

cPa DIXON, WALLER & CO., INC.

BACA COUNTY SCHOOL

DISTRICT RE-4

SPRINGFIELD, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2016



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DIXON, WALLER & CO., INC.

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BACA COUNTY SCHOOL DISTRICT RE-4

FINANCIAL STATEMENTS

June 30, 2016

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BACA COUNTY SCHOOL DISTRICT RE-4
ROSTER OF SCHOOL OFFICIALS
June 30, 2016

BOARD OF EDUCATION

Larry Duncan	President
Rick Birdsong	Vice-President
Kay Maes	Secretary
Tyler Gibson	Treasurer
Clinton Arbuthnot	Member-Director

SCHOOL OFFICIALS

Richard Hargrove	Superintendent
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FINANCIAL SECTION

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TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT

Board of Education
Baca County School District RE-4
Springfield, Colorado 81073

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District Number RE-4, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District Number RE-4, as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension trend data on pages i through viii and 33 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Baca County School District Number RE-4's basic financial statements. The combining and individual fund financial statements, other schedules and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, other schedules and state required schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, other schedules and state required schedules, are fairly stated, in all material respect, in relation to the basic financial statements as a whole.

Rayon, Waller & Co., Inc.

Trinidad, Colorado
December 8, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

SPRINGFIELD SCHOOL DISTRICT RE-4

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2016

This Management's Discussion and Analysis (MD&A) of Springfield School District RE-4 is an element of the new reporting for the Governmental Accounting Standard Board (GASB) in their Statement No. 34, Basic Financial Statements for State and Local Governments, issued June 1999. This discussion provides an overall review of the District's financial activities for the fiscal year ended June 30, 2016. The intent of this report is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the District's financial statements following this section.

The District was required to implement GASB 68 in 2015. The net pension liability was \$5,811,557 at June 30, 2016. Under GASB 68 the District's proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association, is recorded as a liability of the District. At implementation beginning equity was restated and deferred inflows, outflows and the net pension liability were reported. Beginning net position of governmental activities decreased as a result of this change.

FINANCIAL HIGHLIGHTS

The District's total combined assets were \$3,820,267.00 as of June 30, 2016. The District's total liabilities were \$6,088,269.00 which included a total net pension liability of \$5,811,557.00 (due to GASB 68 required reporting). The District's Net Investment in Capital Assets as of June 30, 2016, was \$1,815,610.00

The total cost of the Districts' programs increased from last year (2016), and no new programs were added for 2017.

The General Fund reported a fund balance of \$1,663,947.00 at the close of the fiscal year 2015 – 2016 which was \$294,334.00 higher than the previous year. The district strives to limit the spending of their reserves; which will eventually deplete the reserves.

OVERVIEW OF FINANCIAL STATEMENTS

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is normally provided in this document. Since this is the first presentation of management's discussion and analysis, no comparison data is provided. The School Districts' basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

SPRINGFIELD SCHOOL DISTRICT RE-4

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016

DISTRICT-WIDE FINANCIAL STATEMENTS

The district-wide statements report information about the District as a whole using accounting methods similar to those used in private sector companies. The statement of net position includes all of the government's assets, liabilities and deferred flows.

The district-wide statements report the Districts' net position and how it has changed. Net position is the difference between the Districts' assets, liabilities and deferred flows is one way to measure the District's financial health or position. Increases or decreases in the Districts' net position could indicate whether the district's financial health is improving or deteriorating. One needs to consider additional factors such as changes in the District's tax base, changes in student enrollment and the condition of school buildings.

The district-wide statements are divided into two categories: Governmental activities and Business-type Activities.

Governmental activities: Most of the Districts' basic services are included here, such as instruction, transportation, maintenance and operations, and administration. State funding from equalization and property taxes finances most of these activities. This information is comprised of all of the following Springfield School District funds – general fund, preschool fund, lunch fund, capital reserve fund, activity fund and special revenue funds.

Business-type activities: Activities for which the District charges fees to recover the costs of services it provides are recorded in enterprise funds. The District currently has no business-type activities.

FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the Districts' funds, focusing on its most significant funds or "major" funds, not the District as a whole. Fund financial statements are designed to demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other governments, uses fund accounting to ensure and demonstrate compliance. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds

Governmental Funds: Most of the District's basic services are reported in governmental funds, which generally focus on the determination of financial position and change in financial position, not on income determination. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the District's operations and the services it provides. The food service fund is now included in governmental funds. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or

SPRINGFIELD SCHOOL DISTRICT RE-4

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2016

differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

NOTES TO THE FINANCIAL STATEMENTS

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

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The Districts' total net position on June 30, 2016 was \$(1,788,631.00). Of the District's \$3,820,267.00 in assets, 48% reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment).

SPRINGFIELD SCHOOL DISTRICT RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016

Table 1:

NET POSITION	2016			2015		
	Governmental	Business Type	Total	Governmental	Business Type	Total
	Activities	Activities		Activities	Activities	
ASSETS						
Current and Other Assets	2,004,657	-		1,720,621	-	
Capital Assets	1,815,610	-		1,906,814	-	
Total Assets	3,820,267	-	3,820,267	3,627,435	-	3,627,435
DEFERRED OUTFLOW OF RESOURCES						
	809,735	-	809,735	255,985	-	255,985
LIABILITIES						
Current and Other Liabilities	257,399	-		274,610	-	
Long Term Liabilities	19,313	-		24,431	-	
Net Pension Obligation	5,811,557	-		5,491,966	-	
Total Liabilities	6,088,269	-	6,088,269	5,791,007	-	5,791,007
DEFERRED INFLOW OF RESOURCES						
	330,364	-	330,364	334	-	334
NET POSITION						
Net Investment in Capital Assets	1,815,610	-		1,906,814	-	
Restricted for:						
Tabor Reserve	97,000	-		79,000	-	
Multi Year Obligations	-	-		-	-	
Preschool	34,563	-		60,266	-	
Insurance	-	-		-	-	
Food Service	40,773	-		42,238	-	
Unrestricted	(3,776,577)	-		(3,996,239)	-	
	(1,788,631)	-	(1,788,631)	(1,907,921)	-	(1,907,921)

