500)</u>	<u>(35,484,341)</u>	<u>6,159</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>\$ (15,070,000)</u>	<u>\$ (18,839,800)</u>	<u>(9,105,556)</u>	<u>\$ 9,734,244</u>
Salaries, benefits, and compensated absences earned but unpaid: July 1, 2008			64,917,528	
June 30, 2009			(68,522,709)	
Fund balance - July 1, 2008			110,477,321	
Fund balance - June 30, 2009			<u>\$ 97,766,584</u>	

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

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Statement of Net Assets
Proprietary Funds
June 30, 2009

Assets	Business-Type Activities Enterprise Funds	
	Food Services Fund	Child Care Fund
	Current assets:	
Cash	\$ 1,670	\$ 2,941
Equity in pooled cash and investments	5,463,358	4,341,888
Accounts and other receivable	55,699	23,150
Intergovernmental receivables	829,269	-
Inventories	1,277,974	-
Prepaid items	49,421	-
Total current assets	7,677,391	4,367,979
Noncurrent assets:		
Capital assets:		
Vehicles and equipment	5,292,996	599,828
Less accumulated depreciation	(3,496,018)	(292,832)
Total capital assets, net of accumulated depreciation	1,796,978	306,996
Total assets	\$ 9,474,369	\$ 4,674,975
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 156,491	\$ 50,040
Accrued salaries, benefits, and compensated absences	768,467	363,461
Payroll withholding	-	-
Other unearned revenues	415,685	433,533
Estimated liability for premiums and claims	-	-
Total current liabilities	1,340,643	847,034
Non-current liabilities:		
Compensated absences	101,331	66,766
Total noncurrent liabilities	101,331	66,766
Total liabilities	1,441,974	913,800
Net assets:		
Invested in capital assets	1,796,978	306,996
Restricted for:		
TABOR	393,808	333,858
Unrestricted	5,841,609	3,120,321
Total net assets	8,032,395	3,761,175
Total liabilities and net assets	\$ 9,474,369	\$ 4,674,975

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

Business-Type Activities Enterprise Funds		Governmental Activities - Internal Service Funds
Property Management Fund	Totals	Funds
\$ -	\$ 4,611	\$ 300
3,747,362	13,552,608	48,403,314
132,726	211,575	881,353
-	829,269	-
-	1,277,974	378,984
-	49,421	2,842,367
<u>3,880,088</u>	<u>15,925,458</u>	<u>52,506,318</u>
1,001,433	6,894,257	25,395,904
(403,345)	(4,192,195)	(15,689,335)
<u>598,088</u>	<u>2,702,062</u>	<u>9,706,569</u>
<u>\$ 4,478,176</u>	<u>\$ 18,627,520</u>	<u>\$ 62,212,887</u>
\$ -	\$ 206,531	\$ 1,763,931
9,816	1,141,744	3,538,005
-	-	21,294,240
-	849,218	690,901
-	-	4,994,211
<u>9,816</u>	<u>2,197,493</u>	<u>32,281,288</u>
7,182	175,279	653,658
<u>7,182</u>	<u>175,279</u>	<u>653,658</u>
<u>16,998</u>	<u>2,372,772</u>	<u>32,934,946</u>
598,088	2,702,062	9,706,569
53,717	781,383	76,290
<u>3,809,373</u>	<u>12,771,303</u>	<u>19,495,082</u>
<u>4,461,178</u>	<u>16,254,748</u>	<u>29,277,941</u>
<u>\$ 4,478,176</u>	<u>\$ 18,627,520</u>	<u>\$ 62,212,887</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Fiscal Year Ended June 30, 2009

	Business-Type Activities	
	Enterprise Funds	
	Food Services Fund	Child Care Fund
Operating Revenues:		
Food sales	\$ 12,380,857	\$ -
Insurance premiums	-	-
Service contracts	351,931	1,306,740
Tuition	-	9,713,006
Total operating revenues	12,732,788	11,019,746
Operating Expenses:		
Purchased food	8,641,400	-
USDA commodities	1,483,285	-
Salaries and employee benefits	10,420,267	11,575,138
Administration services	684,458	1,386,933
Utilities	355,941	4,688
Supplies	1,450,737	870,808
Repairs and maintenance	52,818	47,833
Rent	-	650,191
Depreciation	304,358	8,698
Other	1,851	3,055
Claim losses	-	-
Premiums paid	-	-
Total operating expenses	23,395,115	14,547,344
Income (loss) from operations	(10,662,327)	(3,527,598)
Non-operating revenues (expenses):		
USDA commodities	1,344,642	-
Reimbursement from government sponsored programs	8,735,385	-
Investment income	86,217	76,129
Loss on sale of capital assets	(30,066)	-
Total non-operating revenues (expenses)	10,136,178	76,129
Income (loss) before transfers and capital contributions	(526,149)	(3,451,469)
Capital contributions	338,000	32,738
Transfers out to other funds	-	-
Transfers in from other funds	-	3,867,041
Change in net assets	(188,149)	448,310
Total net assets - July 1, 2008	8,220,544	3,312,865
Total net assets - June 30, 2009	\$ 8,032,395	\$ 3,761,175

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

Business-Type Activities Enterprise Funds		Governmental Activities - Internal Service Funds
Property Management Fund	Totals	Funds
\$ -	\$ 12,380,857	\$ -
-	-	10,380,494
1,728,955	3,387,626	20,923,349
-	9,713,006	-
<u>1,728,955</u>	<u>25,481,489</u>	<u>31,303,843</u>
-	8,641,400	-
-	1,483,285	-
826,480	22,821,885	13,276,491
102,730	2,174,121	3,835,041
193,560	554,189	48,969
33,389	2,354,934	1,834,339
-	100,651	2,955,044
-	650,191	-
52,482	365,538	3,680,542
16,983	21,889	19,448
-	-	8,446,852
-	-	2,305,245
<u>1,225,624</u>	<u>39,168,083</u>	<u>36,401,971</u>
<u>503,331</u>	<u>(13,686,594)</u>	<u>(5,098,128)</u>
-	1,344,642	-
-	8,735,385	-
61,621	223,967	356,397
-	(30,066)	(532,446)
<u>61,621</u>	<u>10,273,928</u>	<u>(176,049)</u>
564,952	(3,412,666)	(5,274,177)
-	370,738	-
(200,000)	(200,000)	-
-	3,867,041	9,489,300
<u>364,952</u>	<u>625,113</u>	<u>4,215,123</u>
4,096,226	15,629,635	25,062,818
<u>\$ 4,461,178</u>	<u>\$ 16,254,748</u>	<u>\$ 29,277,941</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Statement of Cash Flows

Proprietary Funds

Fiscal Year Ended June 30, 2009

	Business-Type Activities	
	Enterprise Funds	
	Food Services Fund	Child Care Fund
Cash flows from operating activities:		
Receipts from customers	\$ 12,786,508	\$ 11,050,048
Payments to employees	(10,324,084)	(11,503,332)
Payments to vendors	(12,532,721)	(2,979,515)
Net cash provided by (used for) operating activities	<u>(10,070,297)</u>	<u>(3,432,799)</u>
Cash flows from noncapital financing activities:		
Transfers received	-	3,867,041
Transfers out	-	-
Federal reimbursements	10,967,450	-
Net cash provided by noncapital financing activities	<u>10,967,450</u>	<u>3,867,041</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(66,205)	(188,294)
Net cash used for capital and related financing activities	<u>(66,205)</u>	<u>(188,294)</u>
Cash flows from investing activities:		
Interest received	86,217	76,129
Net cash provided by noncapital financing activities	<u>86,217</u>	<u>76,129</u>
Net increase in cash and cash equivalents	917,165	322,077
Cash and cash equivalents - July 1, 2008	4,547,863	4,022,752
Cash and cash equivalents - June 30, 2009	<u>\$ 5,465,028</u>	<u>\$ 4,344,829</u>
Reconciliation of cash flows from operating activities:		
Operating Income (Loss)	\$ (10,662,327)	\$ (3,527,598)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	304,358	8,698
(Increase) decrease intergovernmental and other receivables	19,944	(168)
Decrease in prepaid items	(247)	-
Decrease in inventories	89,159	-
(Increase) in purchased food and supplies inventories	3,841	-
(Increase) decrease in other inventories	-	-
Increase (decrease) in accounts payable	45,020	(16,003)
Increase (decrease) in accrued salaries, benefits, and compensated absences	96,178	71,805
Increase in payroll withholding	-	-
Increase (decrease) in due to other funds	-	-
Increase (decrease) in unearned revenues	33,777	30,467
Increase in estimated liability for premiums and claims	-	-
Net cash provided by (used for) operating activities	<u>\$ (10,070,297)</u>	<u>\$ (3,432,799)</u>
Noncash investing, capital, and financing activities:		
Donated commodities acquired and used from USDA	\$ 1,483,285	\$ -
Disposal and write off of capital assets	30,066	-
Capital contributions	338,000	32,738

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

Business-Type Activities Enterprise Funds		Governmental Activities - Internal Service Funds
Property Management Fund	Totals	
\$ 1,732,640	\$ 25,569,196	\$ 34,952,442
(821,224)	(22,648,640)	(13,016,546)
(351,695)	(15,863,931)	(22,805,678)
<u>559,721</u>	<u>(12,943,375)</u>	<u>(869,782)</u>
-	3,867,041	9,489,300
(200,000)	(200,000)	-
-	10,967,450	-
<u>(200,000)</u>	<u>14,634,491</u>	<u>9,489,300</u>
(72,719)	(327,218)	(2,256,814)
<u>(72,719)</u>	<u>(327,218)</u>	<u>(2,256,814)</u>
61,621	223,967	356,397
<u>61,621</u>	<u>223,967</u>	<u>356,397</u>
348,623	1,587,865	6,719,101
3,398,739	11,969,354	41,684,513
<u>\$ 3,747,362</u>	<u>\$ 13,557,219</u>	<u>\$ 48,403,614</u>
\$ 503,331	\$ (13,686,594)	\$ (5,098,128)
52,482	365,538	3,680,542
3,685	23,461	3,754,395
-	(247)	(1,777,546)
-	89,159	-
-	3,841	-
-	-	(240,313)
(5,032)	23,985	(1,435,208)
-	-	-
5,255	173,238	230,100
-	-	712,011
-	-	(108,762)
-	64,244	(105,797)
-	-	(481,076)
<u>\$ 559,721</u>	<u>\$ (12,943,375)</u>	<u>\$ (869,782)</u>
\$ -	\$ 1,483,285	\$ -
-	30,066	532,445
-	370,738	-



Notes to Basic Financial Statements

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

June 30, 2009

1. Summary of significant accounting policies

Jefferson County School District, No. R-1 (the District), was formed in 1950 when 39 independent districts were consolidated into a countywide district encompassing the 785 square miles of Jefferson County, Colorado. The District operates under an elected Board of Education with five members and provides educational services to approximately 84,700 students.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Jefferson County, Colorado. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

A) Reporting entity

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity (GASB No. 14)* describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

The District is not included in any other governmental reporting entity as defined in GASB No. 14. As required by accounting principles generally accepted in the USA, these basic financial statements present the District (the primary government) and its component units. The component units discussed below are included in the District's reporting entity as required by the Colorado Department of Education. None of the component units are considered to be a major fund.

Discretely presented component units - charter schools

The State of Colorado Legislature in 1993 enacted the "Charter School Act – Colorado Revised Statutes (CRS) Section 22-30.5-101." This Act permits the District to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as "Charter Schools." Charter schools are financed from state school finance act revenues, property taxes and from revenues generated by the charter school, within the limits established by the Charter School Act. Charter Schools have separate governing boards; however, the Jefferson County School District's Board of Education must approve all Charter School applications and budgets. The Charter Schools are discretely presented component units as required by the Colorado Department of Education. Charter schools have the option to issue separate financial statements. Lincoln Academy, Mountain Phoenix, Rocky Mountain Academy of Evergreen and Rocky Mountain Deaf Schools did not issue separate statements for fiscal year 2008.

Blended component unit - Jefferson County School District Finance Corporation

The purpose of the Jefferson County School Finance Corporation (the Corporation) is to provide a mechanism to issue certificates of participation. Because the Board of Directors is appointed by the Board of Education and must obtain the Board of Education's approval for renovation and expansion decisions, issuance of debt, disbursements of funds, and any amendments to the articles of incorporation, the Corporation is considered to be a part of the District.

B) GASB statement No. 20

Under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, all business-type and enterprise funds continue to follow Financial Accounting Standards Board (FASB) standards issued on or before November 30, 1989. However, from that date forward, business-type and enterprise funds have the option of either 1) choosing not to apply future FASB standards (including amendments of earlier pronouncements), or 2) continuing to follow new FASB pronouncements (unless they conflict with GASB guidance). The District has chosen not to apply future FASB standards for all of its business-type and enterprise funds.

Notes to Basic Financial Statements

C) Government-wide and fund financial statements

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds (General Fund, Bond Redemption Debt Service Fund, Capital Reserve Capital Projects Fund and Building Fund – Capital Projects) and individual enterprise funds (Food Services Fund, Child Care Fund and Property Management Fund) are reported as separate columns in the fund financial statements.

D) Measurement focus, basis of accounting, and financial statement presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the District's governmental and business-type activities and component units. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available spendable resources. This means that only current liabilities are generally included on their balance sheets.

All governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Property tax revenues are considered to be available if collected within 60 days after year-end. All other revenues are considered to be available if collected within 120 days after year end. Property and automotive ownership taxes are reported as receivables and unearned revenue when levied and as revenues when due for collection in the following year and determined to be available.

Expenditures are recorded when the related fund liability is incurred with the exception of general obligation and capital lease debt service which is recognized when due and certain accrued sick and personal pay which are accounted for as expenditures when expected to be liquidated with expendable available financial resources.

The proprietary fund types are accounted for on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The measurement focus in these funds is on the flow of economic resources and emphasizes the determination of net income. All assets and all liabilities associated with their activity are included on their statements of net assets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

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

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

E) Fund accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

- **Major governmental funds**

1. General fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
2. Bond redemption debt service fund - used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.
3. Capital reserve capital projects fund - used to account for resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).
4. Building fund – Capital projects – used to account for resources to be used from the 2004 voter approved bond for a six-year capital improvement program.

- **Major proprietary funds-business-type activities**

Enterprise funds - used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

1. Food services fund - this fund accounts for all financial activities associated with the District's school breakfast and lunch programs.
2. Child care fund - this fund accounts for all financial activities associated with the District's school-age child care, preschool, and extended day kindergarten classes.
3. Property management fund - this fund accounts for all financial activities associated with the District's facilities.

- **Internal service funds**

Internal service funds account for central services, employee benefits, insurance reserve and technology operations. These services are provided to other funds of the District on a cost reimbursement basis.

F) Cash and investments

The pooled cash concept is used whereby cash balances of each of the District's funds are pooled and invested in certain investments. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, U.S. instruments and U.S. Treasury Obligations. The District records nonparticipating interest-earning investment contracts at cost. All other securities are recorded at fair value. It is the intention of the investment pool to maximize interest income, and securities are selected according to their risk, marketability, and diversification. Income earned or losses arising from the investment of pooled cash balances are allocated to the various funds based on their respective average periodic equity in pooled cash. The pooled cash and investments are used essentially as demand deposit accounts and are considered to be cash equivalents for cash flow purposes.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

G) Restricted cash

Certain assets of the General Fund, Capital Reserve Capital Projects fund, and Component Units are classified as restricted because their use is restricted to liabilities relating to deposits, capital leases and certificates of participation.

H) Receivables

Property taxes levied in 2008 but not yet collected in 2009 are identified as property taxes receivable and unearned revenues at June 30, 2009, and are presented net of an allowance for uncollectable taxes. Intergovernmental receivables of \$7,622,263 include amounts due from grantors for specific program grants. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred. As of June 30, 2009, the District had \$7,622,263 due from the Federal government, reflected as intergovernmental receivables in the accompanying basic financial statements.

I) Deferred charges

Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. As of June 30, 2009 the District had \$1,704,003 and component units \$978,794 in deferred charges.

J) Inventories and prepaid items

Materials and supplies inventories are stated at average cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. Purchased inventories are stated at average cost. Donated inventories, received at no cost under a program supported by the Federal Government, are recorded at their estimated fair value at the date of receipt. The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed. Fund balance is reserved for the inventory balances as follows: General Fund - \$1,736,584 and Special Revenue Funds - \$368,927.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Fund balance is reserved for the prepaid balances as follows: General Fund - \$122,601 and Special Revenue Funds - \$6,059.

K) Capital assets

Capital assets, which include property, vehicles and equipment, are utilized for general District operations and are capitalized at actual or estimated cost. Donations of such assets are recorded at estimated fair value at the time of donation. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized. When assets used in the operation of the governmental fund types are sold, the proceeds of the sale are recorded as revenues in the appropriate fund. The District does not capitalize interest on the construction of capital assets.

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the capital assets. Depreciation of all capital assets used by proprietary funds is charged as an expense against their operations. No depreciation is recorded in the year of acquisition with the remaining depreciation being recorded in the year of disposition. Estimated useful lives are:

Motor vehicles	5 to 7 years
Equipment, built-in	8 to 20 years
Equipment, movable	3 to 20 years
Buildings and improvements	30 to 40 years

L) Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. The District records long-term debt of governmental funds at the face value.

Notes to Basic Financial Statements

Currently, the District has no zero coupon bonds. The District's general obligation bonds are serviced from property taxes of the Bond Redemption Debt Service Fund. Certificates of participation are serviced from school finance act, property taxes and other revenues of the General Fund and Capital Reserve Capital Projects Fund. Capital leases are funded from school finance act and other revenue of the component units. The long-term accumulated unpaid vacation, accrued sick and personal leave, and estimated liability for insurance claims (note 12) are serviced from property taxes and other revenues by the respective fund type from future appropriations.

M) Constitutional amendment

In November 1992, Colorado voters approved Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations, which apply to the State of Colorado and local governments. It requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to any entity.

On November 2, 1999, the District conducted a TABOR revenue and expenditure override election and the Jefferson County voters approved the measure exempting the District from the TABOR revenue and expenditure limits. Management believes it is in compliance with the provisions of TABOR. However, the provisions are complex and subject to interpretation. Many of the provisions may require judicial interpretation.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2009, for budgetary purposes the District reserved \$16,943,784 in the General Fund, \$57,369 in the Capital Reserve Capital Projects Fund, \$660,475 in Other Governmental Funds, \$393,808 in the Food Service Fund, \$333,858 in the Child Care Fund, \$53,717 in the Property Management OFund, \$76,290 in Internal Service Funds and \$1,144,967 was reserved in the Component Units Charter Schools for this purpose.