SPRINGFIELD SCHOOL DISTRICT RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016

Changes in Net Position	2016			2015		
	Governmental	Business Type	Total	Governmental	Business Type	Total
	Activities	Activities		Activities	Activities	
Revenues						
Charges for Services	99,402	-	99,402	74,291	-	74,291
Operating Grants and Contributions	655,109	-	655,109	302,460	-	302,460
Capital Grants and Contributions	-	-	-	-	-	-
Property taxes	699,352	-	699,352	642,806	-	642,806
Specific Ownership Taxes	81,931	-	81,931	80,210	-	80,210
Equalization	1,865,088	-	1,865,088	1,798,543	-	1,798,543
Earnings on Investments	4,656	-	4,656	1,790	-	1,790
Other Revenues	26,624	-	26,624	3,974	-	3,974
Transfers	-	-	-	-	-	-
TOTAL REVENUES	3,432,162	-	3,432,162	2,904,074	-	2,904,074
Expenses						
Instructional services	1,740,172	-	1,740,172	2,090,493	-	2,090,493
Students	135,112	-	135,112	157,019	-	157,019
Instructional staff	52,178	-	52,178	56,867	-	56,867
District administration	125,148	-	125,148	147,913	-	147,913
School administration	169,003	-	169,003	174,751	-	174,751
Business	63,528	-	63,528	69,247	-	69,247
Operation and maintenance of facilities	585,035	-	585,035	445,642	-	445,642
Transportation	140,794	-	140,794	177,605	-	177,605
Central	45,030	-	45,030	31,004	-	31,004
Capital outlay	-	-	-	-	-	-
Interest	-	-	-	275	-	275
Amortization of Pension Cost	234,258	-	234,258	31,422	-	31,422
Food Service	161,001	-	161,001	162,874	-	162,874
TOTAL EXPENSES	3,451,259	-	3,451,259	3,545,112	-	3,545,112
Increase (Decrease) in Net Position	(19,097)	-	(19,097)	(641,038)	-	(641,038)

The Districts' total revenues were \$3,432,162.00. A significant portion (54%) of the revenue comes from state aid (equalization) while (22%) comes from federal sources, other state aid and charges for services, (23%) from local property taxes and the remaining (less than 1%) from other sources. The total cost of all programs and services \$3,451,259.00. The bulk of these expenses (92%) were spent on instruction and supporting services.

SPRINGFIELD SCHOOL DISTRICT RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016

GOVERNMENTAL ACTIVITIES

The table below illustrates the total cost of the district's major services. It also shows the net costs of these services. (Net cost would include all expenses for the particular service less any revenue received for the service).

The majority of the cost for these services is financed with state equalization and property taxes.

Table - 3 Governmental Activities by Major Function

	2016		2015	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instructional services	1,740,172	1,445,643	2,090,493	1,885,445
Students	135,112	135,112	157,019	157,019
Instructional staff	52,178	52,178	56,867	56,867
District administration	125,148	125,148	147,913	147,913
School administration	169,003	169,003	174,751	174,751
Business	63,528	63,528	69,247	69,247
Operation and maintenance of facilities	585,035	304,323	445,642	442,266
Transportation	140,794	119,055	177,605	154,131
Central	45,030	45,030	31,004	31,004
Capital outlay	-	-	-	-
Interest	-	-	275	275
Amortization of Pension Cost	234,258	234,258	31,422	31,422
Food Service	161,001	3,470	162,874	18,021
Total	3,451,259	2,696,748	3,545,112	3,168,361

SPECIAL REVENUE ACTIVITIES

The food service fund is a special revenue fund. This program had revenues of \$157,565.00 and expenses of \$158,878.00. The District's lunch program is a recipient of federal food commodities and is greatly impacted when these commodities are not available to the district. The Food Service Fund was not subsidized by any General Fund money in 2015 - 2016. The district participates in the National School Lunch Program and receives reimbursement for the meals that are served. In 2004-2005 the district implemented a breakfast program that is also included in the National School Lunch Program.

FINANCIAL ANALYSIS OF THE DISTRICTS' FUNDS

SPRINGFIELD SCHOOL DISTRICT RE-4
 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2016

State funding (equalization) for the General Fund and Colorado Preschool Project Fund is based on pupil count. Equalized funding (the per pupil amount set by Colorado Department of Education funded with local property tax and state aid) increased for 2015-2016. Those students enrolled in preschool who qualify for the Colorado Preschool Project program and those students enrolled in full day Kindergarten are funded at one-half of the per pupil rate. All other students enrolled in the district are funded at 100% of the per pupil rate. There were 307 students enrolled in Springfield School District RE-4 on October 1, 2015.

GENERAL FUND BUDEETARY HIGHLIGHTS

Over the course of the year the District did not revise its budget. Actual expenditures (\$2,972,797.00) were below the budgeted amounts. Actual revenues (\$3,267,131.00) were greater than the budgeted amount. The district continues to maintain frugal spending habits in an effort to spend only the money that is collected in a year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The District's investment in capital assets for its governmental and business-type activities as of June 30, 2016 amounts to \$1,815,610.00.

Table 4

Springfield School District Capital Assets (Net of Depreciation)						
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2016	June 30, 2016	June 30, 2016
Buildings & Site						
Improvements	1,624,670	0	1,624,670	1,495,982	0	1,495,982
Equipment & Vehicles	337,404	0	337,404	319,628	0	319,628
Total Capital Assets	1,962,074	0	1,962,074	1,815,610	0	1,815,610

SPRINGFIELD SCHOOL DISTRICT RE-4

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2016

LONG-TERM DEBT

The District is responsible for future compensated absences (sick leave, vacation allowances, etc.). The amount due as of June 30, 2016 is \$19,313.00, which is 21% lower than last year.

ECONOMIC FACTORS AND NEXT YEARS' BUDGETS AND RATES

The budget for 2016-2017 will be impacted by a slight increase in enrollment, an increase in staffing, an increase in minimum wage, utility costs and the rising percentage that the District pays to the Public Employees Retirement Account (PERA). The negative factor will continue to lower the per pupil factor. The District is committed to keeping the base salary for certified employees to a level equal to or above the other districts in the area in order to obtain quality instructors. The District's goal is to monitor spending in the district to eliminate future years of spending more than the district receives.

The Gallagher Amendment ratchets down local property taxes. The TABOR Amendment keeps property taxes down; Amendment 23 sets requirements for increasing school funding. In 2009, Amendment 23 was reinterpreted and allowed the legislature to cut funding from one year to the next. This negative factor is responsible for a reduction in per pupil funding. With increased school funding required and declining property taxes, the state is required to make up the differences on both ends.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. We understand that all of your questions may not have been answered in this report; therefore, we invite you to contact the Springfield School District Office at 389 Tipton Street, Springfield, Colorado, 719-523-6654. You may talk directly to the Superintendent, Richard Hargrove or the Business Manager, Missy Corn.

BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT RE-4
STATEMENT OF NET POSITION
June 30, 2016

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
Cash	492,132	492,132
Investments	1,409,287	1,409,287
Accounts Receivable	8,214	8,214
Accrued Revenue	10,304	10,304
Property Taxes Receivable	66,820	66,820
Inventories	3,801	3,801
Prepaid Assets	14,099	14,099
Capital Assets	4,902,435	4,902,435
Accumulated Depreciation	<u>(3,086,825)</u>	<u>(3,086,825)</u>
<u>Total Assets</u>	<u>3,820,267</u>	<u>3,820,267</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
Deferred Pension Cost – Plan	570,887	570,887
Deferred Pension Cost – Entity	87,133	87,133
Deferred Pension Cost – Contributions Subsequent to Pension Measurement Date	<u>151,715</u>	<u>151,715</u>
<u>Total Deferred Outflows of Resources</u>	<u>809,735</u>	<u>809,735</u>
 <u>LIABILITIES</u>		
Accounts Payable	6,828	6,828
Accrued Salaries and Benefits	249,632	249,632
Grant Amounts Received in Advance	939	939
Compensated Absences	19,313	19,313
Net Pension Liability	<u>5,811,557</u>	<u>5,811,557</u>
<u>Total Liabilities</u>	<u>6,088,269</u>	<u>6,088,269</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>		
Deferred Pension Cost – Plan	82,369	82,369
Deferred Pension Cost - Entity	<u>247,995</u>	<u>247,995</u>
<u>Total Deferred Inflows</u>	<u>330,364</u>	<u>330,364</u>
 <u>NET POSITION</u>		
Net Investment in Capital Assets	1,815,610	1,815,610
Restricted for:		
TABOR Reserve	97,000	97,000
Preschool	34,563	34,563
Food Service	40,773	40,773
Unrestricted	<u>(3,776,577)</u>	<u>(3,776,577)</u>
<u>TOTAL NET POSITION</u>	<u>(1,788,631)</u>	<u>(1,788,631)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-4
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

		Program Revenues			in Net Position	
		Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Total
<u>Expenses</u>						
Instructional Services	1,740,172	41,773	252,756	-	(1,445,643)	(1,445,643)
Supporting Services:						
Students	135,112	-	-	-	(135,112)	(135,112)
Instructional Staff	52,178	-	-	-	(52,178)	(52,178)
District Administration	125,148	-	-	-	(125,148)	(125,148)
School Administration	169,003	-	-	-	(169,003)	(169,003)
Business	63,528	-	-	-	(63,528)	(63,528)
Operation & Maintenance of Facilities	585,035	2,946	277,766	-	(304,323)	(304,323)
Transportation	140,794	-	21,739	-	(119,055)	(119,055)
Central	45,030	-	-	-	(45,030)	(45,030)
Community	-	-	-	-	-	-
Food Service	161,001	54,683	102,848	-	(3,470)	(3,470)
Capital Outlay	-	-	-	-	-	-
Pension Cost	234,258	-	-	-	(234,258)	(234,258)
<u>Total Governmental Activities</u>	<u>3,451,259</u>	<u>99,402</u>	<u>655,109</u>	<u>-</u>	<u>(2,696,748)</u>	<u>(2,696,748)</u>
<u>Total School District</u>	<u>3,451,259</u>	<u>99,402</u>	<u>655,109</u>	<u>-</u>	<u>(2,696,748)</u>	<u>(2,696,748)</u>
<u>General Revenues</u>						
Property Taxes Levied for General Purposes		699,352			699,352	
Specific Ownership Taxes		81,931			81,931	
Equalization		1,865,088			1,865,088	
Earnings on Investments		4,656			4,656	
Other Revenues		26,624			26,624	
<u>Total General Revenues</u>		<u>2,677,651</u>			<u>2,677,651</u>	
<u>Change in Net Position</u>		<u>(19,097)</u>			<u>(19,097)</u>	
<u>Net Position, Beginning</u>		<u>(1,907,921)</u>			<u>(1,907,921)</u>	
<u>Prior Period Adjustment</u>		<u>138,387</u>			<u>138,387</u>	
<u>Net Position, Ending</u>		<u>(1,788,631)</u>			<u>(1,788,631)</u>	