N) Property taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The property tax calendar for Jefferson County was as follows:

Levy date	December 21
Lien date	January 1
Tax bills mailed	January 1
First installment due	February 28/29
Second installment due	June 15
If paid in full, due	April 30

O) Accumulated sick and personal leave and vacation

District policy allows unlimited accumulation of sick and personal leave, and accumulation of vacation to a maximum of 40 days. Accrued vacation is paid to employees upon termination of employment. Payment for unused sick and personal leave days is made upon meeting eligibility requirements at the rate of .0015 times annual rate of pay times accumulated days up to a maximum of 660 hours. Each fund liquidates the accrued vacation, personal and sick leave for its respective liabilities.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

As of June 30, 2009, accumulated unused benefits are as follows:

Fund Types	Accumulated Vacation		
	Current (Due within one year)	Long-term	Total
<i>Governmental:</i>			
General	\$ 1,405,181	\$ 2,810,783	\$ 4,215,964
Special revenue	15,406	30,815	46,221
Capital projects	69,862	139,744	209,606
Internal service	<u>326,780</u>	<u>653,658</u>	<u>980,438</u>
	<u>1,817,229</u>	<u>3,635,000</u>	<u>5,452,229</u>
<i>Proprietary:</i>			
Enterprise	<u>87,634</u>	<u>175,279</u>	<u>262,913</u>
Total	<u>\$1,904,863</u>	<u>\$ 3,810,279</u>	<u>\$ 5,715,142</u>

A summary of changes in accumulated long-term vacation is as follows:

Fund	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
General	\$ 2,164,082	\$ 880,224	\$ (233,523)	\$ 2,810,783
Special revenue	32,615	11,805	(13,605)	30,815
Capital projects	140,701	36,679	(37,636)	139,744
Enterprise	114,079	72,309	(11,109)	175,279
Internal service	<u>498,987</u>	<u>206,311</u>	<u>(51,640)</u>	<u>653,658</u>
	<u>\$ 2,950,464</u>	<u>\$ 1,207,328</u>	<u>\$ (347,513)</u>	<u>\$ 3,810,279</u>

Accumulated vacation pay is recorded as accrued salaries, benefits and compensated absences with the current portion reported as current liabilities in the government-wide financial statements. The long-term portion is included in the District's long-term liabilities in the government-wide financial statements.

P) Fund balance

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB Statement No. 54). This Statement is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications and by clarifying the definitions of existing governmental fund types.

The District elected to early implement GASB Statement No. 54 for fiscal year June 30, 2009. As a result, fund balances are reported in classifications based on the extent to which the District is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. In accordance with the Statement, fund balances are now classified in one of five categories: 1) nonspendable, 2) restricted, 3) committed, 4) assigned and 5) unassigned. Nonspendable fund balance represents assets that will never be converted to cash. Restricted fund balances reflect resources that are subject to externally enforceable legal restrictions. Committed fund balance is the portion that is limited in use by the Board of Education. Formal Board action is required to remove or adjust this limitation. Assigned fund balance displays the District's intended use of these resources. The Board of Education executive limitations 5 allows for the assignments within the financial planning process. Unassigned fund balance for the general fund represents the net resources in excess of the prior classifications. For restricted, committed, assigned and unreserved fund balance, the District considers the amount spent when an expenditure is incurred when fund balance is available and can be used.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

2. Reconciliation of government-wide and fund financial statements

The governmental funds balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis were eliminated from the government fund statements during the consolidation of governmental activities.

Due to the general fund from other funds – fund statements	\$ 2,709,773
Elimination of governmental and internal service interfund activity	<u>(2,606,982)</u>
Due to the general fund from component units – governmental activities	<u>\$ 102,791</u>

3. Budgetary information

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

1. Within the third quarter of the fiscal year, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings and citizen reviews are conducted at special meetings and at regular Board of Education meetings to obtain taxpayer comments.
3. Prior to June 30, the budget is legally adopted by the Board of Education.
4. Formal budgetary integration is employed as a management control device during the year for all funds.
5. The District issues a separate budget document after it is approved by the Board of Education.

Budgets are adopted on a basis consistent with generally accepted accounting principles except that expenditures for budgetary purposes exclude amounts for salaries and benefits earned but unpaid and the accrual for compensated absences for the Governmental Fund types except for a non-major special revenue fund (see note 4).

Colorado Budget Law requires that all funds have legally adopted budgets and appropriations. The total expenditures for each fund may not exceed the amount appropriated. Appropriations for a fund may be increased if unanticipated revenues offset them. Where applicable, the Board of Education includes available fund balance in the amount appropriated in the annual Appropriations Resolution.

All appropriations lapse at the end of each fiscal year. Authorization to transfer budgeted amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the superintendent and may be delegated to an appropriate level of management. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

Budgetary amounts reported in the accompanying basic financial statements are as originally adopted and amended by the Superintendent and/or the Board of Education throughout the year.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

Individual amendments in the General Fund varied slightly in relation to the original appropriation. The budget for the Grants Fund (non-major special revenue fund) includes the adopted budget and additional expenditures and grants approved by the Board of Education. The budget and actuals for the Proprietary Funds and Internal Service Funds at June 30, 2009 are as follows:

	<u>Budget</u>	<u>Actuals</u>	<u>Variance</u>
Food services fund	\$ 24,446,100	\$23,425,181	\$1,020,919
Child care fund	15,405,200	14,547,344	857,856
Property management fund	1,429,500	1,225,624	203,876
Central services fund	3,903,500	3,773,156	130,344
Employee benefits fund	7,518,100	6,341,700	1,176,400
Insurance reserve fund	8,155,100	7,363,592	791,508
Technology fund	19,956,100	18,928,385	1,027,715
Component Units	43,000,000	42,028,208	971,792

4. Budget/GAAP reporting differences

The accompanying statement of revenues, expenditures, and changes in fund balance (deficit) for the general fund budget and actual has been prepared on a legally prescribed basis of accounting, which differs from GAAP. The following Expenditure (excluding other financing uses) and Fund Balance Schedules identify these differences for the governmental activities, business-type activities and component units:

<u>Governmental Fund Type</u>	<u>Expenditures Reported on a GAAP Basis</u>	<u>Effect of: Salaries and Benefits Earned but Unpaid</u>	<u>Compensated Absences</u>	<u>Expenditures Reported on a Budget Basis</u>
General fund	\$ 618,719,459	\$ (3,281,879)	\$ (323,302)	\$ 615,114,278
Capital reserve capital projects fund	\$ 38,801,108	\$ 24,879	\$ 475	\$ 38,826,462
Component units (charter schools):				
Collegiate Academy of Colorado	\$ 3,740,577	\$ (3,118)	-	\$ 3,737,459
Compass Montessori–Wheatridge	3,183,961	48,232	-	3,232,193
Compass Montessori-Golden	3,020,733	28,513	-	3,049,246
Excel	4,054,619	2,613	-	4,057,232
Free Horizon	2,042,932	2,643	-	2,045,575
Jefferson	5,973,568	(48,328)	-	5,925,240
Lincoln Academy	3,479,707	(11,591)	-	3,468,116
Montessori Peaks	3,524,102	(26,870)	-	3,497,232
Mountain Phoenix	393,045	-	-	393,045
New America	1,532,177	22,108	-	1,554,285
Rocky Mtn. Academy	3,420,293	(9,240)	-	3,411,053
Rocky Mtn. Deaf School	1,335,496	(14,415)	-	1,321,081
Woodrow Wilson	3,244,286	7,078	-	3,251,364
Total component units	\$ 38,945,496	\$ (2,375)	\$ -	\$ 38,943,121

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

Governmental Fund Type	Fund Balance (Deficit) Reported on a GAAP Basis	Plus effect of accrued salaries, benefits and compensated absences earned but unpaid	Fund Balance on a Budgetary Basis
General fund	\$ 97,766,584	\$ 68,522,709	\$ 166,289,293
Capital reserve capital projects funds	<u>62,458,046</u>	<u>141,004</u>	<u>62,599,050</u>
Total governmental funds	<u>\$ 160,224,630</u>	<u>\$ 68,663,713</u>	<u>\$ 228,888,343</u>

Governmental Fund Type	Fund Balance (deficit) Reported on a GAAP Basis	Plus effect of accrued salaries, benefits and compensated absences earned but unpaid	Fund Balance on a Budgetary Basis
Component units:			
Collegiate Academy of Colorado	\$ 863,759	\$ 158,422	\$ 1,022,181
Compass Montessori – Wheatridge	239,360	131,494	370,854
Compass Montessori - Golden	641,106	123,291	764,397
Excel	1,709,409	124,872	1,834,281
Free Horizon	144,234	80,994	225,228
Jefferson	487,565	309,312	796,877
Lincoln Academy	1,410,356	145,999	1,556,355
Montessori Peaks	1,144,886	149,969	1,294,855
Mountain Phoenix	(79,880)	-	(79,880)
New America	336,527	36,883	373,410
Rocky Mtn. Academy	711,551	109,117	820,668
Rocky Mtn. Deaf School	(34,731)	59,752	25,021
Woodrow Wilson	<u>1,719,493</u>	<u>52,827</u>	<u>1,772,320</u>
Total component units	<u>\$ 9,293,635</u>	<u>\$ 1,482,932</u>	<u>\$10,776,567</u>

Salaries of teachers and certain other employees are paid over a 12-month period ending August 31; however, most salaries are earned over the traditional school year of September through May. For financial reporting purposes, these salaries have been recorded as expenditures of the District in the year earned rather than the year paid.

Salaries and benefits earned but unpaid at June 30, 2009, including accrued vacation pay, are not required to be funded by Colorado State law. Accordingly, for budgetary purposes, the District considers accrued salaries, benefits and compensated absences amounting to \$68,522,709 to be permanently deferred and therefore available for budgetary purposes.

5. Excess expenditures over appropriations and deficit fund equity

As of June 30, 2009, two Component Unit Charter Schools had accumulated deficits of \$114,611. Mountain Phoenix was approved by the Board of Education to borrow \$90,000. The loan is to be repaid in full by 2014. The charter schools review their budgets with management and are monitored closely.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

6. Deposits and investments

Deposits:

	Government-wide Statement of Net Assets		
	<u>Primary Government</u>	<u>Component Units</u>	<u>Total</u>
Cash	\$ 3,012,333	\$ 58,918	\$ 3,071,251
Restricted cash and cash held by third parties	2,851,765	5,888,188	8,739,953
Equity in pooled cash and investments	310,161,705	5,763,380	315,925,085
Investments	<u>67,596,526</u>	<u>-</u>	<u>67,596,526</u>
Total cash and investments	<u>\$ 383,622,329</u>	<u>\$ 11,710,486</u>	<u>\$ 395,332,815</u>

The carrying value of the District's cash, restricted cash held by third parties and cash held in trust is \$9,470,972.

The District investment policies are approved by the Board of Education and governed by Colorado statute. The discretely presented component units' investment policies are approved by their respective Boards and governed by Colorado statute. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; state regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds. The pool is to be maintained by another financial institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2009, \$5,294,322 of the District and the discretely presented component unit's bank balance were exposed to custodial credit risk. Deposits exposed to credit risk of \$4,763,413 are collateralized with securities held by the pledging financial institution through PDPA. Deposits of \$530,909 are insured under FDIC. The District's investment policy calls for minimizing this risk by pre-qualifying financial institutions.

Cash held in trust:

As of June 30, 2009 the District had \$2,739,467 held in trust. Jefferson County collects the property taxes for the District and holds the funds in trust until sent to the District monthly.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

Investments:

As of June 30, 2009, the District (including the primary government and component units) had the following investments.

<u>Investment Type</u>	<u>Fair Market Value</u>	<u>Weighted Average Maturities (yrs)</u>	<u>Ratings</u>	
			<u>S&P</u>	<u>Moody's</u>
Money Market Mutual Funds	\$ 121,129	Overnight	AAA	Aaa
Colorado Local Government Liquid Asset Trust	259,695,617	Under 60 days	AAAm	Aaa
FFCB	11,905,924	1.13	AAA	Aaa
FNMA	6,483,705	.69	AAA	Aaa
FHLMC	14,391,110	.60	AAA	Aaa
FHLB	14,005,297	1.23	AAA	Aaa
UBS Finance commercial paper Forward delivery agreement (U.S. Instrumentality)	67,596,526	Less than 1 year	N/A	N/A
Repurchase agreement	<u>9,798,735</u>	Overnight Sweep	N/A	N/A
	<u>\$ 385,994,543</u>			

Interest rate risk – In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than two years. The Colorado revised statutes generally limit investment maturities to five years. Revenue bonds of U.S. local governments, corporate and bank securities and guaranteed investment contracts not purchased with bond proceeds are limited to maturities of three years or less.

Forward delivery agreements – The agreement with JP Morgan has a maturity date of December 15, 2017, but the District has the option of canceling the agreement prior to that date. The District has received interest in advance on the investment which is recorded as deferred revenue in the General Fund. If the District cancelled the agreement prior to the December 15, 2017 date, an amount calculated at that date would be returned to JP Morgan.

Credit risk - State law allows school districts to invest U.S. treasury securities and other securities guaranteed by the full credit of the U.S. Treasury without any credit quality limitations. Securities issued by the Government National Mortgage Association and by Federal Government Sponsored Enterprises require the highest rating by at least two nationally recognized rating agencies. Money market instruments including bankers acceptances and commercial paper must be rated A-1, P-1, or F-1, or the equivalent by at least two nationally recognized rating agencies. State law allows other securities, including money market funds that are registered under the Federal Investment Company Act of 1940, if they have assets in excess of \$1 billion or have the highest credit rating from one or more of a nationally recognized rating agency.

Concentration of Credit Risk – The District has no single investments greater than 5 percent of the total portfolio.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

7. Capital assets

A summary of changes in capital assets is as follows:

Governmental Activities

	Balance <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2009</u>
Non-depreciable assets:				
Land	\$ 56,510,989	\$ 559,974	\$ -	\$ 57,070,963
Construction in progress	<u>133,060,491</u>	<u>83,374,962</u>	<u>(114,561,731)</u>	<u>101,873,722</u>
Total Non-depreciable assets	<u>\$ 189,571,480</u>	<u>\$83,934,936</u>	<u>\$(114,561,731)</u>	<u>\$ 158,944,685</u>
Depreciable assets:				
Buildings and site improvements	\$1,181,925,292	\$112,792,869	\$ (23,167,895)	\$1,271,550,266
Equipment and vehicles – Internal service funds	25,564,847	2,256,814	(2,425,757)	25,395,904
Equipment and vehicles	<u>65,036,438</u>	<u>4,487,907</u>	<u>(5,423,286)</u>	<u>64,101,059</u>
Total Depreciable assets	<u>\$1,272,526,577</u>	<u>\$119,537,590</u>	<u>\$(31,016,938)</u>	<u>\$1,361,047,229</u>
Less accumulated depreciation for:	Balance <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2009</u>
Building and site improvements	\$ (490,900,780)	\$ (52,150,026)	\$ 18,551,485	\$ (524,499,321)
Equipment and vehicles – Internal service funds	(13,902,104)	(3,680,542)	1,893,311	(15,689,335)
Equipment and vehicles	<u>(45,321,187)</u>	<u>(3,329,662)</u>	<u>5,098,209</u>	<u>(43,552,640)</u>
Total Accumulated depreciation	<u>\$ (550,124,071)</u>	<u>\$ (59,160,230)</u>	<u>\$ 25,543,005</u>	<u>\$ (583,741,296)</u>
Total capital assets, net	<u>\$ 911,973,986</u>	<u>\$144,312,296</u>	<u>\$(120,035,664)</u>	<u>\$ 936,250,618</u>

Note: In the reconciliation of governmental funds balance sheet to statement of net assets on page 34, internal service funds will be a reconciling item with the capital assets added.

Business-type activities

A summary of changes in Food services fund capital assets is as follows:

	Balance <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2009</u>
Equipment	\$ 5,364,909	\$ 404,205	\$ (476,118)	\$ 5,292,996
Accumulated depreciation	<u>(3,637,712)</u>	<u>(304,358)</u>	<u>446,052</u>	<u>(3,496,018)</u>
Total	<u>\$ 1,727,197</u>	<u>\$ 99,847</u>	<u>\$ (30,066)</u>	<u>\$ 1,796,978</u>

A summary of changes in Child care fund capital assets is as follows:

	Balance <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2009</u>
Equipment	\$ 429,047	\$ 221,032	\$ (50,251)	\$ 599,828
Accumulated depreciation	<u>(334,385)</u>	<u>(8,698)</u>	<u>50,251</u>	<u>(292,832)</u>
Total	<u>\$ 94,662</u>	<u>\$ 212,334</u>	<u>\$ -</u>	<u>\$ 306,996</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

A summary of changes in Property management fund capital assets is as follows:

	Balance <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2009</u>
Equipment	\$ 928,714	\$ 72,719	\$ -	\$ 1,001,433
Accumulated depreciation	<u>(350,863)</u>	<u>(52,482)</u>	<u>-</u>	<u>(403,345)</u>
Total	<u>\$ 577,851</u>	<u>\$ 20,237</u>	<u>\$ -</u>	<u>\$ 598,088</u>

Total capital assets being depreciated, business-type activities	\$ 6,894,257
Accumulated depreciation	<u>(4,192,195)</u>
Business-type activities capital assets, net	<u>\$ 2,702,062</u>

Discretely presented component units

A summary of changes in Component unit charter schools capital assets is as follows:

	Balance <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2009</u>
Non-depreciable assets:				
Land	\$ 4,215,011	\$ 79,924	\$ -	\$ 4,294,935
Construction in progress	<u>2,747,467</u>	<u>4,085</u>	<u>(2,747,467)</u>	<u>4,085</u>
Total Non-depreciable assets:	<u>\$ 6,962,478</u>	<u>\$ 84,009</u>	<u>\$(2,747,467)</u>	<u>\$ 4,299,020</u>
Depreciable assets:				
Buildings and equipment	\$ 31,324,764	\$ 3,464,137	\$ (234,653)	\$ 34,554,248
Accumulated depreciation	<u>(5,040,582)</u>	<u>(1,179,026)</u>	<u>89,817</u>	<u>(6,129,791)</u>
Total	<u>\$ 33,246,660</u>	<u>\$ 2,369,120</u>	<u>\$(2,892,303)</u>	<u>\$ 32,723,477</u>

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

<u>Governmental activities:</u>	
Direct instruction	\$ 42,158,842
Indirect instruction	8,505,949
Field services	3,962,060
Support services	13,345
General administration	13,100
District-wide (non-departmental)	826,392
Capital assets held by the District's internal service funds	<u>3,680,542</u>
Total depreciation expense – governmental activities	<u>\$ 59,160,230</u>
<u>Business-type activities:</u>	
Food services	\$ 304,358
Child care	8,698
Property management	<u>52,482</u>
Total depreciation expense – business-type activities	<u>\$ 365,538</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

Construction commitments

The District has active construction projects as of June 30, 2009. The projects include renovations and site improvements. At year end, commitments with contractors on all projects are too numerous to list. All accumulated resources for capital projects are reserved for construction commitments. A list of significant commitments as of June 30, 2009, are as follows:

	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
District Wide Energy Project	\$2,655,441	\$4,007,566
Johnson Facility Replacement	904,750	3,862,633
Jeffco Open Partial Replacement	216,159	2,602,599
Ralston ES Renovation	1,082,126	2,590,910
Mandalay MS HVAC/Electrical	2,889,519	1,910,496
Oberon MS Renovation	643,551	1,760,651
Bear Creek HS Replacement	42,714,874	1,749,939
Drake MS Elevator/Electrical	1,488,346	1,633,900
Kendallvue ES Site Improvement	1,282,838	1,052,008
Creighton MS Addition	7,436,103	631,335

8. Interfund receivables and payables

The following identifies amounts due to and from individual funds at June 30, 2009:

<u>Fund</u>	<u>Due To</u>	<u>Due From</u>
General fund	\$ 2,606,982	\$ -
Governmental fund:		
Building Fund Capital Projects	-	6,609
Nonmajor Governmental Funds	-	<u>2,600,373</u>
	<u>\$2,606,982</u>	<u>\$2,606,982</u>

Internal services internal balances with the general government are not included in the total for the statement of net assets (see note 2). Interfund balances are used to account for the pooled cash investing of the District.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

9. Transfers

The District transfers amounts from the General Fund to other funds to meet their operational needs and legal requirements. At June 30, 2009 the detail for these transfers is as follows:

Capital reserve capital projects fund	<u>\$ 22,128,000</u>
Net transfers within the governmental funds	<u>22,128,000</u>
Child care fund	3,867,041
Internal service funds	<u>9,489,300</u>
Net transfers into the proprietary funds	<u>13,356,341</u>
 Total transfers out from the General fund	 <u>\$ 35,484,341</u>
 Property management fund transfer out	 <u>\$ 200,000</u>
Non-major governmental fund transfer in	<u>\$ 200,000</u>

10. Capital leases and certificates of participation

The 2006A and 2006B COP's were issued to apply towards the Supplemental Retirement Plan unfunded actuarial accrued liability. The security for the COP's consists of nine schools, the net book value as of June 30, 2009 was \$19,039,478.