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

BACA COUNTY SCHOOL DISTRICT RE-4
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS:</u>			
Cash	443,592	48,540	492,132
Investments	1,409,287	-	1,409,287
Accounts Receivable	4,902	3,312	8,214
Accrued Revenue	10,304	-	10,304
Due from Other Funds	-	-	-
Property Taxes Receivable	66,820	-	66,820
Prepaid Insurance	14,099	-	14,099
Inventories	-	3,801	3,801
<u>Total Assets</u>	<u>1,949,004</u>	<u>55,653</u>	<u>2,004,657</u>
<u>LIABILITIES:</u>			
Accounts Payable	6,828	-	6,828
Accrued Salaries and Benefits	238,553	11,079	249,632
Due to Other Funds	-	-	-
Grant Amounts Received in Advance	939	-	939
<u>Total Liabilities</u>	<u>246,320</u>	<u>11,079</u>	<u>257,399</u>
<u>DEFERRED INFLOW OF RESOURCES:</u>			
Property Tax	38,737	-	38,737
<u>FUND BALANCES:</u>			
Nonspendable			
Inventories and Prepaids	14,099	3,801	17,900
Restricted:			
Emergency Reserve	97,000	-	97,000
Food Service	-	40,773	40,773
Preschool	34,563	-	34,563
Committed:			
Insurance	53,271	-	53,271
Unassigned	1,465,014	-	1,465,014
<u>Total Fund Balances</u>	<u>1,663,947</u>	<u>44,574</u>	<u>1,708,521</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>	<u>1,949,004</u>	<u>55,653</u>	<u>2,004,657</u>

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

BACA COUNTY SCHOOL DISTRICT RE-4
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2016

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

<u>Total Fund Balance – Governmental Funds</u>	1,708,521
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$4,902,435 and the accumulated depreciation is \$3,086,825.	1,815,610
Property tax revenue is recognized when earned (claim to resources established) rather than when “available.” None of the deferred property tax revenue is available in the funds.	38,737
Compensated absences are not reported as a liability in the funds.	(19,313)
Net pension liability, along with associated deferred flow, are not recorded at the fund level:	
Net Pension Liability	(5,811,557)
Deferred Outflows	809,735
Deferred Inflows	<u>(330,364)</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>(1,788,631)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2016

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>			
Property Taxes	691,126	-	691,126
Specific Ownership Taxes	81,931	-	81,931
Earnings on Investments	4,622	34	4,656
Other Local Sources	349,868	54,683	404,551
State Aid	2,030,733	2,972	2,033,705
Federal Aid	<u>108,851</u>	<u>99,876</u>	<u>208,727</u>
<u>Total Revenues</u>	<u>3,267,131</u>	<u>157,565</u>	<u>3,424,696</u>
 <u>EXPENDITURES</u>			
Current:			
Instructional Services	1,675,434	-	1,675,434
Supporting Services:			
Students	135,112	-	135,112
Instructional Staff	52,178	-	52,178
District Administration	125,148	-	125,148
School Administration	169,003	-	169,003
Business	63,528	-	63,528
Operation & Maintenance of Facilities	592,568	-	592,568
Transportation	114,796	-	114,796
Food Service	-	158,878	158,878
Central	45,030	-	45,030
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Capital Outlay	-	-	-
<u>Total Expenditures</u>	<u>2,972,797</u>	<u>158,878</u>	<u>3,131,675</u>
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	 <u>294,334</u>	 <u>(1,313)</u>	 <u>293,021</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>NET CHANGE IN FUND BALANCES</u>	 294,334	 (1,313)	 293,021
 <u>FUND BALANCES – BEGINNING</u>	 <u>1,369,613</u>	 <u>45,887</u>	 <u>1,415,500</u>
 <u>FUND BALANCES – ENDING</u>	 <u>1,663,947</u>	 <u>44,574</u>	 <u>1,708,521</u>

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

BACA COUNTY SCHOOL DISTRICT RE-4
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2016

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

Net Change in Fund Balances – Total Governmental Funds 293,021

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

	19,680	
Capital Outlays more than \$1,000		
Loss on Disposition	(760)	
Depreciation Expense	<u>(110,124)</u>	(91,204)

Property tax revenues are not recognized for amounts levied and due but not “available” at year end and are reported as deferred inflows in the governmental funds. They are, however, recorded as revenues in the statement of activities. 8,226

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount paid). During the year, compensated absences changed by this amount. 5,118

The increase in net pension liability, along with the changes and amortizations of deferred flows associated with the net pension liability are not recorded at the fund level:

Pension Cost		<u>(234,258)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (19,097)

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

BACA COUNTY SCHOOL DISTRICT RE-4
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
June 30, 2016

	<u>Student Activities Fund</u>
<u>ASSETS</u>	
Cash	58,098
Investments	-
<u>Total Assets</u>	<u>58,098</u>
 <u>LIABILITIES</u>	
Due to Student Groups	58,098
Accounts Payable	-
<u>Total Liabilities</u>	<u>58,098</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Baca County School District RE-4 (the District) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

The District operates under an elected Board of Education with five members.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Baca County School District RE-4. 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 (as amended by Statements No. 34, No. 39 and No. 61), *"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.

This District is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basic financial statements present the District (the primary government) and its component units.

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. 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 instead as general revenues.

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

C. 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. 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.

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Amounts reported as program revenues included 1) charges to customers or applicants for goods, services or privileges provided 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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. Revenues are considered to be available if collected within 60 days after year-end.

Property and automotive ownership taxes are reported as receivables and deferred inflows when levied and as revenues when due for collection in the following year and determined to be available.

Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts.

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.

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 position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

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.

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. 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, deferred flows, 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

- 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.

Additionally, the District reports the following fund type: Trust and Agency

The Student Activity Fund – this fund is used to account for the activities of student clubs and organizations held in a fiduciary capacity by the District.

E. Cash and Investments

Cash represents amounts on deposit with financial institutions or held by the District. 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, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

F. Receivables

Property taxes levied in 2015 but uncollected in 2016 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2016 are recorded as deferred inflows in the fund financial statements, and are presented net of an allowance for uncollectible taxes. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued).

G. Inventories

Materials and supplies inventories are stated at cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. Purchased inventories are stated at 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.

H. 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 in governmental funds. However, the District does capitalize interest on the construction of capital assets in business-type activities.

The monetary threshold for capitalization of assets is \$1,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-50 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Obligations

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 government activities, business-type activities, or proprietary fund type statement of net position.

The District records long-term debt of governmental funds at the face value. Notes payable and capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

K. 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.

In November of 1996 the registered voters approved a ballot resolution authorizing Baca County School District RE-4 to collect, retain and expend (during 1996 and beyond) all revenues from any source provided that no property tax mill levy be increased or any new tax imposed without the consent of the voters.

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. As of June 30, 2016 the District reserved \$97,000 for this purpose.

Spending and revenue limits are determined based on the prior fiscal year's spending adjusted for inflation in the prior calendar year plus annual increases in funded student enrollment. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions.

BACA COUNTY SCHOOL DISTRICT RE-4
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2015 property tax calendar for Baca County was as follows:

Levy Date	December 15, 2015
Lien Date	January 1, 2016
Tax Bills Mailed	January 1, 2016
First Installment Due	February 28, 2016
Second Installment Due	June 15, 2016
If Paid in Full, Due	April 30, 2016
Tax Sale – 2014 Delinquent Property Taxes	October 25, 2015

M. Accumulated Sick Leave

District policy allows for the accumulation of staff leave. Staff with five years of service are paid an amount of money equal to their number of unused leave days in excess of five times \$25 per day when there is a separation from service.

Compensated absences are reported as non-current liabilities in the government-wide financial statements. As of June 30, 2016, the District has recorded an estimated liability of \$19,313 relating to accrued sick leave payable.

A summary of changes in compensated absences is as follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
Accumulated Sick Leave	<u>24,431</u>	<u>—</u>	<u>5,118</u>	<u>19,313</u>

N. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Interest Expense

All interest expense has been reported as unallocated in the Government-wide financial statements.

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The District's Committed Fund Balance is fund balance reporting required by the School Board, either because of a School Board Policy in the School Board Policy Manual, or because of motions that passed at School Board meetings.

Assigned Fund Balance Policy:

The District's Assigned Fund Balance is fund balance reporting occurring by School Board Administration authority, under the direction of the Chief Business Officer.

Order of Fund Balance Spending Policy

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-4
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. GASB Statement No. 54 (Continued)

Fund Balance Classification by Fund:

	General Fund	Food Service Fund	Total Governmental Funds
Nonspendable:			
Inventories and Prepaids	14,099	3,801	17,900
<u>Restricted:</u>			
Emergencies	97,000	-	97,000
Preschool	34,563	-	34,563
Food Service	-	40,773	40,773
<u>Committed:</u>			
Insurance	53,271	-	53,271
<u>Assigned:</u>	-	-	-
<u>Unassigned</u>	<u>1,465,014</u>	-	<u>1,465,014</u>
<u>Total Fund Balances</u>	<u>1,663,947</u>	<u>44,574</u>	<u>1,708,521</u>

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

Items Eliminated

There were no amounts transferred between funds and no amounts due to/from other funds as of and for the year ended June 30, 2016.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-4
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 3 BUDGETARY INFORMATION

Revenues and expenditures are controlled by budgetary accounting systems in accordance with various legal requirements. The budgeted revenues and expenditures represent the original adopted budget as subsequently adjusted by the Board of Education in accordance with Colorado School Laws. Budgets are generally prepared on the same basis as that used for accounting purposes.

The District has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the Business Manager 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 notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund and Special Revenue Funds.
6. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets have been adopted for Trust and Agency Funds although measurement of operations is not required in the financial statements.

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 of Schools 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.

BACA COUNTY SCHOOL DISTRICT RE-4
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 4 CASH AND INVESTMENTS

Deposits

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories, eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

At June 30, 2016, the District's bank balance and corresponding carrying balance were as follows:

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	252,098	252,098
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	286,212	348,410
Cash with County Treasurer	11,920	-
Cash on Hand	-	-
<u>Total Cash and Deposits</u>	<u>550,230</u>	<u>600,508</u>

As presented above, deposits with a bank balance of \$348,410 and a carrying balance of \$286,212 as of June 30, 2016 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

Investments

At June 30, 2016, the District had the following investments:

	<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
COLOTRUST	State Pool	Under 60 Day Average	1,409,287

Interest Rate Risk – The District does not have a formal investment policy that limits investment maturities for managing possible fair value losses due to increasing interest rates.

Credit Risk – State Law limits the type of investments allowable. The investment of COLOTRUST is rated AAA by Standard and Poor's.

Concentration of Credit Risk – the District has no policy restricting the amount that can be invested in any issuer.