The 2003 COP's were issued to purchased new school buses for the District. The buses were used as collateral in the COPs Series 2003 which are also included in the District's capital assets. The net book value at June 30, 2009 was \$7,574,876.

Certificates of participation terms are ten to twenty years with interest ranging from 2 percent to 5.45 percent. Certificates of participation and capital lease obligations for the fiscal year ended June 30, 2009, are comprised of the following:

	Balance <u>July 1, 2008</u>	<u>Additions</u>	<u>Retirements</u>	Outstanding <u>June 30, 2009</u>	<u>Current Portion</u>
<u>Governmental activities</u>					
Bus – 2003 COP's	\$ 6,385,000	\$ -	\$ (1,200,000)	\$ 5,185,000	\$ 1,235,000
Supplemental Retirement 2006A COP's	24,315,000	-	(805,000)	23,510,000	850,000
Supplemental Retirement 2006B COP's	12,635,000	-	(420,000)	12,215,000	445,000
Less deferred amounts:					
For discounts	<u>(286,158)</u>	<u>\$ -</u>	<u>15,468</u>	<u>(270,690)</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$ 43,048,842</u>	<u>\$ -</u>	<u>\$ (2,409,532)</u>	<u>\$ 40,639,310</u>	<u>\$ 2,530,000</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

Component unit activities:	Balance	Additions	Retirements	Outstanding	Current Portion
	July 1, 2008			June 30, 2009	
Component units – Buildings/Capital leases	\$ 39,920,000	\$ 3,900,000	\$ (852,315)	\$ 42,967,685	\$ 918,976
Less deferred amounts:					
For discounts, premiums and losses	<u>(2,471,256)</u>	<u>-</u>	<u>91,792</u>	<u>(2,379,464)</u>	<u>-</u>
Total Component unit capital lease	<u>\$ 37,448,744</u>	<u>\$ 3,900,000</u>	<u>\$ (760,523)</u>	<u>\$ 40,588,221</u>	<u>\$ 918,976</u>
Component Units - Promissory notes	<u>\$ 3,357,085</u>	<u>\$ 140,500</u>	<u>\$ (3,309,845)</u>	<u>\$ 187,740</u>	<u>\$ 90,027</u>

For financial reporting purposes, the District follows the requirements of FASB Statement No. 13; for capital leases, the present value of future minimum lease payments is shown as a liability and related assets are capitalized in the basic financial statements. It is the expectation that the leases will be renewed annually until title to the related property is acquired pursuant to the leases.

Certificates of Participation (COPs) and capital leases have the following minimum annual lease payments:

Capital leases

Fiscal Year Ending June 30	Governmental Activities		Component Units	
	COP'S		Charter Schools	
	Principal	Interest	Principal	Interest
2010	\$ 2,530,000	\$ 2,074,581	\$ 918,977	\$ 2,350,390
2011	2,630,000	1,967,548	952,627	2,308,503
2012	2,740,000	1,852,374	981,581	2,264,616
2013	2,855,000	1,730,428	1,025,862	2,218,999
2014	1,575,000	1,628,232	1,080,498	2,170,754
2015-2019	9,200,000	6,805,972	6,001,682	9,994,498
2020-2024	12,030,000	3,978,301	7,396,097	8,209,914
2025-2029	7,350,000	628,644	11,023,296	5,665,395
2030-2034	-	-	10,818,728	2,506,655
2035-2036	-	-	2,768,337	202,809
Total	<u>\$40,910,000</u>	<u>\$20,666,080</u>	<u>\$42,967,685</u>	<u>\$37,892,533</u>

Promissory note

Fiscal Year Ending June 30	Component Units	
	Charter Schools	
	Principal	Interest
2010	\$ 90,027	\$ 10,877
2011	39,852	6,948
2012	43,533	3,270
2013	14,328	499
Total	<u>\$ 187,740</u>	<u>\$ 21,594</u>

The District has appropriated amounts from 2010 revenues in the General Fund and Capital Reserve Capital Projects Fund to meet the lease payments for the COP principal and interest which is due in 2010.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

11. General obligation bonds payable

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds payable and payments on the bonds for the fiscal year ended June 30, 2009 are comprised of the following:

\$66,800,000 2006 Series bonds due in semi-annual installments with annual payments of \$1,753,500 to \$35,154,194 through December 15, 2026. Interest rate: 5.25%.	\$ 66,800,000
\$39,595,000 2005 Series A Refunding Bonds due in semi-annual installments with annual payments of \$499,625 to \$20,484,625 through December 15, 2017. Interest rate: 3.00% to 5.00%.	39,020,000
\$257,000,000 2004 Series Bonds due in semi-annual installments with annual payments of \$936,125 to \$38,601,125 through December 15, 2024. Interest rate: 3.50% to 5.00%.	257,000,000
\$63,440,000 2004 Series A Refunding Bonds due in semi-annual installments with annual payments of \$456,375 to \$18,711,375 through December 15, 2015. Interest rate: 2.00% to 5.25%.	62,680,000
\$48,315,000 2003 Series Refunding Bonds due in semi-annual installments with annual payments of \$430,000 to \$18,130,000 through December 15, 2014. Interest rate: 3.00% to 5.00%.	48,315,000
\$2,230,000 in registered coupons issued in 2003 with final payment due on December 15, 2009 for \$235,000.	235,000
\$200,000,000 1998 Series A Bonds paid in full on December 15, 2008. \$48,310,000 of these bonds was refunded and defeased with the 2003 series refunding bonds, and \$103,035,000 were refunded and defeased with the 2004 and 2005 series refunding bonds. (See note 12).	-
\$309,885,000 1997 Series Refunding Bonds due in semi-annual installments with annual payments of \$1,145,300 to \$36,385,300 through December 15, 2011. Interest rate: 5.00% to 6.50%. \$37,525,000 of these bonds was refunded and defeased with the 2007 series refunding bonds. (See note 12).	99,630,000
\$35,890,000 2007 Series Refunding Bonds due in semi-annual installments with annual payments of \$857,800 to \$36,747,800 through December 15, 2012. Interest rate: 4.00% to 5.00%	<u>35,890,000</u>
Total	<u>\$ 609,570,000</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

	Balance July 1, <u>2008</u>	New and Refunding <u>Issues</u>	Payments & Amortization <u>of Discount</u>	Balance June 30, <u>2009</u>	Current <u>Portion</u>
<u>General obligation bonds:</u>					
Refunding - 2007	\$ 35,890,000	\$ -	\$ -	\$ 35,890,000	\$ -
Construction – 2006	66,800,000	-	-	66,800,000	-
Refunding - 2005	39,020,000	-	-	39,020,000	-
Construction - 2004	257,000,000	-	-	257,000,000	-
Refunding - 2004	62,680,000	-	-	62,680,000	-
Refunding – 2003	48,315,000	-	-	48,315,000	13,635,000
Registered coupons 2003	345,000	-	(110,000)	235,000	235,000
Construction - 1998A	12,855,000	-	(12,855,000)	-	-
Refunding - 1997	129,050,000	-	(29,420,000)	99,630,000	31,250,000
Less deferred amounts:					
On refunding, discounts and premiums	<u>22,357,507</u>	<u>-</u>	<u>(1,411,771)</u>	<u>20,945,736</u>	<u>-</u>
	<u>\$ 674,312,507</u>	<u>\$ -</u>	<u>\$ (43,796,771)</u>	<u>\$ 630,515,736</u>	<u>\$ 45,120,000</u>

Future year's general obligation bonds repayment schedule:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2010	\$ 45,120,000	\$ 30,575,775
2011	47,270,000	27,828,438
2012	50,080,000	24,882,588
2013	51,465,000	22,100,394
2014	22,100,000	20,320,950
2015-2019	125,990,000	84,015,500
2020-2024	163,080,000	48,076,000
2025-2027	<u>104,465,000</u>	<u>7,995,013</u>
Total	<u>\$ 609,570,000</u>	<u>\$ 265,794,658</u>

The Series 2003 Registered Coupons were issued June 1, 2003 in the amount of \$2,230,000. The Coupons do not constitute a general obligation or other indebtedness of the District under Colorado statute, but have been reflected as long-term debt under generally accepted accounting principles in the financial statements.

The bonds are secured by the District's covenant to certify a rate of levy sufficient to meet the principal and interest payments with respect to the bonds.

Notes to Basic Financial Statements

Payment of principal and interest for general obligation bonds is made from the Bond Redemption Debt Service Fund. The legal debt limit and debt margin as of June 30, 2009, are \$1,464,620,756 and \$923,975,424, respectively. Management of the District believes it is in compliance with the legal debt limit.

12. Risk management

The Employee Benefits Fund and Insurance Reserve Fund are provided to maintain and to account for insurance reserves on a self-insurance basis and other benefits provided to employees. The Insurance Reserve Fund was established in 1981 by the Colorado Legislature to provide insurance reserves to fund certain liability, property and workers' compensation claims, including estimates for incurred but not reported claims, premiums and applicable administrative costs. The Insurance Reserve Fund allows the District to manage its exposure to risk, i.e., loss of assets by fire, weather, etc., loss through third party litigation, and obligations based on statutory requirements imposed by the Workers' Compensation Act. This is accomplished by self-insuring the retention of risk and the purchase of excess insurance coverage.

The District retains the first \$100,000 of any property loss, the first \$500,000 of auto and general liability losses, the first \$450,000 of workers' compensation losses, and the first \$500,000 of errors and omissions claims. In order to minimize expenditures for self-insured losses and for excess premiums, the District adjusts its own workers' compensation claims and manages the handling of all other claims.

The District manages a loss control program and maintains a security system, which provides for around-the-clock computerized monitoring of District facilities for intrusion and fire.

The cost of Insurance Reserve Fund claims and premiums are recorded when incurred. Estimates for unsettled and incurred but not reported claims in the amount of \$3,860,094 are included as an estimated liability in the Insurance Reserve Fund as of June 30, 2009. Claim liabilities are calculated considering the effects of inflation and claim settlement trends that include such factors as pay-out amounts and economic and social indicators. The incurred but not reported amount was calculated by the Oliver Wyman Actuarial Consulting firm at the request of the District. It is contained in the Unpaid Loss and Allocated Loss Adjustment Expense Reserve Review as of June 30, 2009 for Jefferson County School District.

The change in the Insurance Reserve Fund estimates for unsettled and incurred but not reported claims are:

Balance July 1, 2008	\$ 4,094,135
Increase (Decrease) in estimated claims:	
Estimated property claims	20,725
Automobile claims	(51,731)
General liability claims	(71,882)
Workers' compensation claims	<u>(131,153)</u>
Balance June 30, 2009	<u>\$ 3,860,094</u>

The following is a reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior fiscal year:

	<u>2008</u>	<u>2009</u>
Amount of claims liabilities at July 1	\$ 5,018,826	\$ 4,094,135
Incurred claims and change in reserve	10,805,588	3,030,261
Payments on claims	<u>(11,730,279)</u>	<u>(3,264,302)</u>
Amount of claims liabilities at June 30	<u>\$ 4,094,135</u>	<u>\$ 3,860,094</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

The Employee Benefits Fund was established in 1984 to account for the District's previous self-insured medical plan and retired paid-up life insurance programs for eligible employees, retirees, dependents, and other approved individuals. The Employee Benefits Fund is reimbursed by the other funds based on predetermined rates or allowances. Included in the current liability total in the Employee Benefits Fund is \$659,000 and \$135,000 to cover the estimated cost of claims incurred but not paid or reported as of June 30, 2009, related to the District's self-insured dental and vision plans respectively and \$340,117 for medical insurance and other benefit premiums.

	<u>2008</u>	<u>2009</u>
Amount of claims liabilities at July 1	\$ 813,700	\$ 821,090
Incurred claims and change in reserve	5,909,805	5,416,591
Payments on claims	<u>(5,902,415)</u>	<u>(5,443,681)</u>
Amount of claims liabilities at June 30	<u>\$ 821,090</u>	<u>\$ 794,000</u>

13. Commitments and contingencies

A number of claims are presently pending against the District, but management believes final settlement of these matters will not result in any material adverse effect on the financial operations of the District. The District receives revenues from various federal and state grant programs subject to final review and approval as to allowability of expenditures by the respective grantor agencies. District management believes that disallowances, if any, will be immaterial to the basic financial statements. From time to time, the District enters into long-term construction contracts for which future commitments may exist.

14. Pension plan

All District full-time employees are members of the Public Employees' Retirement Association of Colorado (PERA). The District contributes to the Combined State and School Division Trust Fund (CSSDTF) within PERA. PERA administers this cost-sharing multiple-employer defined benefit plan (the Plan). Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the CSSDTF. That report may be obtained by writing to Colorado PERA, 1300 Logan Street, Denver Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Plan members and the District are required to contribute to the CSSDTF at a rate set by statute. The contribution requirements of plan members and the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0 percent and for the District the fiscal year 2009 rate changed from 12.05 percent to 12.95 percent on January 1, 2009. Also, a portion of the District's contribution (1.02 percent of covered salary) is allocated for the Health Care Trust Fund (see below). The District's contributions to CSSDTF for the years ending June 30, 2007, 2008 and 2009 were \$50,266,991 and \$56,029,057, and \$62,511,295 respectively, equal to their required contributions for each year.

The District also contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer postemployment healthcare plan administered by PERA. The Health Fund provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. The District is required to contribute at a rate of 1.02 percent of covered salary for all PERA members as set by statute. No member contributions are required. The contributions requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The District's contributions to HCTF for the years ending June 30, 2007, 2008 and 2009 were \$4,620,665, \$4,842,225, and \$5,031,947 respectively, equal to their required contributions for each year.

Additionally, Trust members for the District may voluntarily contribute to the Voluntary Investment Program (VIP), an internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary and contributions are separate from others made to PERA. Statutes have assigned the State Legislature the authority to establish VIP plan provisions. The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$15,500 in 2007, \$15,500 in 2008, and \$16,500 in 2009).

Notes to Basic Financial Statements

15. Early, supplemental and post retirement benefits

Plan Description - On October 15, 1998, the District obtained approval from the Board of Education (the Board) to revise its early retirement program. Subsequently, the Board adopted the Supplemental Retirement Plan (the Plan) effective August 31, 1999. Participation in the Plan was immediately frozen and included only those employed on 8/31/1999 in full-time or approved job-share positions and whose participation was covered under the Plan provisions. The Plan has subsequently been amended and restated, most recently as of September 2008 with a subsequent amendment adopted as of April 16, 2009. In February of 2009, the Plan received its most recent IRS determination letter. The Supplemental Retirement plan is a single employer defined benefit plan qualified under Section 401(a) of the Internal Revenue Service Code. A participant reaches normal retirement under the plan at age 55 with 20 years of eligible service; reduced early retirement benefits are available with attainment of age 50 provided the service requirement has been met. The Plan's benefit formula is currently .257 percent multiplied by the applicable years of service as of 8/31/1999 (capped at 20 years) and the scheduled salary as of 8/31/1999. In late 2006, certificates of participation were issued and used to make additional employer contributions to the Plan. Subsequently, in an effort to improve the Plan's funded status, in the spring of 2007, existing retirees in receipt and those fully vested employees currently still employed by the District, were offered the ability to take a voluntary lump-sum payout of their remaining Plan benefits. For participants who vest and retire after 9/01/2007, benefits are payable in the form of a one-time, lump-sum payout, or in 120 monthly payments. The Board approves funding of the plan each year with the budget adoption. The plan financials are available from Key Bank. To obtain a copy, contact Key Bank at 1674 Broadway, Suite 300, Denver, Colorado 80202, or telephone 720-904-4321.

Funding Policy – The Plan and each obligation of the District hereunder are subject to and contingent upon funds being budgeted and appropriated for such purpose prior to the beginning of each applicable fiscal year of the District in accordance with the requirements of Article X, Section 20 of the Colorado State Constitution and any other existing or future constitutional or statutory provision that may apply.

Annual pension cost and net pension obligation (asset) – The District's annual pension cost and net pension asset from the plan for the current year were as follows:

Annual required contributions (ARC)	\$ 633,936
Actual annual contribution for fiscal year 2008	(633,936)
Additional contribution from Certificates of Participation	<u>(3,357,660)</u>
Increase in net pension obligation (Asset)	(3,357,660)
Interest on net pension obligation	(3,208,957)
Adjustment on annual required contribution	4,207,055
Net pension asset, beginning of year	<u>(49,368,571)</u>
Net pension asset, end of year	<u>\$ (51,728,133)</u>

The annual required contribution for the current year was determined as part of the September 1, 2008 actuarial valuation prepared by Mercer, using the traditional unit credit actuarial cost method and a level dollar amortization method for a 20 year closed period (30 year open period prior to fiscal year 2009). The actuarial assumptions include (a) 6.50 percent investment rate of return for August 31, 2007 and later, 7.75 percent investment rate of return before August 31, 2007, and 8.75 percent before August 31, 2005, (b) inflation at 2.8 percent after August 31, 2008, 4.50 percent before August 31, 2005 and no projected salary or cost of living increases. The actuarial value of assets was equal to market value. The net pension asset is recorded as prepaid expense in the government-wide statements.

Trend information –

Fiscal Year Ended	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligatio (Asset)
August 31, 2006	\$3,266,826	\$6,000,000	183.7%	\$ (14,981,755)
August 31, 2007	613,184	697,026	113.7	(49,368,571)
August 31, 2008	1,632,034	633,936	38.8	(51,728,133)

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Basic Financial Statements

Schedule of funding progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
August 31, 2006	\$17,567,821	\$60,976,202	\$43,408,381	28.8%	\$143,149,193	30.3%
August 31, 2007	12,172,850	21,866,736	9,693,886	55.7	138,394,263	7.0
August 31, 2008	13,357,446	20,796,503	7,439,057	64.2	101,810,221	7.3

Payment of unused sick and personal leave in the amount of \$1,075,951 was paid to early retirees in fiscal year 2009. The Board has appropriated \$3,600,000 for its early retirement programs to be paid in Fiscal year 2010. Budgeted expenditures for unused sick and personal leave for Fiscal year 2010 is \$3,100,000. The remaining \$500,000 will be paid to the supplemental retirement program.