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

The District has the following recurring fair value measurements as of June 30, 2016:

- ColoTrust Investment Pool of \$1,409,287 is valued using quoted market prices (Level 1 inputs)

BACA COUNTY SCHOOL DISTRICT RE-4
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<u>Depreciable Assets:</u>				
Buildings & Site Improvements	3,480,225	9,499	-	3,489,724
Vehicles	611,339	-	22,800	588,539
Equipment	<u>813,991</u>	<u>10,181</u>	-	<u>824,172</u>
<u>Total Depreciable Assets</u>	<u>4,905,555</u>	<u>19,680</u>	<u>22,800</u>	<u>4,902,435</u>
<u>Less Accumulated</u>				
<u>Depreciation for:</u>				
Building & Site Improvements	1,920,378	73,364	-	1,993,742
Vehicles	358,113	25,179	22,040	361,252
Equipment	<u>720,250</u>	<u>11,581</u>	-	<u>731,831</u>
<u>Total Accumulated Depreciation</u>	<u>2,998,741</u>	<u>110,124</u>	<u>22,040</u>	<u>3,086,825</u>
<u>Total Capital Assets, Net</u>	<u>1,906,814</u>	<u>(90,444)</u>	<u>760</u>	<u>1,815,610</u>

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

Governmental Activities:

Instruction	78,957
Food Service	2,123
Operations and Maintenance	3,046
Transportation	<u>25,998</u>
<u>Total Depreciation Expense – Governmental Activities</u>	<u>110,124</u>

NOTE 6 INTERFUND ACTIVITY

<u>Fund</u>	<u>Transfer to</u> <u>Other Funds</u>	<u>Transfer from</u> <u>Other Funds</u>
General	-	-
Food Service	-	-
	<u> -</u>	<u> -</u>

No transfers were made to support operations in the year ended June 30, 2016

NOTE 7 ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine or ten months. The salaries and benefits earned, but unpaid at June 30, 2016, are estimated to be \$249,632. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements.

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Baca County School District RE-4 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the Baca County School District RE-4 are provided with pensions through the School Division Trust Fund (SCHDTF) - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investment/pera-financial-reports.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s), under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. 24-51-601, 604, 1713, and 1714.

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

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

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 PENSION PLAN (Continued)

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

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

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

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

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

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

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

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 PENSION PLAN (Continued)

Contributions. Eligible employees and Baca County School District RE-4 are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. 24-51-401, et seq. Eligible employees are required to contribute 8 percent of their PERA- includable salary. The employer contribution requirements are summarized in the table below.

	For the Year Ended December 31, 2015	For the Year Ended December 31, 2016
Employer Contribution Rate	10.15 %	10.15 %
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. 24-51-208 (1) (f)	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. 24-51-411	4.20%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. 24-51-411	4.00%	4.50%
Total Employer Contribution Rate to the SCHDTF	17.33%	18.13%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Baca County School District RE-4 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Baca County School District RE-4 were \$293,216 for the year ended June 30, 2016.

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

At June 30, 2016, the Baca County School District RE-4 reported a liability of \$5,811,557 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. Standard update procedures were used to roll forward the total pension liability to December 31, 2015. The Baca County School District RE-4 proportion of the net pension liability was based on Baca County School District RE-4 contributions to the SCHDTF for the calendar year 2015 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2015, the Baca County School District RE-4 proportion was 0.0380 percent, which was a decrease of 0.0025 from its proportion measured as of December 31, 2014.

For the year ended June 30, 2016, the Baca County School District RE-4 recognized pension expense of \$234,258. At June 30, 2016, the Baca County School District RE-4 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BACA COUNTY SCHOOL DISTRICT RE-4
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 8 PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	76,742	(242)
Changes of assumptions or other inputs	0	(82,127)
Net difference between projected and actual earnings on pension plan investments	494,145	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	87,133	(247,995)
Contributions subsequent to the measurement date	151,715	N/A
Total	809,735	(330,364)

\$151,715 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2016	
2017	86,073
2018	70,739
2019	69,513
2020	101,331
2021	-
Thereafter	-

Actuarial assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions and other inputs:

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

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 PENSION PLAN (Continued)

Mortality rates were based on the RP-2000 combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years.

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

Changes to assumptions or other inputs since the December 31, 2013 actuarial valuations are as follows:

- The following programming changes were made:
 - Valuation of the full survivor benefit without any reduction for possible remarriage.
 - Reflection of the employer match on separation benefits for all eligible years.
 - Reflection of one year of service eligibility for survivor annuity benefit.
 - Refinement of the 18 month annual increase timing.
 - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

- The following methodology changes were made:
 - Recognition of merit salary increases in the first projection year.
 - Elimination of the assumption that 35% of future disabled members elect to receive a refund.
 - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
 - Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

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

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

BACA COUNTY SCHOOL DISTRICT RE-4
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 8 PENSION PLAN (Continued)

Asset Class	Target Allocation	10 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
Total	100.00%	

*In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.50%.

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to increase annually at a rate of 3.9%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

BACA COUNTY SCHOOL DISTRICT RE-4
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 8 **PENSION PLAN (Continued)**

- The AIR balance was excluded from the initial fiduciary net position, as, per statute. AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above actuarial cost method and assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Baca County School District RE-4 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percent-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	7,533,477	5,811,557	4,379,241

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

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 PENSION PLAN (Continued)

Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description – Employees of the Baca County School District RE-4 that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA, Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees, PERA issues a publicly available comprehensive annual financial report for the Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2016, program members contributed \$11,796.

Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – The Baca County School District RE-4 contributes to the Health Care Trust Fund (“HCTF”), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Baca County School District RE-4 is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Baca County School District RE-4 are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2016, 2015 and 2014, the Baca County School District RE-4 contributions to the HCTF were \$16,864, \$17,032 and \$16,441, respectively equal to their required contributions for each year.