A District-paid \$2,000 life insurance policy is provided each retiree upon reaching age 65 and is accounted for through a retired life insurance program in the Employee Benefits Fund.



Supplemental Information

The Combining Financial Statements represent the second level of financial reporting for the District. These financial statements present more detailed information for the individual funds in a format that segregates information by fund type.



Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds account for revenues that are legally restricted to expenditures for specified purposes.

Grants Fund – This fund is used to account for federal, state, or private sector grant programs.

Campus Activity Fund – This fund is used to account for revenues collected on behalf of the participants who will benefit from the expenditures.

Major Governmental Funds

Bond Redemption Debt Service

Bond Redemption Debt Service Fund – This fund is used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.

Capital Projects

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

Building Fund – Capital Projects – This fund is used to account for resources from the 2004 voter approved bond for a six-year capital improvement program.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
June 30, 2009

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Grants Fund	Campus Activity Fund	
Assets			
Cash	\$ -	\$ 104,527	\$ 104,527
Equity in pooled cash and investments	-	9,151,729	9,151,729
Accounts and interest receivable	16,154	29,638	45,792
Intergovernmental receivables: From the federal government	6,792,994	-	6,792,994
Inventories	-	368,927	368,927
Prepaid items	-	6,059	6,059
Total assets	\$ 6,809,148	\$ 9,660,880	\$ 16,470,028
Liabilities			
Accounts payable	\$ 222,166	\$ 299,593	\$ 521,759
Accrued salaries and benefits	2,843,682	979	2,844,661
Due to other funds	2,600,373	-	2,600,373
Unearned revenues	-	196,054	196,054
Total liabilities	5,666,221	496,626	6,162,847
Fund Balances:			
Nonspendable:			
Inventory	-	368,927	368,927
Prepaid items	-	6,059	6,059
Restricted for:			
TABOR	-	660,475	660,475
Grants	1,142,927	-	1,142,927
Assigned to:			
Encumbrances	-	932,578	932,578
Special revenue funds	-	7,196,215	7,196,215
Total fund balance	1,142,927	9,164,254	10,307,181
Total liabilities and fund balances	\$ 6,809,148	\$ 9,660,880	\$ 16,470,028

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2009

	Special Revenue Funds		Total
	Grants Fund	Campus Activity Fund	Nonmajor Governmental Funds
Revenues:			
Intergovernmental:			
Federal government	\$ 31,517,137	\$ -	\$ 31,517,137
State of Colorado	1,323,920	-	1,323,920
Other:			
Interest	-	4,069	4,069
Gifts and grants	1,347,251	-	1,347,251
Student activities	-	6,243,921	6,243,921
Fundraising	-	5,019,131	5,019,131
Fees and dues	-	7,326,834	7,326,834
Donations	-	2,117,942	2,117,942
Miscellaneous	-	3,221,886	3,221,886
Total revenues	34,188,308	23,933,783	58,122,091
Expenditures:			
Current:			
Elementary instruction	6,928,713	-	6,928,713
Middle level instruction	1,035,243	-	1,035,243
Senior high instruction	759,746	-	759,746
Athletics and activities	-	24,006,384	24,006,384
Instructional services	10,042,276	-	10,042,276
Intervention services	15,636,972	-	15,636,972
Total expenditures	34,402,950	24,006,384	58,409,334
Excess of revenues over (under) expenditures	(214,642)	(72,601)	(287,243)
Other financing sources			
Transfers in	-	200,000	200,000
Total other financing sources (uses)	-	200,000	200,000
Excess of revenues and other financing sources over (under) expenditures	(214,642)	127,399	(87,243)
Fund balances - July 1, 2008	1,357,569	9,036,855	10,394,424
Fund balances - June 30, 2009	\$ 1,142,927	\$ 9,164,254	\$ 10,307,181

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Schedule of Revenues, Expenditures,
and Changes in Fund Balances - Budget and Actual (Budget Basis)
Bond Redemption Debt Service Fund
Fiscal Year Ended June 30, 2009

Bond Redemption Debt Service Fund			
	Original and Final Budget Amounts	Actual Budget Basis	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes:			
Property taxes	\$ 81,800,000	\$ 81,427,715	\$ (372,285)
Interest	-	123,329	123,329
Total taxes	81,800,000	81,551,044	(248,956)
Expenditures:			
Debt Service			
Principal retirement	42,385,000	42,385,000	-
Interest and fiscal charges	33,282,500	33,263,964	18,536
Total Expenditures	75,667,500	75,648,964	18,536
Excess of revenues over expenditures	\$ 6,132,500	5,902,080	\$ (230,420)
Fund balances - July 1, 2008		63,022,587	
Fund balances - June 30, 2009		\$ 68,924,667	

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual (Budget Basis)
Capital Reserve Capital Projects Fund
Fiscal Year Ended June 30, 2009

Capital Reserve Capital Projects Fund				
	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Budget Basis	
Revenues:				
Interest	\$ 500,000	\$ 500,000	\$ 1,343,113	\$ 843,113
Other	2,235,000	1,423,200	569,173	(854,027)
Total revenues	2,735,000	1,923,200	1,912,286	(10,914)
Expenditures:				
Capital outlay:				
New buildings and land	58,095,200	37,502,100	7,078,201	30,423,899
School additions and improvements	-	-	26,096,610	(26,096,610)
Grounds improvements	-	-	246,784	(246,784)
Mechanical and electrical improvements	-	-	3,901,812	(3,901,812)
Roof replacement	-	-	6,678	(6,678)
Vehicles and large equipment	384,900	94,000	95,464	(1,464)
Debt Service:				
Principal retirements	1,200,000	1,200,000	1,200,000	-
Interest	203,900	203,900	200,913	2,987
Total expenditures	59,884,000	39,000,000	38,826,462	173,538
Excess of revenues over (under) expenditures	(57,149,000)	(37,076,800)	(36,914,176)	162,624
Other Financing Sources:				
Transfers in	21,708,000	22,128,000	22,128,000	-
Total other financing sources	21,708,000	22,128,000	22,128,000	-
Excess of revenues and other financing sources over expenditures	\$ (35,441,000)	\$ (14,948,800)	(14,786,176)	\$ 162,624
Salaries, benefits, and compensated absences earned but unpaid:				
July 1, 2008			166,358	
June 30, 2009			(141,004)	
Fund balance - July 1, 2008			77,218,868	
Fund balance - June 30, 2009			\$ 62,458,046	

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual (Budget Basis)
Building Fund - Capital Projects
Fiscal Year Ended June 30, 2009

Building Fund - Capital Projects				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budget Basis	Final Budget - Positive (Negative)
Revenues:				
Interest	\$ 100,000	\$ 452,300	\$ 448,667	\$ (3,633)
Total revenues	100,000	452,300	448,667	(3,633)
Expenditures:				
Capital outlay:				
New buildings and land	20,129,200	50,629,200	20,651,774	29,977,426
School additions and improvements	-	-	29,637,772	(29,637,772)
Grounds improvements	-	-	78,574	(78,574)
Mechanical and electrical improvements	-	-	39,967	(39,967)
Total expenditures	20,129,200	50,629,200	50,408,087	221,113
 Excess of revenues over (under) expenditures	 \$ (20,029,200)	 \$ (50,176,900)	 (49,959,420)	 \$ 217,480
 Fund balance - July 1, 2008			49,959,420	
Fund balance - June 30, 2009			\$ -	

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Schedules of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual (Budget Basis)
Grants Special Revenue Fund
Fiscal Year Ended June 30, 2009

	Grants Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final	Budget Basis	
Revenues:				
Intergovernmental:				
Federal government	\$ 30,451,900	\$ 31,437,142	\$ 31,517,137	\$ 79,995
State of Colorado	2,219,600	713,253	1,323,920	610,667
Other:				
Gifts and grants	497,000	2,280,160	1,347,251	(932,909)
Total revenues	33,168,500	34,430,555	34,188,308	(242,247)
Expenditures:				
Current:				
Elementary instruction	8,476,000	6,934,300	6,928,713	5,587
Middle level instruction	784,600	1,036,070	1,035,243	827
Senior high instruction	894,300	760,360	759,746	614
Instructional services	7,536,900	9,983,780	10,042,276	(58,496)
Intervention services	15,338,300	15,716,045	15,636,972	79,073
Total expenditures	33,030,100	34,430,555	34,402,950	27,605
Excess of revenues over (under) expenditures	\$ 138,400	\$ -	(214,642)	\$ (214,642)
Fund balance - July 1, 2008			1,357,569	
Fund balance - June 30, 2009			\$ 1,142,927	

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual (Budget Basis)
Campus Activity Special Revenue Fund
Fiscal Year Ended June 30, 2009

Campus Activity Fund				
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budget Basis	Final Budget - Positive (Negative)
Revenues:				
Interest	\$ 19,000	\$ 19,000	\$ 4,069	\$ (14,931)
Student activities	7,800,000	7,800,000	6,243,921	(1,556,079)
Fund raising	5,447,300	5,447,300	5,019,131	(428,169)
Fees and dues	6,643,000	6,643,000	7,326,834	683,834
Donations	1,737,400	1,737,400	2,117,942	380,542
Miscellaneous	4,960,000	4,960,000	3,221,886	(1,738,114)
Total revenues	26,606,700	26,606,700	23,933,783	(2,672,917)
Expenditures:				
Current:				
Athletics and activities	26,500,000	26,500,000	24,006,384	2,493,616
Total expenditures	26,500,000	26,500,000	24,006,384	2,493,616
Excess of revenues over (under) expenditures	106,700	106,700	(72,601)	(179,301)
Other Financing Sources:				
Transfers in	-	200,000	200,000	-
Total other financing sources (uses)	-	200,000	200,000	-
Excess of revenues and other financing sources over (under) expenditures	\$ 106,700	\$ 306,700	127,399	\$ (179,301)
Fund balance - July 1, 2008			9,036,855	
Fund balance - June 30, 2009			\$ 9,164,254	

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments and schools on a cost-reimbursement basis.

Central Services Fund – This fund accounts for costs of operations to various users. Costs of operations include all direct costs plus depreciation, space rental, utilities, interest, and maintenance costs. Programs include: Copier, Printing, and Equipment Repair.

Employee Benefits Fund – This fund accounts for the self-insurance programs for dental, vision and group life.

Insurance Reserve Fund – This fund is authorized by state law to allow the District to maintain an insurance reserve for self-insurance purposes and to fund liability, workers' compensation, and property insurance premiums.

Technology Fund – This fund is used to allocate the costs for the various technology-related activities to schools and departments.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Combining Statement of Net Assets
Internal Service Funds
June 30, 2009

<u>Assets</u>	Central Services Fund	Employee Benefits Fund	Insurance Reserve Fund
Current assets:			
Cash	\$ 300	\$ -	\$ -
Equity in pooled cash and investments	1,217,271	37,007,889	8,770,882
Accounts and other receivable	29,838	14,470	631,025
Inventories	113,139	-	-
Prepaid items	4,419	-	1,593,253
Total current assets	<u>1,364,967</u>	<u>37,022,359</u>	<u>10,995,160</u>
Capital assets:			
Vehicles and equipment	2,511,521	-	168,994
Less accumulated depreciation	<u>(1,935,093)</u>	<u>-</u>	<u>(43,266)</u>
Total capital assets net of accumulated depreciation	576,428	-	125,728
Total assets	<u>\$ 1,941,395</u>	<u>\$ 37,022,359</u>	<u>\$ 11,120,888</u>
<u>Liabilities and Net Assets</u>			
Current liabilities:			
Accounts payable	\$ 100,031	\$ -	\$ 78,805
Accrued salaries, benefits, and compensated absences	68,188	2,757,889	121,758
Payroll withholding	-	21,294,240	-
Other unearned revenues	-	-	-
Estimated liability for premiums and claims	-	1,134,117	3,860,094
Total current liabilities	<u>168,219</u>	<u>25,186,246</u>	<u>4,060,657</u>
Non-current liabilities:			
Compensated absences	52,199	749	111,619
Total non-current liabilities	<u>52,199</u>	<u>749</u>	<u>111,619</u>
Total liabilities	<u>220,418</u>	<u>25,186,995</u>	<u>4,172,276</u>
<u>Net Assets</u>			
Invested in capital assets net of related debt	576,428	-	125,728
Restricted for:			
TABOR	1,921	67,130	6,227
Unrestricted	<u>1,142,628</u>	<u>11,768,234</u>	<u>6,816,657</u>
Total net assets	<u>1,720,977</u>	<u>11,835,364</u>	<u>6,948,612</u>
Total liabilities and net assets (deficit)	<u>\$ 1,941,395</u>	<u>\$ 37,022,359</u>	<u>\$ 11,120,888</u>

Technology Fund	Total Governmental Activities - Internal Service Funds
\$ -	\$ 300
1,407,272	48,403,314
206,020	881,353
265,845	378,984
1,244,695	2,842,367
<u>3,123,832</u>	<u>52,506,318</u>
22,715,389	25,395,904
(13,710,976)	(15,689,335)
<u>9,004,413</u>	<u>9,706,569</u>
<u>\$ 12,128,245</u>	<u>\$ 62,212,887</u>

\$ 1,585,095	\$ 1,763,931
590,170	3,538,005
-	21,294,240
690,901	690,901
-	4,994,211
<u>2,866,166</u>	<u>32,281,288</u>
489,091	653,658
<u>489,091</u>	<u>653,658</u>
<u>3,355,257</u>	<u>32,934,946</u>
9,004,413	9,706,569
1,012	76,290
(232,437)	19,495,082
<u>8,772,988</u>	<u>29,277,941</u>
<u>\$ 12,128,245</u>	<u>\$ 62,212,887</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
Fiscal Year Ended June 30, 2009

	Central Services Fund	Employee Benefits Fund	Insurance Reserve Fund
Revenues:			
Insurance premiums	\$ -	\$ 9,279,877	\$ 1,100,617
Service contracts	3,669,970	-	51,675
Total revenues	<u>3,669,970</u>	<u>9,279,877</u>	<u>1,152,292</u>
Expenses:			
Salaries and employee benefits	1,163,570	69,506	1,999,087
Administration services	263,060	493,308	360,567
Utilities	8,830	-	-
Supplies	1,461,178	-	-
Repairs and maintenance	511,871	-	-
Depreciation	361,603	-	25,865
Other	3,044	-	-
Claim losses	-	5,416,591	3,030,261
Premiums paid	-	362,295	1,942,950
Total expenses	<u>3,773,156</u>	<u>6,341,700</u>	<u>7,358,730</u>
Income (loss) from operations	<u>(103,186)</u>	<u>2,938,177</u>	<u>(6,206,438)</u>
Non-operating revenues (expenses):			
Interest revenues	17,566	199,171	137,578
Gain (loss) on sale of capital assets	-	-	(4,862)
Total non-operating revenues (expenses)	<u>17,566</u>	<u>199,171</u>	<u>132,716</u>
Income (loss) before transfers	(85,620)	3,137,348	(6,073,722)
Transfers from the general fund	-	-	7,039,300
Change in net assets	<u>(85,620)</u>	<u>3,137,348</u>	<u>965,578</u>
Net assets - July 1, 2008	1,806,597	8,698,016	5,983,034
Net assets - June 30, 2009	<u>\$ 1,720,977</u>	<u>\$ 11,835,364</u>	<u>\$ 6,948,612</u>

Technology Fund	Total Governmental Activities - Internal Service Funds
\$ -	\$ 10,380,494
17,201,704	20,923,349
<u>17,201,704</u>	<u>31,303,843</u>
10,044,328	13,276,491
2,718,106	3,835,041
40,139	48,969
373,161	1,834,339
2,443,173	2,955,044
3,293,074	3,680,542
16,404	19,448
-	8,446,852
-	2,305,245
<u>18,928,385</u>	<u>36,401,971</u>
<u>(1,726,681)</u>	<u>(5,098,128)</u>
2,082	356,397
(527,584)	(532,446)
<u>(525,502)</u>	<u>(176,049)</u>
(2,252,183)	(5,274,177)
2,450,000	9,489,300
<u>197,817</u>	<u>4,215,123</u>
8,575,171	25,062,818
<u>\$ 8,772,988</u>	<u>\$ 29,277,941</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Combining Statement of Cash Flows
Internal Service Funds
Fiscal Year Ended June 30, 2009

	Central Services Fund	Employee Benefits Fund	Insurance Reserve Fund
Cash flows from operating activities:			
Cash received from customers	\$ 3,669,158	\$ 9,299,267	\$ 4,879,949
Cash paid to employees	(1,138,181)	(69,244)	(1,986,940)
Cash paid to vendors	(2,228,542)	(5,837,063)	(8,607,827)
Net cash provided by (used for) in operating activities	<u>302,435</u>	<u>3,392,960</u>	<u>(5,714,818)</u>
Cash flows from noncapital financing activities:			
Transfers in and (out)	-	-	7,039,300
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>7,039,300</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(62,363)	-	-
Net cash (used for) in capital and related financing activities	<u>(62,363)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	17,566	199,171	137,578
Net cash provided by noncapital financing activities	<u>17,566</u>	<u>199,171</u>	<u>137,578</u>
Net increase in cash and cash equivalents	257,638	3,592,131	1,462,060
Cash and cash equivalents - July 1, 2008	959,933	33,415,758	7,308,822
Cash and cash equivalents - June 30, 2009	<u>\$ 1,217,571</u>	<u>\$ 37,007,889</u>	<u>\$ 8,770,882</u>
Reconciliation of cash flows from operating activities:			
Income (Loss) from operations	\$ (103,186)	\$ 2,938,177	\$ (6,206,438)
Cash flows from operating activities:			
Depreciation	361,603	-	25,865
(Increase) decrease intergovernmental and other receivables	(812)	19,390	3,727,657
(Increase) decrease in prepaid items	(528)	-	(1,133,409)
(Increase) decrease in other inventories	1,072	-	-
Increase (decrease) in accounts payable	18,896	-	(1,906,595)
Increase (decrease) in accrued salaries, benefits, and compensated and compensated balances	25,390	(29,583)	12,143
Increase in payroll withholding	-	712,011	-
Increase (decrease) in due to other funds	-	-	-
Increase in deferred revenues	-	-	-
Increase (decrease) in estimated liability for premiums and claims	-	(247,035)	(234,041)
Net cash provided by (used for) in operating activities	<u>\$ 302,435</u>	<u>\$ 3,392,960</u>	<u>\$ (5,714,818)</u>
Noncash investing, capital, and financing activities:			
Disposal and write off of capital assets	\$ -	\$ -	\$ 4,862

Technology Fund	Governmental Activities - Internal Service Funds
\$ 17,104,068	\$ 34,952,442
(9,822,181)	(13,016,546)
<u>(6,132,246)</u>	<u>(22,805,678)</u>
1,149,641	(869,782)
<u>2,450,000</u>	<u>9,489,300</u>
2,450,000	9,489,300
<u>(2,194,451)</u>	<u>(2,256,814)</u>
(2,194,451)	(2,256,814)
<u>2,082</u>	<u>356,397</u>
2,082	356,397
1,407,272	6,719,101
-	41,684,513
<u>\$ 1,407,272</u>	<u>\$ 48,403,614</u>
\$ (1,726,681)	\$ (5,098,128)
3,293,074	3,680,542
8,160	3,754,395
(643,609)	(1,777,546)
(241,385)	(240,313)
452,491	(1,435,208)
222,150	230,100
-	712,011
(108,762)	(108,762)
(105,797)	(105,797)
-	(481,076)
<u>\$ 1,149,641</u>	<u>\$ (869,782)</u>
\$ 527,583	\$ 532,445



Component Units

The component units consist of thirteen charter school administrative units: Collegiate Academy of Colorado, Compass Montessori - Wheatridge, Compass Montessori – Golden, Excel, Free Horizon, Jefferson Academy, Lincoln Academy, Montessori Peaks, Mountain Phoenix, New America, Rocky Mountain Academy Evergreen, Rocky Mountain Deaf School and Woodrow Wilson Charter Schools. The schools have separate governing boards.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Combining Statement of Net Assets
Component Units
June 30, 2009

	Collegiate Academy of Colorado	Compass Montessori - Wheatridge	Compass Montessori - Golden	Excel Charter School	Free Horizon
Assets					
Current assets:					
Cash	\$ 300	\$ 600	\$ 53,413	\$ 500	\$ 505
Restricted cash	763,485	-	670,099	742,697	-
Restricted cash for TABOR	106,769	107,455	91,389	108,097	61,715
Equity in pooled cash and investments	159,851	368,944	6,640	1,029,732	292,961
Accounts receivable	-	113	-	22	-
Total current assets:	<u>1,030,405</u>	<u>477,112</u>	<u>821,541</u>	<u>1,881,048</u>	<u>355,181</u>
Noncurrent assets:					
Deferred charges	133,861	-	98,226	192,120	-
Nondepreciable assets	650,000	-	913,508	235,981	-
Depreciable assets	5,155,860	85,993	4,445,878	5,001,483	157,399
Accumulated depreciation	<u>(1,202,929)</u>	<u>(14,982)</u>	<u>(747,145)</u>	<u>(693,107)</u>	<u>(13,391)</u>
Total noncurrent assets:	<u>4,736,792</u>	<u>71,011</u>	<u>4,710,467</u>	<u>4,736,477</u>	<u>144,008</u>
Total assets	<u>\$ 5,767,197</u>	<u>\$ 548,123</u>	<u>\$ 5,532,008</u>	<u>\$ 6,617,525</u>	<u>\$ 499,189</u>
Liabilities					
Current liabilities:					
Accounts payable	\$ 7,674	\$ 26,703	\$ 9,917	\$ 46,767	\$ 11,198
Accrued salaries and benefits	158,422	131,494	123,291	124,872	80,994
Due to the general fund	-	-	-	-	-
Unearned revenues	550	79,555	47,227	-	118,755
Accrued interest	15,522	139	128,835	30,878	119
Current capital leases and promissory notes	<u>205,000</u>	<u>9,425</u>	<u>143,000</u>	<u>160,000</u>	<u>27,060</u>
Total current liabilities:	<u>387,168</u>	<u>247,316</u>	<u>452,270</u>	<u>362,517</u>	<u>238,126</u>
Noncurrent liabilities:					
Capital Leases and promissory notes	<u>7,050,840</u>	<u>32,531</u>	<u>5,459,589</u>	<u>6,191,869</u>	<u>65,183</u>
Total Noncurrent liabilities:	<u>7,050,840</u>	<u>32,531</u>	<u>5,459,589</u>	<u>6,191,869</u>	<u>65,183</u>
Total liabilities	<u>7,438,008</u>	<u>279,847</u>	<u>5,911,859</u>	<u>6,554,386</u>	<u>303,309</u>
Net Assets					
Invested in capital net of debt	(2,652,908)	29,055	(990,347)	(1,807,511)	51,765
Restricted for:					
Capital projects	-	15,842	-	-	-
Debt service	763,485	-	670,099	742,697	-
TABOR	106,769	107,455	91,389	108,097	61,715
Unrestricted	111,843	115,924	(150,992)	1,019,856	82,400
Total net assets	<u>(1,670,811)</u>	<u>268,276</u>	<u>(379,851)</u>	<u>63,139</u>	<u>195,880</u>
Total liabilities and net assets	<u>\$ 5,767,197</u>	<u>\$ 548,123</u>	<u>\$ 5,532,008</u>	<u>\$ 6,617,525</u>	<u>\$ 499,189</u>

Jefferson Academy	Lincoln Academy Charter School	Montessori Peaks	Mountain Phoenix	New America	Rocky Mountain Academy Evergreen	Rocky Mountain Deaf School	Woodrow Wilson Academy	Total Charter Schools
\$ 1,300	\$ 700	\$ 500	\$ 300	\$ 300	\$ -	\$ -	\$ 500	\$ 58,918
417,726	393,973	805,467	-	-	338,247	-	611,527	4,743,221
174,404	103,186	99,878	8,996	49,046	88,947	41,886	103,199	1,144,967
210,789	1,085,027	399,648	-	630,516	486,239	-	1,093,033	5,763,380
-	52	5,496	-	7,817	21	10,526	-	24,047
804,219	1,582,938	1,310,989	9,296	687,679	913,454	52,412	1,808,259	11,734,533
102,062	77,131	93,352	-	-	105,351	-	176,691	978,794
40,638	398,085	1,099,229	-	-	79,925	-	881,654	4,299,020
3,255,802	2,767,391	4,629,403	78,966	164,970	3,839,136	6,427	4,965,540	34,554,248
(826,802)	(694,941)	(709,522)	-	(30,214)	(671,499)	(5,142)	(520,117)	(6,129,791)
2,571,700	2,547,666	5,112,462	78,966	134,756	3,352,913	1,285	5,503,768	33,702,271
<u>\$ 3,375,919</u>	<u>\$ 4,130,604</u>	<u>\$ 6,423,451</u>	<u>\$ 88,262</u>	<u>\$ 822,435</u>	<u>\$ 4,266,367</u>	<u>\$ 53,697</u>	<u>\$ 7,312,027</u>	<u>\$ 45,436,804</u>
\$ 7,342	\$ 18,143	\$ 9,134	\$ 5,623	\$ 314,269	\$ 6,357	\$ 8,118	\$ 19,553	\$ 490,798
309,312	145,999	149,969	-	36,883	109,117	59,752	52,827	1,482,932
-	-	-	83,553	-	-	19,238	-	102,791
-	8,440	7,000	-	-	86,429	35	16,386	364,377
7,094	32,521	66,451	-	53	4,314	-	24,389	310,315
65,000	90,000	125,000	-	15,541	43,977	-	125,000	1,009,003
388,748	295,103	357,554	89,176	366,746	250,194	87,143	238,155	3,760,216
2,839,988	2,030,004	6,191,026	-	-	3,838,708	-	6,067,220	39,766,958
2,839,988	2,030,004	6,191,026	-	-	3,838,708	-	6,067,220	39,766,958
3,228,736	2,325,107	6,548,580	89,176	366,746	4,088,902	87,143	6,305,375	43,527,174
(435,350)	350,531	(1,296,916)	78,966	119,215	(477,468)	1,285	(865,144)	(7,894,827)
355,933	-	-	5,521	93,358	157,654	-	-	628,308
417,726	393,973	805,467	-	-	180,593	-	611,527	4,585,567
174,404	103,186	99,878	8,996	49,046	88,947	41,886	103,199	1,144,967
(365,530)	957,807	266,442	(94,397)	194,070	227,739	(76,617)	1,157,070	3,445,615
147,183	1,805,497	(125,129)	(914)	455,689	177,465	(33,446)	1,006,652	1,909,630
<u>\$ 3,375,919</u>	<u>\$ 4,130,604</u>	<u>\$ 6,423,451</u>	<u>\$ 88,262</u>	<u>\$ 822,435</u>	<u>\$ 4,266,367</u>	<u>\$ 53,697</u>	<u>\$ 7,312,027</u>	<u>\$ 45,436,804</u>



JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Combining Statement of Activities
Component Units
Fiscal year ended June 30, 2009

	Expenses	Charges For Services	Governmental Activities
Schools			
Collegiate Academy of Colorado	\$ 3,726,757	\$ 331,345	\$ (3,395,412)
Compass Montessori - Wheatridge	3,146,287	754,997	(2,391,290)
Compass Montessori - Golden	2,783,499	601,019	(2,182,480)
Excel Charter School	4,110,910	468,506	(3,642,404)
Free Horizon	2,141,564	635,578	(1,505,986)
Jefferson Academy	6,027,149	272,824	(5,754,325)
Lincoln Academy Charter School	3,514,300	188,027	(3,326,273)
Montessori Peaks	3,417,853	841,671	(2,576,182)
Mountain Phoenix	314,079	10,128	(303,951)
New America	1,458,287	-	(1,458,287)
Rocky Mountain Academy Evergreen	2,760,158	682,764	(2,077,394)
Rocky Mountain Deaf School	1,336,139	931,308	(404,831)
Woodrow Wilson Academy	3,382,274	318,619	(3,063,655)
Total Expenditures	38,119,256	6,036,786	(32,082,470)
General Revenues			
School finance act:			
Collegiate Academy of Colorado			3,227,630
Compass Montessori - Wheatridge			2,852,530
Compass Montessori - Golden			2,224,768
Excel Charter School			3,138,182
Free Horizon			1,421,587
Jefferson Academy			5,552,874
Lincoln Academy Charter School			3,259,054
Montessori Peaks			2,511,130
Mountain Phoenix			290,730
New America			1,634,883
Rocky Mountain Academy Evergreen			2,402,382
Rocky Mountain Deaf School			474,977
Woodrow Wilson Academy			3,138,165
Total General Revenues			32,128,892
Change in net assets			46,422
Net Assets Beginning			1,863,208
Net Assets Ending			\$ 1,909,630

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
All Component Units
Combining Balance Sheet
June 30, 2009

	Collegiate Academy of Colorado	Compass Montessori - Wheatridge	Compass Montessori - Golden	Excel Charter School	Free Horizon
Assets					
Assets:					
Cash	\$ 300	\$ 600	\$ 53,413	\$ 500	\$ 505
Restricted Cash	870,254	107,455	761,488	850,794	61,715
Equity in pooled cash and investments	159,851	368,944	6,640	1,029,732	292,961
Accounts, notes, contracts, and interest receivable	-	113	-	22	-
Total Assets	<u>\$ 1,030,405</u>	<u>\$ 477,112</u>	<u>\$ 821,541</u>	<u>\$ 1,881,048</u>	<u>\$ 355,181</u>
Liabilities and fund balances (deficit)					
Liabilities:					
Accounts and retainages payable	\$ 7,674	\$ 26,703	\$ 9,917	\$ 46,767	\$ 11,198
Accrued salaries, benefits, and compensated absences	158,422	131,494	123,291	124,872	80,994
Due to primary government	-	-	-	-	-
Unearned revenues	550	79,555	47,227	-	118,755
Total Liabilities	<u>166,646</u>	<u>237,752</u>	<u>180,435</u>	<u>171,639</u>	<u>210,947</u>
Fund balances:					
Restricted for:					
TABOR	106,769	107,455	91,389	108,097	61,715
Debt service	763,485	-	670,099	742,697	-
Construction	-	15,842	-	-	-
Unassigned	(6,495)	116,063	(120,382)	858,615	82,519
Total fund balances (deficit)	<u>863,759</u>	<u>239,360</u>	<u>641,106</u>	<u>1,709,409</u>	<u>144,234</u>
Total liabilities and fund balances	<u>\$ 1,030,405</u>	<u>\$ 477,112</u>	<u>\$ 821,541</u>	<u>\$ 1,881,048</u>	<u>\$ 355,181</u>
Amounts reported for component unit activities in the statement of net assets are different because:					
Component units total fund balance	\$ 863,759	\$ 239,360	\$ 641,106	\$ 1,709,409	\$ 144,234
Add: Capital assets	5,805,860	85,993	5,359,386	5,237,464	157,399
Deferred charges	133,861	-	98,226	192,120	-
Less: Accumulated depreciation	(1,202,929)	(14,982)	(747,145)	(693,107)	(13,391)
Long-term liabilities	(7,255,840)	(41,956)	(5,602,589)	(6,351,869)	(92,243)
Accrued interest	(15,522)	(139)	(128,835)	(30,878)	(119)
Net assets of component unit activities	<u>\$(1,670,811)</u>	<u>\$ 268,276</u>	<u>\$ (379,851)</u>	<u>\$ 63,139</u>	<u>\$ 195,880</u>

Jefferson Academy	Lincoln Academy Charter School	Montessori Peaks	Mountain Phoenix	New America	Rocky Mountain Academy Evergreen	Rocky Mountain Deaf School	Woodrow Wilson Academy	Total Charter Schools
\$ 1,300	\$ 700	\$ 500	\$ 300	\$ 300	-	\$ -	\$ 500	\$ 58,918
592,130	497,159	905,345	8,996	49,046	\$ 427,194	41,886	714,726	5,888,188
210,789	1,085,027	399,648	-	630,516	486,239	-	1,093,033	5,763,380
-	52	5,496	-	7,817	21	10,526	-	24,047
<u>\$ 804,219</u>	<u>\$ 1,582,938</u>	<u>\$ 1,310,989</u>	<u>\$ 9,296</u>	<u>\$ 687,679</u>	<u>\$ 913,454</u>	<u>\$ 52,412</u>	<u>\$ 1,808,259</u>	<u>\$ 11,734,533</u>
\$ 7,342	\$ 18,143	\$ 9,134	\$ 5,623	\$ 314,269	\$ 6,357	\$ 8,118	\$ 19,553	\$ 490,798
309,312	145,999	149,969	-	36,883	109,117	59,752	52,827	1,482,932
-	-	-	83,553	-	-	19,238	-	102,791
-	8,440	7,000	-	-	86,429	35	16,386	364,377
<u>316,654</u>	<u>172,582</u>	<u>166,103</u>	<u>89,176</u>	<u>351,152</u>	<u>201,903</u>	<u>87,143</u>	<u>88,766</u>	<u>2,440,898</u>
174,404	103,186	99,878	8,996	49,046	88,947	41,886	103,199	1,144,967
417,726	393,973	805,467	-	-	180,593	-	611,527	4,585,567
355,933	-	-	5,521	93,358	157,654	-	-	628,308
(460,498)	913,197	239,541	(94,397)	194,123	284,357	(76,617)	1,004,767	2,934,793
<u>487,565</u>	<u>1,410,356</u>	<u>1,144,886</u>	<u>(79,880)</u>	<u>336,527</u>	<u>711,551</u>	<u>(34,731)</u>	<u>1,719,493</u>	<u>9,293,635</u>
<u>\$ 804,219</u>	<u>\$ 1,582,938</u>	<u>\$ 1,310,989</u>	<u>\$ 9,296</u>	<u>\$ 687,679</u>	<u>\$ 913,454</u>	<u>\$ 52,412</u>	<u>\$ 1,808,259</u>	<u>\$ 11,734,533</u>
\$ 487,565	\$ 1,410,356	\$ 1,144,886	\$ (79,880)	\$ 336,527	\$ 711,551	\$ (34,731)	\$ 1,719,493	\$ 9,293,635
3,296,440	3,165,476	5,728,632	78,966	164,970	3,919,061	6,427	5,847,194	38,853,268
102,062	77,131	93,352	-	-	105,351	-	176,691	978,794
(826,802)	(694,941)	(709,522)	-	(30,214)	(671,499)	(5,142)	(520,117)	(6,129,791)
(2,904,988)	(2,120,004)	(6,316,026)	-	(15,541)	(3,882,685)	-	(6,192,220)	(40,775,961)
(7,094)	(32,521)	(66,451)	-	(53)	(4,314)	-	(24,389)	(310,315)
<u>\$ 147,183</u>	<u>\$ 1,805,497</u>	<u>\$ (125,129)</u>	<u>\$ (914)</u>	<u>\$ 455,689</u>	<u>\$ 177,465</u>	<u>\$ (33,446)</u>	<u>\$ 1,006,652</u>	<u>\$ 1,909,630</u>

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
All Component Units
Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Fiscal Year Ended June 30, 2009

	Collegiate Academy of Colorado	Compass Montessori - Wheatridge	Compass Montessori - Golden	Excel Charter School	Free Horizon
Revenues:					
Intergovernmental	\$ 3,227,630	\$ 2,852,530	\$ 2,224,768	\$ 3,138,182	\$ 1,421,587
Other revenue	331,345	754,997	601,019	468,506	635,578
Total revenues	<u>3,558,975</u>	<u>3,607,527</u>	<u>2,825,787</u>	<u>3,606,688</u>	<u>2,057,165</u>
Expenditures:					
Current:					
Salaries and benefits	2,303,067	2,199,887	1,529,161	2,034,370	1,338,445
Purchased services	625,715	690,931	540,921	1,317,631	615,550
Materials and supplies	231,484	250,694	191,598	178,228	54,367
Capital outlay	-	30,216	-	-	-
Debt service	580,311	12,233	759,053	524,390	34,570
Total other instructional programs	<u>3,740,577</u>	<u>3,183,961</u>	<u>3,020,733</u>	<u>4,054,619</u>	<u>2,042,932</u>
Excess of revenues over (under) expenditures	(181,602)	423,566	(194,946)	(447,931)	14,233
Other Financing Sources (uses):					
Other financing sources - capital leases	-	-	243,000	-	-
Other financing uses - refunding capital leases	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>243,000</u>	<u>-</u>	<u>-</u>
Excess of Revenues and other Financing Sources Over (Under) Expenditures	(181,602)	423,566	48,054	(447,931)	14,233
Fund balance (deficit) - July 1, 2008	1,045,361	(184,206)	593,052	2,157,340	130,001
Fund balance (deficit) - June 30, 2009	<u>\$ 863,759</u>	<u>\$ 239,360</u>	<u>\$ 641,106</u>	<u>\$ 1,709,409</u>	<u>\$ 144,234</u>
Amounts reported for component unit activities in the statement of activities are different because:					
Excess of Revenues and other Financing Sources Over (Under) Expenditures	\$ (181,602)	\$ 423,566	\$ 48,054	\$ (447,931)	\$ 14,233
Less: Depreciation expense	(175,393)	(1,587)	(147,507)	(166,303)	(14,881)
Loss on disposal of assets	-	-	-	-	(108,452)
Other sources - debt and amortization of issuance costs	(11,046)	-	(269,061)	(40,410)	-
Change in accrued interest	259	1	2,478	422	55
Add: Net capital outlay asset additions	-	30,216	-	-	-
Issuance costs	-	-	-	-	-
Principal payment on long-term liabilities	200,000	9,044	408,324	150,000	24,646
Change in net assets of component unit activities	<u>\$ (167,782)</u>	<u>\$ 461,240</u>	<u>\$ 42,288</u>	<u>\$ (504,222)</u>	<u>\$ (84,399)</u>