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 9 JOINT VENTURE

Not reflected in the accompanying financial statements is the District's participation in the Southeastern Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per district. The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The BOCES by-laws indicate that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rata basis determined by the BOCES board. The joint venture summary audited financial information as of June 30, 2015, the latest year for which audited information is available, is as follows:

Assets and Deferred Outflows	1,123,165
Liabilities and Deferred Inflows	<u>3,407,692</u>
Net Position	<u>(2,284,527)</u>
Revenues	2,552,237
Expenses	<u>2,445,378</u>
Change in Net Position	<u>106,859</u>

The BOCES is not included as a component unit of the District as the financial responsibility is minimal, there is no financial interdependency, the District does not have the ability to significantly influence the operations of the BOCES and the District is not accountable for fiscal matters of the BOCES. An audited financial statement is filed annually with the office of the Colorado State Auditor.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

BACA COUNTY SCHOOL DISTRICT RE-4
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 11 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL

The District belongs to the Colorado School District's Self-Insurance Pool. The Pool was established by the Colorado Association of School Boards (CASB) to provide insurance coverage to participants in the areas of General Liability, Errors and Omissions, Automobile Liability, Auto Physical Damage, Auto Personal Injury Protection, Real and Personal Property, Crime, Workers' Compensation and other coverage. The Board of Directors is composed of eight persons; seven of whom are appointed by the Board of Directors of CASB and the Executive Director of CASB. The Pool is managed by an independent manager chosen by the Board of Directors. Each member's initial contribution and subsequent contributions are determined by the Pool based on factors including, but not limited to, the Aggregate Pool claims, the cost of Administrative and other operating expenses, the number of participants, the adequacy of both Operating and Reserve Funds and other factors touching on the status of the Pool or an individual participant, and as approved by the Colorado Insurance Commissioner.

As the District did not exercise oversight responsibility nor have sufficient control over Pool activities, the Pool is not a component unit of the District and only the District's share of contributions to the Pool is recorded as Expenditures in the Insurance Reserve Fund.

The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2016.

An audited summary of the Colorado School District's Pool financial information at December 31, 2015 (latest information available) follows:

Total Assets	<u>46,958,320</u>
Total Liabilities	<u>22,633,311</u>
Total Equity	<u>24,325,009</u>
Revenue	13,432,892
Underwriting Expenses	<u>16,484,758</u>
Underwriting Gain (Loss)	(3,051,866)
Net Investment Income	663,509
Other Income	-
Net Income (Loss) Before Dividend	<u>(2,388,357)</u>
Dividend	-
Net Income	<u>(2,388,357)</u>
Change in Non Admitted Assets	<u>95,339</u>
Capital Contributions from Members	-
Unassigned Surplus	<u>24,325,009</u>

BACA COUNTY SCHOOL DISTRICT RE-4
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 12 PRIOR PERIOD ADJUSTMENT

In the fiscal year ended June 30, 2015, no deferred outflow was recorded for the change in proportion of the District's contributions to PERA in relation to their portion of the net pension liability originally recorded during the implementation of GASB Statements No. 68 and 71. The amount of deferred outflow at June 30, 2015 that should have been recorded was \$138,387. The Statement of Activities reflects the corresponding reduction to entity-wide net position as of that date as a prior period adjustment.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

GENERAL AND MAJOR SPECIAL REVENUE FUNDS

General Fund

The General Fund accounts for all transactions of the District not accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed from property taxes and other general revenues. It is the most significant fund in relation to the District's overall operations.

BACA COUNTY SCHOOL DISTRICT RE-4
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

<u>REVENUES</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance- Favorable (Unfavorable)
<u>Local Sources</u>	<u>Original</u>	<u>Final</u>		
Property Taxes	689,616	689,616	691,126	1,510
Specific Ownership Taxes	100,966	100,966	81,931	(19,035)
Earnings on Investments	2,335	2,335	4,622	2,287
Delinquent Taxes & Interest	4,000	4,000	4,070	70
Other	325,521	325,521	345,798	20,277
<u>State Sources</u>				
Equalization	1,826,015	1,826,015	1,865,088	39,073
Transportation	23,406	23,406	21,740	(1,666)
Vocational Education	23,000	23,000	22,739	(261)
Special Education	20,000	20,000	21,250	1,250
Other	95,082	95,082	99,916	4,834
<u>Federal Sources</u>				
Designated Purpose Grants	109,016	109,016	108,851	(165)
Other	-	-	-	-
TOTAL REVENUES	<u>3,218,957</u>	<u>3,218,957</u>	<u>3,267,131</u>	<u>48,174</u>
 <u>EXPENDITURES</u>				
<u>Instruction</u>				
Salaries	1,180,464	1,180,464	1,134,902	45,562
Employee Benefits	299,357	299,357	277,130	22,227
Purchased Services - Professional	-	-	-	-
Purchased Services – Property	49,250	49,250	68,570	(19,320)
Purchased Services – Other	93,220	93,220	85,953	7,267
Supplies and Materials	108,688	108,688	78,983	29,705
Property	38,635	38,635	27,770	10,865
Other Objects	9,970	9,970	2,126	7,844
<u>Total Instruction</u>	<u>1,779,584</u>	<u>1,779,584</u>	<u>1,675,434</u>	<u>104,150</u>
<u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	47,323	47,323	47,012	311
Employee Benefits	12,183	12,183	11,750	433
Purchased Services – Professional	62,890	62,890	64,651	(1,761)
Purchased Services – Property	-	-	-	-
Purchased Services – Other	8,940	8,940	5,087	3,853
Supplies and Materials	6,650	6,650	4,848	1,802
Property	3,000	3,000	1,764	1,236
Other Objects	-	-	-	-
<u>Total Student Services</u>	<u>140,986</u>	<u>140,986</u>	<u>135,112</u>	<u>5,874</u>