Jefferson Academy	Lincoln Academy Charter School	Montessori Peaks	Mountain Phoenix	New America	Rocky Mountain Academy Evergreen	Rocky Mountain Deaf School	Woodrow Wilson Academy	Total Charter Schools
\$ 5,552,874	\$ 3,259,054	\$ 2,511,130	\$ 290,730	\$ 1,634,883	\$ 2,402,382	\$ 474,977	\$ 3,138,165	\$ 32,128,892
272,824	188,027	841,671	10,128	-	682,764	931,308	318,619	6,036,786
<u>5,825,698</u>	<u>3,447,081</u>	<u>3,352,801</u>	<u>300,858</u>	<u>1,634,883</u>	<u>3,085,146</u>	<u>1,406,285</u>	<u>3,456,784</u>	<u>38,165,678</u>
4,219,819	2,422,285	2,162,634	175,645	713,644	1,626,345	870,543	2,017,660	23,613,505
1,225,276	669,652	497,999	135,512	590,976	882,258	407,270	631,430	8,831,121
294,660	166,790	159,264	2,922	121,099	131,203	57,683	180,732	2,020,724
-	35,440	179,020	78,966	13,900	463,137	-	-	800,679
233,813	185,540	525,185	-	92,558	317,350	-	414,464	3,679,467
<u>5,973,568</u>	<u>3,479,707</u>	<u>3,524,102</u>	<u>393,045</u>	<u>1,532,177</u>	<u>3,420,293</u>	<u>1,335,496</u>	<u>3,244,286</u>	<u>38,945,496</u>
(147,870)	(32,626)	(171,301)	(92,187)	102,706	(335,147)	70,789	212,498	(779,818)
-	-	-	-	-	4,002,500	-	-	4,245,500
-	-	-	-	-	(3,082,712)	-	-	(3,082,712)
-	-	-	-	-	919,788	-	-	1,162,788
(147,870)	(32,626)	(171,301)	(92,187)	102,706	584,641	70,789	212,498	382,970
635,435	1,442,982	1,316,187	12,307	233,821	126,910	(105,520)	1,506,995	8,910,665
<u>\$ 487,565</u>	<u>\$ 1,410,356</u>	<u>\$ 1,144,886</u>	<u>\$ (79,880)</u>	<u>\$ 336,527</u>	<u>\$ 711,551</u>	<u>\$ (34,731)</u>	<u>\$ 1,719,493</u>	<u>\$ 9,293,635</u>
\$ (147,870)	\$ (32,626)	\$ (171,301)	\$ (92,187)	\$ 102,706	\$ 584,641	\$ 70,789	\$ 212,498	\$ 382,970
(106,527)	(119,805)	(147,997)	-	(30,214)	(7,745)	(643)	(260,424)	(1,179,026)
-	(30,801)	(5,583)	-	-	-	-	-	(144,836)
(7,170)	(5,419)	(40,271)	-	-	(4,002,500)	-	2,136	(4,373,741)
116	992	1,080	-	86	82,077	-	300	87,866
-	35,440	179,020	78,966	13,900	463,137	-	-	800,679
-	-	-	-	-	105,351	-	-	105,351
60,000	85,000	120,000	-	90,118	3,100,027	-	120,000	4,367,159
<u>\$ (201,451)</u>	<u>\$ (67,219)</u>	<u>\$ (65,052)</u>	<u>\$ (13,221)</u>	<u>\$ 176,596</u>	<u>\$ 324,988</u>	<u>\$ 70,146</u>	<u>\$ 74,510</u>	<u>\$ 46,422</u>



Statistical Section

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Content</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	100-107
Revenue Capacity These schedules contain information to help the reader assess the District's property tax revenue.	108-113
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	114-119
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	120-121
Operating Information These schedules contain staffing, key operating statistics comparisons and capital asset data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	122-127

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB 34 in fiscal year 2001; schedules presenting government-wide information include information beginning in that year.

Financial Trend Schedule 1
Jefferson County School District, No.R-1
Net Assets by Component,
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Governmental Activities				
Invested in capital assets, net of related debt	\$ 166,108,791	\$ 192,295,707	\$ 228,673,057	\$ 253,475,823
Restricted	160,511,006	117,705,895	116,678,582	103,913,984
Unrestricted	(41,998,453)	(25,682,188)	(36,083,924)	(11,550,151)
Total governmental activities net assets	<u>\$ 284,621,344</u>	<u>\$ 284,319,414</u>	<u>\$ 309,267,715</u>	<u>\$ 345,839,656</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 4,056,887	\$ 3,440,762	\$ 3,258,516	\$ 3,399,394
Restricted	768,540	754,406	707,591	695,777
Unrestricted	(424,161)	1,522,123	3,052,250	3,175,818
Total business-type activities net assets	<u>\$ 4,401,266</u>	<u>\$ 5,717,291</u>	<u>\$ 7,018,357</u>	<u>\$ 7,270,989</u>
Primary government				
Invested in capital assets, net of related debt	\$ 170,165,678	\$ 195,736,469	\$ 231,931,573	\$ 256,875,217
Restricted	161,279,546	118,460,301	117,386,173	104,609,761
Unrestricted	(42,422,614)	(24,160,065)	(33,031,674)	(8,374,333)
Total primary government net assets	<u>\$ 289,022,610</u>	<u>\$ 290,036,705</u>	<u>\$ 316,286,072</u>	<u>\$ 353,110,645</u>

Fiscal Year

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 270,489,848	\$ 272,131,267	\$ 279,690,380	\$ 282,779,947	\$ 300,549,882
111,961,310	119,886,342	137,222,692	157,681,790	149,063,262
44,946,760	82,472,483	84,308,430	130,950,972	128,442,632
<u>\$ 427,397,918</u>	<u>\$ 474,490,092</u>	<u>\$ 501,221,502</u>	<u>\$ 571,412,709</u>	<u>\$ 578,055,776</u>
\$ 2,887,640	\$ 2,610,619	\$ 2,524,688	\$ 2,399,710	\$ 2,702,062
688,076	709,513	758,429	799,858	781,383
5,240,516	8,077,616	10,085,377	12,430,067	12,771,303
<u>\$ 8,816,232</u>	<u>\$ 11,397,748</u>	<u>\$ 13,368,494</u>	<u>\$ 15,629,635</u>	<u>\$ 16,254,748</u>
\$ 273,377,488	\$ 274,741,886	\$ 282,215,068	\$ 285,179,657	\$ 303,251,944
112,649,386	120,595,855	137,981,121	158,481,648	149,844,645
50,187,276	90,550,099	94,393,807	143,381,039	141,213,935
<u>\$ 436,214,150</u>	<u>\$ 485,887,840</u>	<u>\$ 514,589,996</u>	<u>\$ 587,042,344</u>	<u>\$ 594,310,524</u>

Financial Trend Schedule 2
Jefferson County School District, No.R-1
Changes in Net Assets, Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2001	2002	2003	2004
Expenses				
Governmental activities:				
Direct instruction	\$ 372,638,289	\$ 383,676,598	\$ 403,856,718	\$ 393,967,062
Indirect instruction	122,685,874	118,481,544	110,773,132	119,072,440
Transportation	16,156,989	15,166,425	16,578,118	16,503,065
Custodial services	19,241,844	20,704,710	22,772,963	22,871,857
Field services	16,317,937	18,778,279	18,656,531	19,278,349
Telecommunications, networking and utilities	15,812,143	14,938,323	15,635,459	15,351,982
Support services	16,041,700	18,002,476	16,671,745	17,279,408
General administration	3,533,062	4,193,120	3,191,935	2,146,565
District-wide	7,714,172	7,178,389	4,191,780	3,659,049
Interest expense, unallocated	33,050,542	33,904,182	29,200,913	28,086,956
Total governmental activities expenses	623,192,552	635,024,046	641,529,294	638,216,733
Business-type activities				
Food services	19,029,962	18,630,611	19,107,187	19,804,428
Child care	9,223,485	9,711,619	9,743,957	9,691,422
Property management	783,619	761,767	738,914	1,307,756
Other enterprise	993,225	1,143,019	1,028,664	-
Total business-type activities expenses	30,030,291	30,247,016	30,618,722	30,803,606
Total primary government expenses	\$ 653,222,843	\$ 665,271,062	\$ 672,148,016	\$ 669,020,339
Program Revenues				
Governmental activities:				
Charges for services:				
Direct instruction	\$ 2,832,015	\$ 2,983,826	\$ 3,446,024	\$ 3,525,071
Indirect instruction	29,520,796	31,103,268	34,940,446	37,296,822
Transportation	2,000,413	2,107,646	1,326,401	1,633,996
Field services	3,277,296	3,452,977	3,889,617	3,685,314
District-wide	5,280,052	5,563,091	5,263,916	3,883,322
Operating grants and contributions:				
Direct instruction	32,773,074	38,961,292	38,735,403	39,949,569
Indirect instruction	2,670,182	2,856,317	5,158,382	5,453,930
Transportation	3,649,259	4,133,412	4,110,010	4,240,861
Total governmental activities program revenues	82,003,087	91,161,829	96,870,199	99,668,885
Business-type activities				
Charges for services:				
Food services	13,920,270	13,445,517	13,413,970	13,063,321
Child care	7,538,808	7,724,631	8,009,184	8,195,872
Property management	1,012,596	1,003,288	994,532	1,836,380
Other enterprise	1,512,918	1,503,601	1,107,821	-
Operating grants and contributions:				
Food services	4,255,026	4,808,590	5,212,753	5,809,925
Capital grants and contributions:				
Food services	356,400	957,594	1,222,500	1,257,672
Property management	-	-	-	-
Other enterprise	-	-	15,000	-
Total business-type activities program revenues	28,596,018	29,443,221	29,975,760	30,163,170
Total primary government program revenues	\$ 110,599,105	\$ 120,605,050	\$ 126,845,959	\$ 129,832,055
Net (Expense)/Revenue				
Governmental activities	\$ (541,189,465)	\$ (543,862,217)	\$ (544,659,095)	\$ (538,547,848)
Business-type activities	(1,434,273)	(803,795)	(642,962)	(640,436)
Total primary government net expense	\$ (542,623,738)	\$ (544,666,012)	\$ (545,302,057)	\$ (539,188,284)
General revenues and other changes in net assets				
Taxes				
Local property taxes	\$ 251,029,568	\$ 262,928,865	\$ 271,609,501	\$ 274,625,109
Automotive ownership taxes	31,070,522	32,091,124	31,043,970	30,794,472
School finance act	247,112,253	244,648,985	262,962,410	268,567,509
Earnings on investments	10,752,832	5,972,439	3,089,821	2,023,751
Special Item	-	-	-	-
Transfers (a)	(14,023,264)	(2,081,126)	(1,934,501)	(891,052)
Total governmental activities	525,941,911	543,560,287	566,771,201	575,119,789
Business-type activities:				
Earnings on investments	-	38,694	9,527	2,016
Transfers	1,663,457	2,081,126	1,934,501	891,052
Total business-type activities	1,663,457	2,119,820	1,944,028	893,068
Total primary government	\$ 527,605,368	\$ 545,680,107	\$ 568,715,229	\$ 576,012,857
Change in Net Assets				
Governmental activities	\$ (15,247,554)	\$ (301,930)	\$ 22,112,106	\$ 36,571,941
Business-type activities	229,184	1,316,025	1,301,066	252,632
Total primary government	\$ (15,018,370)	\$ 1,014,095	\$ 23,413,172	\$ 36,824,573

a) Transfers in 2001 include transfers to component units.

Fiscal Year

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$	389,330,732	\$ 420,089,848	\$ 436,859,865	\$ 441,488,697	\$ 475,473,399
	120,382,252	126,074,406	124,087,808	125,534,158	139,506,864
	17,269,372	18,779,643	19,993,110	20,201,331	21,744,799
	23,354,067	24,209,356	25,002,154	26,277,156	27,158,925
	18,665,080	21,508,695	20,441,219	21,725,526	24,507,637
	16,500,402	19,653,828	17,523,410	18,945,386	19,361,791
	18,753,372	18,789,170	18,212,328	21,950,387	23,191,961
	2,859,645	2,894,361	3,127,500	2,575,859	3,328,842
	2,374,468	1,548,547	1,624,570	2,296,287	1,123,258
	31,651,073	36,819,243	37,525,398	36,810,282	34,967,047
	<u>641,140,463</u>	<u>690,367,097</u>	<u>704,397,362</u>	<u>717,805,069</u>	<u>770,364,523</u>
	19,130,176	19,750,220	21,215,750	22,169,060	23,425,181
	9,899,843	11,039,953	12,138,653	13,611,593	14,547,344
	1,466,991	1,125,385	1,319,568	1,356,529	1,225,624
	-	-	-	-	-
	<u>30,497,010</u>	<u>31,915,558</u>	<u>34,673,971</u>	<u>37,137,182</u>	<u>39,198,149</u>
\$	<u>671,637,473</u>	<u>722,282,655</u>	<u>739,071,333</u>	<u>754,942,251</u>	<u>809,562,672</u>
\$	4,366,210	\$ 4,329,271	\$ 4,847,435	\$ 4,149,185	\$ 4,323,891
	32,540,920	29,837,974	30,532,826	31,273,508	30,296,343
	229,677	502,601	435,245	446,566	384,133
	3,258,778	2,292,589	3,255,854	11,994,896	3,169,242
	2,744,283	3,537,713	1,993,172	1,969,309	569,173
	37,005,381	41,131,579	45,512,301	43,214,748	41,273,450
	6,038,113	7,020,660	7,729,655	7,350,301	7,225,032
	4,393,792	4,234,626	4,081,376	4,302,427	4,463,314
	<u>90,577,154</u>	<u>92,887,013</u>	<u>98,387,864</u>	<u>104,700,940</u>	<u>91,704,578</u>
	12,705,589	12,906,439	13,222,800	13,233,844	12,732,788
	8,383,059	8,669,515	9,747,943	11,285,473	11,019,746
	1,802,491	1,906,311	1,937,185	1,921,999	1,728,955
	-	-	-	-	-
	6,360,540	7,092,392	7,414,794	7,758,304	8,735,385
	1,011,907	1,405,393	1,281,906	1,981,771	1,682,642
	-	-	-	-	32,738
	-	-	-	-	-
	<u>30,263,586</u>	<u>31,980,050</u>	<u>33,604,628</u>	<u>36,181,391</u>	<u>35,932,254</u>
\$	<u>120,840,740</u>	<u>124,867,063</u>	<u>131,992,492</u>	<u>140,882,331</u>	<u>127,636,832</u>
\$	(550,563,309)	\$ (597,480,084)	\$ (606,009,498)	\$ (613,104,129)	\$ (678,659,945)
	(233,424)	64,492	(1,069,343)	(955,791)	(3,265,895)
\$	<u>(550,796,733)</u>	<u>(597,415,592)</u>	<u>(607,078,841)</u>	<u>(614,059,920)</u>	<u>(681,925,840)</u>
\$	319,150,542	\$ 321,679,910	\$ 323,604,561	\$ 351,299,729	\$ 349,209,271
	30,817,445	30,814,386	29,414,761	28,858,670	26,428,023
	273,963,074	281,173,393	289,340,251	293,763,172	307,102,545
	9,924,454	13,237,589	16,617,507	14,824,519	6,230,214
	-	-	(36,049,258)	(2,620,742)	-
	(1,733,944)	(2,333,020)	(2,717,145)	(2,830,012)	(3,667,041)
	<u>632,121,571</u>	<u>644,572,258</u>	<u>620,210,677</u>	<u>683,295,336</u>	<u>685,303,012</u>
	44,723	184,004	322,944	386,920	223,967
	1,733,944	2,333,020	2,717,145	2,830,012	3,667,041
	1,778,667	2,517,024	3,040,089	3,216,932	3,891,008
\$	<u>633,900,238</u>	<u>647,089,282</u>	<u>623,250,766</u>	<u>686,512,268</u>	<u>689,194,020</u>
\$	81,558,262	\$ 47,092,174	\$ 14,201,179	\$ 70,191,207	\$ 6,643,067
	1,545,243	2,581,516	1,970,746	2,261,141	625,113
\$	<u>83,103,505</u>	<u>49,673,690</u>	<u>16,171,925</u>	<u>72,452,348</u>	<u>7,268,180</u>

Financial Trend Schedule 3
 Jefferson County School District, No.R-1
 Fund Balances, Governmental Funds, Last Ten Fiscal Years
 (modified accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Reserved	15,801,521	31,643,631	28,570,597	21,624,045	17,845,224
Unreserved	<u>(20,345,026)</u>	<u>(39,309,021)</u>	<u>(30,852,000)</u>	<u>(38,036,687)</u>	<u>(32,447,844)</u>
Total general fund	<u>\$ (4,543,505)</u>	<u>\$ (7,665,390)</u>	<u>\$ (2,281,403)</u>	<u>\$ (16,412,642)</u>	<u>\$ (14,602,620)</u>
All other governmental funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Reserved	213,775,190	157,990,772	113,334,703	106,172,193	92,998,438
Unreserved, reported in:					
Special revenue funds	<u>10,122,621</u>	<u>6,913,002</u>	<u>6,931,972</u>	<u>6,367,463</u>	<u>6,005,720</u>
Total all other governmental funds	<u>\$ 223,897,811</u>	<u>\$ 164,903,774</u>	<u>\$ 120,266,675</u>	<u>\$ 112,539,656</u>	<u>\$ 99,004,158</u>

a) In fiscal year 2009, the District adopted GASB Statement No. 54, Fund Balance Reporting and Fund Type Definitions, changing the titles and classifications of fund balances.

Fiscal Year

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,859,185
-	-	-	-	16,943,784
-	-	-	-	15,700,000
-	-	-	-	6,476,265
-	-	-	-	56,787,350
20,017,939	21,464,542	22,281,498	24,531,395	-
22,912,895	50,631,896	83,291,265	85,945,926	-
<u>\$ 42,930,834</u>	<u>\$ 72,096,438</u>	<u>\$ 105,572,763</u>	<u>\$ 110,477,321</u>	<u>\$ 97,766,584</u>
\$ -	\$ -	\$ -	\$ -	\$ 374,986
-	-	-	-	133,186,115
-	-	-	-	8,128,793
359,255,671	297,538,614	270,407,102	194,021,205	-
6,625,601	6,730,727	6,881,402	6,574,094	-
<u>\$ 365,881,272</u>	<u>\$ 304,269,341</u>	<u>\$ 277,288,504</u>	<u>\$ 200,595,299</u>	<u>\$ 141,689,894</u>

Financial Trend Schedule 4
 Jefferson County School District, No.R-1
 Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year		
	<u>2000</u>	<u>2001</u>	<u>2002</u>
Revenues			
Taxes	\$ 275,576,856	\$ 280,398,987	\$ 296,701,600
Intergovernmental	274,606,540	283,309,206	290,600,006
Interest	15,657,164	12,480,360	5,800,179
Other	39,288,046	42,606,199	42,320,764
Total revenues	<u>605,128,606</u>	<u>618,794,752</u>	<u>635,422,549</u>
Expenditures			
Direct instruction	343,671,305	319,062,589	335,287,629
Indirect instruction	40,138,074	104,332,068	112,558,563
Transportation	-	14,480,978	15,081,315
Custodial services	-	19,012,889	20,678,375
Field services	53,628,198	14,915,622	15,392,722
Telecommunications, networking and utilities	-	15,282,320	14,274,105
Support services	16,392,934	15,455,206	15,908,474
General administration	2,284,795	3,493,917	3,639,111
Districtwide	12,501,634	2,396,936	1,000,370
Capital outlay	138,980,598	87,807,935	64,750,148
Debt service			
Principal	30,590,000	31,975,000	33,420,000
Interest	34,153,407	32,740,950	31,172,723
Total expenditures	<u>672,340,945</u>	<u>660,956,410</u>	<u>663,163,535</u>
Excess of revenues over (under) expenditures	(67,212,339)	(42,161,658)	(27,740,986)
Other financing sources (uses)			
Certificates of participation proceeds	-	-	-
Capital lease proceeds	-	-	-
Estimated loss in market value of investments	-	-	-
Arbitrage expenses	-	-	-
General obligation bond proceeds	-	-	-
Payment to refunded escrow agent	-	-	-
Premium from bonds	-	-	-
Transfers out	(34,513,271)	(38,405,083)	(30,169,184)
Transfers in	17,947,756	18,450,819	18,657,058
Total other financing sources (uses)	<u>(16,565,515)</u>	<u>(19,954,264)</u>	<u>(11,512,126)</u>
Special Item: Supplemental Retirement Contribution	-	-	-
Net change in fund balances	<u>\$ (83,777,854)</u>	<u>\$ (62,115,922)</u>	<u>\$ (39,253,112)</u>
Debt service as a percentage of noncapital expenditures	12.1%	11.5%	10.6%

a) Prior to 2001, field services amounts included transportation, custodial services, telecommunications, networking and utilities.

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 299,934,107	\$ 304,409,919	\$ 351,941,711	\$ 352,032,843	\$ 356,019,175	\$ 376,039,826	\$ 375,892,943
310,966,205	318,211,869	321,400,360	333,560,257	346,663,583	348,630,647	360,064,341
3,089,821	2,023,751	9,924,454	13,237,590	16,617,508	14,824,519	6,230,214
44,976,788	46,339,211	47,875,643	46,436,068	41,217,685	43,162,248	41,339,653
<u>658,966,921</u>	<u>670,984,750</u>	<u>731,142,168</u>	<u>745,266,758</u>	<u>760,517,951</u>	<u>782,657,240</u>	<u>783,527,151</u>
362,594,502	363,285,730	358,618,075	377,762,106	392,101,766	410,321,635	421,454,600
118,402,775	112,680,365	115,402,442	120,459,541	119,231,799	128,922,159	136,721,737
16,461,189	16,513,997	17,027,582	18,502,815	18,898,149	21,046,842	21,630,426
22,662,070	22,739,292	23,053,952	23,956,510	24,942,750	27,375,447	26,858,804
16,641,671	16,809,203	16,600,149	17,608,414	18,584,068	19,260,767	21,002,692
15,764,323	15,940,510	16,424,892	19,606,348	17,218,062	19,441,113	19,036,775
16,386,545	17,036,206	16,297,504	17,482,207	17,755,527	19,506,311	22,895,006
2,978,076	2,016,778	2,721,353	2,716,752	3,135,039	2,666,852	3,348,044
1,179,969	828,320	678,239	662,017	735,878	1,380,883	980,999
42,385,785	37,025,914	42,507,356	91,940,532	129,343,041	109,400,964	87,808,282
35,110,000	38,625,000	36,215,000	37,935,000	39,885,000	42,600,000	44,810,000
28,609,813	28,106,178	39,781,092	36,890,523	37,562,972	38,479,744	35,439,587
<u>679,176,718</u>	<u>671,607,493</u>	<u>685,327,636</u>	<u>765,522,765</u>	<u>819,394,051</u>	<u>840,402,717</u>	<u>841,986,952</u>
(20,209,797)	(622,743)	45,814,532	(20,256,007)	(58,876,100)	(57,745,477)	(58,459,801)
11,695,000	-	-	-	38,670,000	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(2,802,549)	-	-	-	-	-	-
50,545,000	-	360,035,000	-	66,800,000	35,890,000	-
(57,471,000)	-	(104,775,000)	-	-	(37,762,766)	-
7,312,299	-	30,240,565	-	7,030,291	2,139,650	-
(33,179,406)	(32,587,152)	(27,642,544)	(30,898,320)	(30,287,445)	(33,097,312)	(35,484,341)
19,416,000	21,484,419	20,738,015	18,708,000	19,208,000	21,408,000	22,328,000
<u>(4,484,656)</u>	<u>(11,102,733)</u>	<u>278,596,036</u>	<u>(12,190,320)</u>	<u>101,420,846</u>	<u>(11,422,428)</u>	<u>(13,156,341)</u>
-	-	-	-	(36,049,258)	(2,620,742)	-
<u>\$ (24,694,453)</u>	<u>\$ (11,725,476)</u>	<u>\$ 324,410,568</u>	<u>\$ (32,446,327)</u>	<u>\$ 6,495,488</u>	<u>\$ (71,788,647)</u>	<u>\$ (71,616,142)</u>
10.0%	10.5%	11.8%	11.1%	11.1%	11.1%	10.6%

Revenue Capacity Schedule 5
 Jefferson County School District, No.R-1
 Assessed Value and Estimated Actual Value of Taxable Property,
 Last Ten Fiscal Years
 (in thousands of dollars)

Fiscal Year Ended June 30,	Residential Property (1)	Commercial Property (1)	Industrial Property (1)	Agriculture Property (1)	Natural Resources (1)
2000	\$ 2,868,753	\$ 1,351,348	\$ 396,134	\$ 16,206	\$ 5,775
2001	2,934,559	1,410,795	408,361	17,089	5,664
2002	3,548,445	1,636,541	471,096	21,551	5,934
2003	3,610,972	1,633,992	470,016	22,025	5,998
2004	3,784,449	1,744,314	506,747	23,037	7,371
2005	3,828,912	1,750,309	496,363	24,538	6,929
2006	3,935,613	1,970,232	502,297	25,275	7,971
2007	3,989,081	1,953,258	502,370	26,349	8,503
2008	4,270,101	2,174,353	564,280	30,685	8,986
2009	4,308,594	2,178,628	586,701	31,576	6,701

Source: (1) - Jefferson County Assessor annual Abstracts of Assessments
 (2) - Jefferson County Assessor Certification of Value to Jefferson County School District

Note: Assessed value as per official notice from Jefferson County Assessor. (Colorado Revised Statutes 39-1-104, 39-1-105).

<u>Public Utilities (1)</u>	<u>Total Taxable Assessed Value (1)</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value (2)</u>	<u>Assessed Value as a Percentage of Actual Value</u>
\$ 193,291	\$ 4,831,507	51.76 %	\$ 34,807,819	13.88 %
201,555	4,978,023	50.87	35,640,463	13.97
215,468	5,899,035	45.20	45,361,477	13.00
231,254	5,974,257	45.39	46,108,599	12.96
246,370	6,312,288	43.85	54,763,946	11.53
221,699	6,328,750	51.10	55,709,328	11.36
223,203	6,664,591	48.34	57,874,509	11.52
230,513	6,710,074	48.48	58,481,141	11.48
242,326	7,290,731	47.50	62,853,282	11.60
244,200	7,356,400	47.60	63,428,368	11.60



Revenue Capacity Schedule 6
 Jefferson County School District, No.R-1
 Direct and Overlapping Property Tax Rates,
 Last Ten Fiscal Years
 (rate per \$1,000 of assessed value)

Fiscal Year	School District Rates			Overlapping Rates	
	General Fund	Debt Service Fund	Total	Jefferson County	Broomfield County
2000	\$ 39.05	\$ 12.71	\$ 51.76	\$ 24.69	-
2001	38.54	12.34	50.88	24.69	-
2002	35.20	10.00	45.20	22.42	27.23
2003	35.24	10.15	45.39	23.54	27.23
2004	33.70	10.15	43.85	23.87	27.23
2005	39.85	11.25	51.10	24.35	27.24
2006	37.80	11.25	49.05	24.35	27.24
2007	37.78	11.25	49.03	24.35	27.23
2008	36.87	11.25	48.12	24.35	27.23
2009	37.03	11.25	48.28	24.35	27.23

Source: a) - Jefferson County and Broomfield Assessor annual Abstracts of Assessments

Note: The District's property tax rate may be increased only by a majority vote of the county's residents. Rates for debt service are set based on each year's requirements for bonds authorized by a majority vote of the county's residents.

The Special Revenue Fund and the Capital Project Funds have been included in the General Fund.

Revenue Capacity Schedule 7
 Jefferson County School District, No.R-1
 Principal Property Tax Payers
 Most Recent Full Calendar Year and Nine Years Ago

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Adolph Coors Company	\$ 116,554,670	1	1.6 %	\$ 125,988,790	1	2.6 %
Public Service Company	112,174,400	2	1.5	80,987,400	2	1.7
Qwest	68,643,300	3	0.9			
Lockheed Martin	56,739,100	4	0.8	66,054,500	4	1.4
Colorado Mills Limited Partnership	45,116,010	5	0.6			
SP4 Westmoor LP	39,776,690	6	0.5			
Ball Metal Beverage Container Corp	24,469,790	7	0.3			
Southwest Denver Land LLC	22,474,710	8	0.3			
Denver West Office	20,957,860	9	0.3	36,618,470	5	0.8
Belmar Mainstreet	20,506,620	10	0.3			
US West				74,846,200	3	1.6
Southwest Plaza Mall				20,555,840	6	0.4
Ball Corporation				18,081,010	7	0.4
Westminster Mall				12,801,260	8	0.3
Continuum Lakewood Realty				12,325,000	9	0.3
Cobe Laboratories				11,151,200	10	0.2
Total	<u>\$ 527,413,150</u>		<u>7.2 %</u>	<u>\$ 459,409,670</u>		<u>9.5 %</u>

Source: Jefferson County

Revenue Capacity Schedule 8
 Jefferson County School District, No.R-1
 Property Tax Levies and Collections
 Last Ten Fiscal Periods

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collected	(1) Total Tax Collections	% of Total Tax Collected to Tax Levy
2000	\$ 248,178,309	\$ 234,489,261	94.5 %	\$ 11,598,393	\$ 246,087,654	99.2 %
2001	251,226,125	235,469,913	93.7	13,622,581	249,092,494	99.2
2002	264,210,517	250,017,865	94.6	14,358,902	264,376,767	100.0
2003	271,163,790	256,050,652	94.4	12,387,911	268,438,563	99.0
2004	276,374,730	260,315,593	94.2	13,212,875	273,528,468	99.0
2005	322,746,732	306,490,187	95.0	14,333,830	320,824,017	99.4
2006	324,930,276	308,601,938	95.0	12,188,005	320,789,943	98.8
2007	328,515,387	314,407,449	95.7	11,733,893	326,141,342	99.3
2008	349,794,736	331,199,301	94.7	15,536,805	346,736,106	99.1
2009	353,658,743	333,495,499	94.3	15,482,126	348,977,625	98.7

Notes: (1) Includes General, Special Revenue, Capital Projects, and Debt Service Funds

Assessments : Jefferson County assesses and collects all District property taxes charging a collection fee of .5 percent of the gross taxes collected.

Taxes Due: General property taxes are due January 1 of each year. The first half is due on and becomes delinquent after the last day of February and the second half is due on June 15 and becomes delinquent after July 31. If the entire amount of the tax is paid at one time on or before April 30, no interest will be charged on the first half.

Delinquent Taxes and Tax Sales: Delinquent general property taxes are advertised and subject to distraint, seizure, and sale after delinquent dates. When real estate is sold for taxes, the tax, plus interest, advertising, and certificate fees, draw interest from the date of the sale.

Delinquent Taxes Outstanding: The District's delinquent tax payments are not received based upon tax year; therefore, delinquent taxes outstanding by tax year are not readily available. After the sale, real estate may be redeemed at any time within three years from the date of sale or at any time before a tax deed is issued.

Debt Capacity Schedule 9
 Jefferson County School District, No.R-1
 Ratios of Outstanding Debt by Type,
 Last Ten Fiscal Periods

Fiscal Year	Governmental Activities			Business-Type Activities
	General Obligation Bonds	Certificates of Participation	Capital Leases	Capital Leases
2000	\$ 598,709,303	\$ 16,450,000	\$ 3,658,229	\$ 1,453,289
2001	570,928,895	12,565,000	2,307,585	1,161,067
2002	541,868,460	8,535,000	1,732,500	852,101
2003	513,529,286	16,045,000	2,155,014	525,432
2004	480,392,738	10,930,000	1,422,926	180,045
2005	700,940,289	9,825,000	763,744	-
2006	664,553,474	8,700,000	362,374	-
2007	693,618,979	45,670,000	156,530	-
2008	651,955,000	43,335,000	-	-
2009	609,570,000	40,910,000	-	-

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

(a) See schedule 5 for taxable property value data.

*Not available

<u>Total Primary Government</u>	<u>Ratio of Net Bonded Debt to Assessed Value (a)</u>	<u>Net Bonded Debt Per Capita</u>	<u>Population</u>	<u>Percentage of Personal Income</u>
\$ 620,270,821	12.84%	\$ 1,177	527,056	3.6 %
586,962,547	11.79%	1,109	529,401	3.3
552,988,061	9.37%	1,042	530,821	2.7
532,254,732	8.91%	994	535,658	2.5
492,925,709	7.81%	920	535,657	2.3
711,529,033	11.24%	1,328	535,657	3.2
673,615,848	10.11%	1,251	538,556	2.9
739,445,509	11.02%	1,378	536,748	3.0
695,290,000	9.54%	1,291	538,371	2.7
650,480,000	8.84%	1,197	543,278	*



Debt Capacity Schedule 10
Jefferson County School District, No.R-1
Direct and Overlapping Governmental Activities Debt
As of June 30, 2009

	<u>Estimated Outstanding General Obligation Debt</u>	<u>Percentage Applicable to Jefferson County School District</u>	<u>Estimated Amount Applicable to Jefferson County School District</u>
<u>Direct Debt</u>			
Jefferson County School District, No. R-1	\$ 609,570,000	100%	\$ 609,570,000
<u>Overlapping Debt</u>			
Plaza Metro District No. 1	92,210,000	100%	92,210,000
Denver West Metro District	57,820,000	100%	57,820,000
South Suburban Park & Rec District	32,420,000	0.97%	314,474
Countrydale Metro District	26,750,000	100%	26,750,000
Foothills Park & Rec District	18,115,000	100%	18,115,000
APEX Park & Rec District	14,920,000	98.44%	14,687,248
Bowles Metro District	23,810,000	49.44%	11,771,664
Evergreen Park & Rec District	13,815,000	100%	13,815,000
Mount Carbon Metro District	16,000,000	100%	16,000,000
Confier Metro District	13,000,000	100%	13,000,000
Kipling Ridge Metro District	14,600,000	100%	14,600,000
Mountain Shadows Metro District	11,400,000	100%	11,400,000
West Metro Fire Protection District	41,305,000	96.08%	39,685,844
North Metro Fire Rescue District	24,425,000	1.77%	432,323
Other	<u>54,737,890</u>	100%	<u>54,737,890</u>
Total Overlapping Debt	<u>455,327,890</u>		<u>385,339,443</u>
Total Direct and Overlapping Debt	<u>\$ 1,064,897,890</u>		<u>\$ 994,909,443</u>

Note: Although the District has attempted to obtain accurate information as to the outstanding debt of such governmental entities, it does not represent its completeness or accuracy as there is no central reporting entity which has this information available and the statistics are based on information supplied by others. This table, however, should provide a reasonable representation of the overlapping debt which affects the District.

Debt Capacity Schedule 11
Jefferson County School District, No.R-1
Ratios of Net General Bonded Debt Outstanding and Legal Debt Margin,
Last Ten Fiscal Periods

	Fiscal Year			
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
General bonded debt outstanding				
General obligation debt	\$598,709,303	\$570,928,895	\$541,868,460	\$513,529,286
Percentage of estimated property value (a)	1.72%	1.60%	1.19%	1.11%
Per capita (b)	1,136	1,078	1,021	959
Less: Amounts set aside to repay general debt	<u>(48,150,652)</u>	<u>(49,600,372)</u>	<u>(48,534,818)</u>	<u>(49,985,495)</u>
Total net debt applicable to debt limit	550,558,651	521,328,523	493,333,642	463,543,791
Legal debt limit (c)	958,939,392	987,659,958	1,169,047,220	1,194,896,294
Legal debt margin (d)	<u>\$408,380,741</u>	<u>\$466,331,435</u>	<u>\$675,713,578</u>	<u>\$731,352,503</u>
Legal debt margin as a percentage of the debt limit	42.59%	47.22%	57.80%	61.21%

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

(a) Property value data can be found in Schedule 5: Taxable Assessed and Estimated Full Value of Property.

(b) Population data can be found in Schedule 9: Ratios of Outstanding Debt by Type.

(c) Colorado Revised Statute 22-42-104 limits the District's available borrowing to no more than 20% of the assessed value of property.

(d) The legal debt margin is the District's available borrowing authority calculated by subtracting the net debt applicable to the legal debt from the debt limit.

Fiscal Year

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$480,392,738	\$700,940,289	\$664,553,474	\$693,618,979	\$651,955,000	\$609,570,000
0.88%	1.26%	1.15%	1.19%	1.04%	0.96%
897	1,309	1,234	1,292	1,211	1,122
(52,208,259)	(57,407,112)	(57,623,732)	(58,083,150)	(63,022,587)	(68,924,667)
428,184,479	643,533,177	606,929,742	635,535,829	588,932,413	540,645,333
1,260,603,585	1,263,992,262	1,324,813,065	1,340,113,353	1,453,903,886	1,464,620,756
\$832,419,106	\$620,459,085	\$717,883,323	\$704,577,524	\$864,971,473	\$923,975,424
66.03%	49.09%	54.19%	52.58%	59.49%	63.09%

Demographic and Economic Information Schedule 12
 Jefferson County School District, No.R-1
 Demographic and Economic Statistics
 Last Ten Calendar Years

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level in Years of Schooling</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
1999	520,390	\$ 15,946,311	\$ 30,643	36	13.1	88,763	2.8 %
2000	527,056	17,081,358	32,409	37	13.1	87,832	2.0
2001	529,401	17,946,694	33,900	41	13.1	87,240	3.2
2002	530,821	20,280,547	38,206	42	14.5	86,613	5.1
2003	535,658	21,105,997	39,402	42	14.5	85,700	5.6
2004	531,424	21,594,414	40,635	38	14.5	85,478	4.4
2005	538,556	22,547,185	41,866	38	14.5	85,083	4.2
2006	536,748	23,445,309	43,680	39	14.5	84,790	4.2
2007	538,371	24,810,381	46,084	39	14.5	86,200	3.9
2008	543,278	25,471,483	46,885	40	14.5	84,796	4.7

Sources: Jefferson County

Demographic and Economic Information Schedule 13
 Jefferson County School District, No.R-1
 Principal Employers
 Current Year and Five Years Ago

Employer	2009				2004			
	Employees	Rank	Percentage of Total County Employment		Employees	Rank	Percentage of Total County Employment	
Denver Federal Center	6,200	1	2.93	%	5,000	3	2.38	%
Lockheed Martin Astronautics of Denver	5,500	2	2.60		5,500	2	2.62	
Exempla Healthcare/Lutheran Medical Center	2,540	3	1.20		2,600	4	1.24	
Molson Coors Brewing Company	1,950	4	0.92		5,500	1	2.62	
Gambro BCT	1,720	5	0.81		1,300	6	0.62	
King Soopers	1,550	6	0.73					
Safeway	1,410	7	0.67					
CoorsTek, Inc.	1,200	8	0.57		1,000	7	0.48	
National Renewable Energy Laboratory	1,100	9	0.52		960	8	0.46	
Ball Corporation	1,000	10	0.47					
Rocky Flats					2,500	5	1.19	
AON Innovative Solutions, Inc.					950	9	0.45	
COBE Cardiovascular					750	10	0.36	

Source: Jefferson Economic Council

Note: Numbers reflect employees in Jefferson County only. State/local government agencies not included.
 This statement was implemented in 2004 with GASB Statement 44.

Operating Information Schedule 14
Jefferson County School District, No.R-1
Full-time Equivalent District Employees by Category
Last Six Fiscal Years

Employee Category	As of June 30					
	2004	2005	2006	2007	2008	2009
Educational services						
Chief academic officer	1	1	1	1	1	1
Community superintendents	7	7	6	4	4	4
Executive director	2	1	1	5	6	6
Principals	138	138	141	141	141	141
Assistant principals	120	118	123	128	136	140
Teachers	4,600	4,508	4,656	4,693	4713	4767
Counselors	127	129	130	128	134	132
Library media specialists	139	128	127	118	130	130
Social workers	60	57	62	66	63	63
Secretaries	393	375	375	378	380	380
Campus supervisors	48	46	59	65	65	66
Directors/Assistant Directors	43	37	51	49	48	18
Physical/occupational/speech therapists	144	148	159	163	163	163
Psychologists	79	82	79	76	80	71
Nurses	28	29	28	30	32	34
Technicians/specialists classified	66	55	46	81	45	40
Childcare specialists classified	165	166	261	182	203	183
Managers	7	6	0	0	1	1
Coordinators	17	4	8	15	17	21
Other	39	19	19	16	7	48
Total educational services	6,223	6,054	6,332	6,338	6,369	6406
Support services						
Chief Financial Officer	0	1	1	1	1	1
Chief Informational Officer	0	0	0	1	2	0
Executive director	7	4	11	11	9	10
Assistant superintendent	1	1	0	0	0	0
Directors/Assistant Directors	11	31	38	40	41	37
Supervisor	8	7	6	7	7	4
Manager	33	30	40	41	42	43
Technical specialist - administrative	58	63	60	65	65	64
Coordinator level/consultant	0	18	24	34	33	26
Technicians/specialists classified	122	156	186	159	150	153
Secretaries	25	32	26	19	19	19
Custodians	496	482	490	494	497	510
Trades technicians	216	214	204	209	213	209
Food service managers	134	132	130	128	122	120
Food service hourly worker	145	135	123	134	138	145
Security officer/alarm monitor	10	10	14	16	18	18
Bus drivers	229	235	212	220	227	221
Other	42	45	50	52	73	76
Total support services and human resources	1,537	1,596	1,615	1,632	1,657	1655
Districtwide leadership						
Superintendent	1	1	1	1	1	1
Chief Operating Officer	1	1	1	1	1	1
Executive director	1	1	2	2	3	2
Administrative assistant to superintendent/BOE	0	1	0	3	5	4
Coordinator level/consultant	0	1	1	0	1	1
Manager	3	4	7	6	4	5
Secretaries	4	1	1	2	1	0
Technicians/specialists classified	1	1	3	1	0	0
Other	1	2	2	2	6	7
Total districtwide	12	13	18	17	22	21
Grand total	7,772	7,663	7,965	7,987	8,048	8083

Source: Jefferson County Schools employee management analysis from the 4th quarter report.

Operating Information Schedule 15
 Jefferson County School District, No.R-1
 Operating Statistics
 Last Seven Fiscal Years

Fiscal Year	Expenses (1)	Enrollment (2)	Cost per Pupil	Percentage Change	Teaching Staff (3)	Pupil Teacher Ratio	Graduation Rate (2)	Percent of Free and Reduced Students in the Lunch Program
2003	\$ 553,610,400	86,613	\$ 6,392	8.42%	4,695	18.45	81.8 %	25.69 %
2004	544,494,799	85,700	6,353	7.77%	4,600	18.63	76.3	28.47
2005	539,480,892	85,478	6,311	-0.66%	4,508	18.96	75.0	31.04
2006	571,792,503	85,083	6,720	6.48%	4,656	18.27	75.3	33.35
2007	582,524,925	84,790	6,870	2.23%	4,693	18.07	76.1	35.54
2008	625,381,812	84,796	7,375	7.35%	4,715	17.98	77.1	36.02
2009	654,203,800	84,643	7,729	4.80%	4,767	17.75	*	39.85

(1) Expenses and transfers from Statement of Revenues, Expenditures and Changes in Fund Balance for General Fund.

(2) Enrollment data report

(3) From the Jefferson County Schools employee management analysis 4th quarter report. Full time equivalent teaching staff only.

*Not available



Operating Information Schedule 16
Jefferson County School District, No.R-1
School Building Information
Last Six Fiscal Years

	2004	2005	2006	2007	2008	2009
Elementary schools	93	93	93	94	94	94
Total square feet	4,160,960	4,160,960	4,298,372	4,366,672	4,406,573	4,430,062
Total program capacity	41,880	41,880	41,880	42,052	43,475	44,330
Enrollment	40,060	39,123	38,806	39,023	40,532	40,053
Middle schools	19	19	19	20	20	20
Total square feet	1,924,789	1,924,789	2,001,718	2,125,023	2,150,314	2,176,013
Total program capacity	13,759	13,759	14,502	15,062	15,626	15,812
Enrollment	12,816	12,592	12,182	11,811	11,537	11,209
High schools	17	17	17	17	17	17
Total square feet	3,207,614	3,207,614	3,334,138	3,334,138	3,523,481	3,595,258
Total program capacity	24,959	24,959	25,455	26,759	27,796	28,680
Enrollment	25,199	25,282	25,293	25,042	24,623	24,108
Option schools	7	7	8	8	8	8
Total square feet	530,178	530,178	720,655	720,655	720,655	815,906
Enrollment	3,314	4,347	4,571	4,403	3,239	4,321
Charter schools	11	11	11	12	13	13
Enrollment	3,516	4,134	4,231	4,511	4,865	4,952
Districtwide facilities						
Total square feet	453,228	453,228	460,200	460,200	460,200	460,200
Support facilities						
Total square feet	419,518	419,518	419,518	419,518	419,518	419,518

Sources: Jefferson County Schools Enrollment Data
Jefferson County Schools Facilities Planning & Design: 2008-2009 Facility Assessments

Operating Information Schedule 17
 Jefferson County School District, No.R-1

Certificated staff Data - Number of certificated staff by salary level with average salaries
 Last Six Fiscal Years

Fiscal Year	Non-Degree Vocational	Bachelor's Degree	Bachelor's Degree Plus 20 semester hours (undergraduate or graduate)	Bachelor's Degree Plus 40 semester hours (undergraduate or graduate)
2004	15	772	586	1,392
2005	15	708	574	1,373
2006	17	786	566	1,566
2007	17	737	552	1,637
2008	17	755	518	1,612
2009	17	582	475	1,517

Source: Jefferson County Schools human resources and budget departments.

Note: Licensed staff includes teachers, library media specialists, counselors, psychologists, nurses, occupational therapists, physical therapists and other specialists. The data shown is by head count of employees within each level.

Bachelor's Degree Plus 60 semester hours (30 credits must be graduate level) Must include masters degree	Bachelor's Degree Plus 75 semester hours (37.5 credits must be graduate level) Must include masters degree	Salary Ranges	Average Salary
464	2,182	\$27,501 to \$82,002	\$ 50,100
449	2,250	27,707 to 82,617	50,800
524	2,199	28,542 to 85,106	51,500
566	2,372	31,162 to 87,659	53,100
567	2,358	32,408 to 91,165	55,400
535	2,499	33,283 to 93,626	57,200



Single Audit

The Single Audit Act Amendments of 1996 mandate independent financial and compliance audits of federal award programs. In addition to the required independent auditors' reports, the schedule of expenditures of federal awards and summary of findings and questioned costs are provided to support the requirements for compliance with OMB Circular A-133.



JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Single Audit

Fiscal Year Ended June 30, 2009

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**Schedule of Expenditures
of Federal Awards**

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
Schedule of Expenditures of Federal Awards
Expenditures July 1, 2008 through June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
<u>U.S Department of Agriculture</u>			
Passed through Colorado Department of Education:			
National school breakfast program June 30, 2009	10.553		1,396,027
National school lunch program June 30, 2009	10.555		8,354,569
Summer food service program for children June 30, 2009	10.559		88,699
Child nutrition cluster subtotal			9,839,295
Agency subtotal			9,839,295
<u>U. S. Department of Education</u>			
Direct:			
Indian education-formula grants to LEA and tribal schools	84.060a	4060	120,906
Community Service-Title VII-A	84.184	5184	85,691
Fund for improvement of education	84.215	5215/6215	720,822
Twenty-First century community learning	84.287	5287	693,432
Total direct			1,620,851
Passed through Colorado Department of Education:			
Individuals with disabilities education act-part B basic state grants	84.027	4027	13,359,924
Individuals with disabilities education act-preschool services	84.173	4173	367,658
Special education cluster subtotal			13,727,582
Adult education-state administered basic grant program	84.002	6002	204,201
Title I grants to local education agencies	84.010	4010/5010/6010/7010	10,699,360
Migrant education – basic state grant program	84.011	4011	610,611
Neglected/delinquent - Title I-D	84.013	4013	-
Safe and drug free schools – state grants	84.186	4186	207,946
Education for homeless children and youth	84.196	5196	40,000
Public charter schools	84.282	5282	194,516
Goals 2000-parental assistance	84.310	6310	11,947
Colorado high school online-technology literacy challenge	84.318	4318	83,319
Advanced Placement Test Fee Program - ESCAPE	84.330		4,205
English language acquisition, language enhancement, and academic achievement	84.365	4365/7365	578,678
Title II-B - Math and Science	84.366	5366	160,296
Title II, Part A: (NCLB) teacher and principal training and recruiting fund	84.367	4367/6367	2,357,098
Violence prevention	84.929	6929	28,265
Passed through Colorado Community College and Occupational: Educational			
Vocational and applied technology education-basic state grants	84.048a	4048	449,092
Passed through Colorado Department of Human Services:			
Rehabilitation services – vocational rehabilitation grants to states (SWAP)	84.126	6126	338,196
Passed through.....			
National Science Foundation	47.076	7076	8,309
Agency subtotal			31,324,472

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1
 Schedule of Expenditures of Federal Awards
 Expenditures July 1, 2008 through June 30, 2009

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
<u>Corporation for National and Community Service</u>			
Passed through Colorado Department of Local Affairs: AmeriCorp	94.006	7006	<u>65,163</u>
<u>U.S. Department of Veteran Affairs</u>			
Learn and serve America:school and community based programs	94.004	7004/8004	<u>7,700</u>
Total expenditures of federal awards			<u>\$ 41,236,630</u>



JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Notes to Schedule of Expenditures of Federal Awards

June 30, 2009

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal award programs of the Jefferson County School District, No. R-1, Colorado (the District). The District's reporting entity is defined in note (1) to the District's basic financial statements.

(2) Basis of Accounting

The accompanying Schedule is presented using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary funds, which is described in note (1)(D) to the District's basic financial statements. The Federal financial reports that are submitted to the grantors are prepared on the cash basis and may not agree to this schedule.

(3) Noncash Programs

Commodities donated to the District by the U. S. Department of Agriculture (USDA) of \$1,344,642 are valued based on the USDA's Donated Commodity Price List. These are shown as part of the National School Lunch program (10.555).

(4) Reconciliation to basic financial statements

Federal awards received directly from federal agencies as well as federal awards passed through other governmental agencies are included on the Schedule.

The following analysis reconciles amounts in the accompanying Schedule to the District's basic financial statements of the special revenue funds for the year ended June 30, 2009.

Reconciliation of Expenditures

Schedule of Expenditures of Federal Awards

Total federal expenditures	\$ 41,236,630
Less: USDA *	<u>(9,839,295)</u>
	<u>\$ 31,397,335</u>

Special Revenue Funds

Total expenditures from basic financial statements	\$ 58,409,334
Less: Nonfederal grants expenditures	<u>(27,011,999)</u>
	<u>\$ 31,397,335</u>

* The activities relating to USDA are included in the Food Services Enterprise Fund.



**Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance
with Government Auditing Standards**

Board of Education
Jefferson County Public School District No. R-1
Jefferson County, Colorado

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County Public School District No. R-1 (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 30, 2009. As discussed in note 1 (P) to the basic financial statements, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

We noted certain matters that we reported to management of the District in a separate letter dated October 30, 2009.

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

Clifton Henderson LLP

Greenwood Village, Colorado
October 30, 2009

**Independent Auditor's Report on Compliance With Requirements
Applicable to Each Major Program and on Internal Control
Over Compliance in Accordance With OMB Circular A-133**

Board of Education
Jefferson County Public School District No. R-1
Jefferson County, Colorado

Compliance

We have audited the compliance of Jefferson County Public School District No. R-1 (the District) with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2009-1.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 entity's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2009-1 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weaknesses.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

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

Clifton Henderson LLP

Greenwood Village, Colorado
October 30, 2009

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Schedule of Findings and Questioned Costs
Fiscal year ended June 30, 2009

PART I

(1) Summary of Auditors' Results

- (a) The type of report issued on the basic financial statements: UNQUALIFIED OPINION
- (b) Significant deficiencies in internal control disclosed by the audit of the basic financial statements: NONE REPORTED

Material weaknesses: NO

- (c) Noncompliance which is material to the basic financial statements: NO
- (d) Significant deficiencies in internal control over major programs: YES

Material weaknesses: NO

- (e) The type of report issued on compliance for major programs: UNQUALIFIED OPINION
- (f) Any audit findings which are required to be reported under section .510(a) of OMB Circular A-133: YES

(g) Major programs:

Title I Grants to Local Education Agencies	84.010
Title II Improving Teacher Quality State Grants	84.367

- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$1,237,099
- (i) Auditee qualified as a low-risk auditee under section .530 of OMB Circular A-133: YES

(2) Findings Relating to the Basic Financial Statements Reported in Accordance with *Government Auditing Standards*: NONE REPORTED

(3) Findings and Questioned Costs relating to Federal Awards in the Current Year: YES

(4) Findings and Questioned Costs relating to Federal Awards in the prior fiscal year: YES

PART II – Findings Related to Financial Statements

There were no findings required to be reported under generally accepted government auditing standards.

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Schedule of Findings and Questioned Costs
Fiscal year ended June 30, 2009

PART III – Federal Award Findings and Questioned Costs

Pass through Colorado Department of Education

Finding 2009-1 CFDA #84.010 Title I – Part A – Grants to Local Education Agencies

Allowable Activities/Costs
Significant Deficiency and Noncompliance

Criteria: Per A-102 Common Rule, “non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred.” In addition, “when a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded.”

Per EDGAR Part 85 Subpart, “When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking the EPLS; or
- (b) Collecting a certification from that person if allowed by this rule; or
- (c) Adding a clause or condition to the covered transaction with that person.”

Condition: Contracts were not reviewed for suspension and debarment.

Effect: The District may be executing contracts with suspended or debarred parties.

Questioned Costs: None

Context: Fourteen contracted services transactions were selected for testing. The fourteen contracted services transactions were made up of ten purchase orders and/or contracts. Of the ten contracts three were not reviewed for suspension and debarment.

Cause: Lack of understanding of the compliance requirement.

Recommendation: Revise procurement controls to ensure all purchase orders and contracts, whether new or existing, to be paid with federal funding are appropriately identified and that the vendors are examined to ensure the District is not contracting with suspended or debarred parties.

Managements Responses: Purchasing is aware of the requirement of checking the Excluded Parties List prior to making an award on Federal grant funded projects of \$25,000 or greater. Of the three transactions noted during the audit, one transaction was prior to staff receiving training and becoming aware of the requirement. On the other transaction it was an oversight that the screenshot was not in the file. It has been discussed with staff the

JEFFERSON COUNTY SCHOOL DISTRICT, NO. R-1

Schedule of Findings and Questioned Costs Fiscal year ended June 30, 2009

importance of having that documentation in the file prior to award. The third transaction was handled by another department and the contract did not come through purchasing. We will continue to train staff and monitor during the year on contracts that are awarded through Purchasing. We have also incorporated language into our contracts and PO terms for grants that incorporate the language that awards will not be made to vendors on the Excluded Parties List.

Finding 2008-1 CFDA #84.010 Title I – Part A – Grants to Local Education Agencies

Significant Deficiency

Criteria: During our testing of allowable costs at Jefferson County School District, it was noted that contract services were not reviewed for suspension and debarment. Of the four contract services tested, three were not reviewed for suspension and debarment.

Status: This finding is repeated as 2009-1.

Finding 2008-2 CFDA #84.367 Title II Improving Teacher Quality State Grants

Significant Deficiency

Summary: During our testing of cash draws at Jefferson County School District, it was noted that for the month of March 2008, the draw request was incorrect and this error was not noted by the District but by the Colorado Department of Education (CDE). It was further noted that two later revisions of the same draw request did not correct the error. A lack of review of draw requests, understanding, and lack of supportive documentation may have contributed to this finding.

Status: Implemented.



Colorado Department of Education
Auditor's Electronic Financial Data
Integrity Check Figures

The Auditor's Electronic Financial Data Integrity Check Figures is a fiscal year report of each fund according to the provisions of section 22-44-204(3), Colorado Revised Statutes (C.R.S.), concerning the use of the Financial Policies and Procedures Handbook adopted by the State Board of Education. C.R.S. 29-1-603



11/11/2009
10:40 AM

Colorado Department of Education
Fiscal Year 2008-2009
Colorado School District/BOCES
Auditor's Integrity Report

JEFFERSON JEFFERSON COUNTY R-1
District Code: 1420

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	110,477,323	606,008,722	618,719,461	97,766,584
18 Risk Mgmt Sub-Fund of General Fund	-0	7,039,300	7,039,300	0
19 Colorado Preschool Program Fund	0	3,867,041	3,867,041	0
Subtotal	110,477,323	616,915,063	629,625,802	97,766,584
11 Charter School Fund	8,910,662	42,411,176	42,028,203	9,293,635
20,26-29 Special Revenue Fund	0	0	0	0
21 Capital Reserve Spec Revenue Fund	0	0	0	0
22 Govt Designated-Purpose Grants Fund	1,357,569	34,188,308	34,402,951	1,142,927
23 Pupil Activity Special Revenue Fund	9,036,855	24,133,782	24,006,383	9,164,254
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
30 Debt Service Fund	0	0	0	0
31 Bond Redemption Fund	63,022,586	81,551,044	75,648,963	68,924,667
41 Building Fund	49,959,420	448,667	50,408,087	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	77,218,871	24,040,287	38,801,112	62,458,046
TOTALS	319,983,286	823,688,327	894,921,500	248,750,113
Proprietary				
51 Food Service Fund	8,220,540	23,237,032	23,425,177	8,032,395
50 Other Enterprise Funds	7,409,086	12,719,190	11,905,924	8,222,353
64 (63) Risk-Related Activity Fund	5,983,030	1,195,135	229,553	6,948,612
60,65-69 Other Internal Service Funds	19,079,790	4,477,953	1,228,414	22,329,329
TOTALS	40,692,447	41,629,310	36,789,068	45,532,689
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
TOTALS	0	0	0	0

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