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

BACA COUNTY SCHOOL DISTRICT RE-4
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance -
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Instructional Staff</u>				
Salaries	33,648	33,648	33,648	-
Employee Benefits	6,761	6,761	6,792	(31)
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	100	100	-	100
Purchased Services – Other	100	100	-	100
Supplies and Materials	11,478	11,478	9,844	1,634
Property	200	200	166	34
Other Objects	1,800	1,800	1,728	72
<u>Total Instructional Staff</u>	<u>54,087</u>	<u>54,087</u>	<u>52,178</u>	<u>1,909</u>
<u>General Administration</u>				
Salaries	77,534	77,534	77,334	200
Employee Benefits	20,580	20,580	21,854	(1,274)
Purchased Services – Professional	17,425	17,425	15,916	1,509
Purchased Services – Other	2,000	2,000	922	1,078
Supplies and Materials	4,500	4,500	3,094	1,406
Property	250	250	207	43
Other Objects	5,750	5,750	5,821	(71)
<u>Total General Administration</u>	<u>128,039</u>	<u>128,039</u>	<u>125,148</u>	<u>2,891</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	134,605	134,605	134,098	507
Employee Benefits	31,254	31,254	28,829	2,425
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	1,650	1,650	1,083	567
Purchased Services – Other	3,170	3,170	1,582	1,588
Supplies and Materials	5,800	5,800	3,259	2,541
Property	300	300	144	156
Other Objects	700	700	8	692
<u>Total School Administration</u>	<u>177,479</u>	<u>177,479</u>	<u>169,003</u>	<u>8,476</u>
<u>Business Services</u>				
Salaries	38,698	38,698	37,614	1,084
Employee Benefits	10,461	10,461	8,695	1,766
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	12,700	12,700	12,298	402
Purchased Services – Other	2,800	2,800	2,991	(191)
Supplies and Materials	2,300	2,300	1,260	1,040
Property	500	500	470	30
Other Objects	200	200	200	-
<u>Total Business Services</u>	<u>67,659</u>	<u>67,659</u>	<u>63,528</u>	<u>4,131</u>

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

BACA COUNTY SCHOOL DISTRICT RE-4
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Operations and Maintenance</u>				
Salaries	148,867	148,867	151,897	(3,030)
Employee Benefits	37,995	37,995	38,065	(70)
Purchased Services – Professional	300	300	-	300
Purchased Services – Property	280,220	280,220	246,491	33,729
Purchased Services – Other	50,165	50,165	51,332	(1,167)
Supplies and Materials	110,500	110,500	95,504	14,996
Property	12,550	12,550	9,279	3,271
Other Objects	-	-	-	-
<u>Total Operations and Maintenance</u>	<u>640,597</u>	<u>640,597</u>	<u>592,568</u>	<u>48,029</u>
<u>Student Transportation</u>				
Salaries	69,595	69,595	67,299	2,296
Employee Benefits	14,041	14,041	14,558	(517)
Purchased Services – Professional	1,500	1,500	1,435	65
Purchased Services – Property	6,500	6,500	6,471	29
Purchased Services – Other	1,600	1,600	422	1,178
Supplies and Materials	45,500	45,500	22,988	22,512
Property	2,000	2,000	1,623	377
<u>Total Student Transportation</u>	<u>140,736</u>	<u>140,736</u>	<u>114,796</u>	<u>25,940</u>
<u>Central Support</u>				
Purchased Services – Other	34,928	34,928	38,636	(3,708)
Property	-	-	-	-
Debt Service	6,000	6,000	6,394	(394)
<u>Total Central Support</u>	<u>40,928</u>	<u>40,928</u>	<u>45,030</u>	<u>(4,102)</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>1,390,511</u>	<u>1,390,511</u>	<u>1,297,363</u>	<u>93,148</u>
<u>Appropriated Reserves</u>	<u>1,393,270</u>	<u>1,393,270</u>	-	<u>1,393,270</u>
<u>TOTAL EXPENDITURES</u>	<u>4,563,365</u>	<u>4,563,365</u>	<u>2,972,797</u>	<u>1,590,568</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(1,344,408)</u>	<u>(1,344,408)</u>	<u>294,334</u>	
<u>Other Financing Sources (Uses)</u>				
Transfers	(25,000)	(25,000)	-	25,000
<u>Total Other Financing Sources (Uses)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>
<u>Revenues and Sources Over (Under)</u>				
<u>Expenditures and Uses</u>	<u>(1,369,408)</u>	<u>(1,369,408)</u>	<u>294,334</u>	
<u>FUND BALANCE, July 1</u>	<u>1,369,408</u>	<u>1,369,408</u>	<u>1,369,613</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>-</u>	<u>1,663,947</u>	

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

BACA COUNTY SCHOOL DISTRICT RE-4
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
District's proportion of the net pension liability (asset)	0.0380%	0.0405%	0.0309%	-	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$5,811,557	\$5,491,966	\$4,978,810	-	-	-	-	-	-	-
District's covered-employee payroll	\$1,653,329	\$1,669,754	\$1,656,317	-	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	352%	329%	301%	-	-	-	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	59.16%	62.80%	64.06%	-	-	-	-	-	-	-

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

BACA COUNTY SCHOOL DISTRICT RE-4
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 For The Last 10 Fiscal Years (As Available)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Contractually required contributions	\$ 293,216	\$ 281,895	\$ 265,134	\$ 235,516	-	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (293,216)</u>	<u>\$ (281,895)</u>	<u>\$ (265,134)</u>	<u>\$ (235,516)</u>	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-	-	-	-
District's covered-employee payroll	\$1,653,329	\$1,669,754	\$1,656,317	\$1,561,542	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	17.73%	16.88%	16.01%	15.08%	-	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

AND

OTHER SCHEDULES

SPECIAL REVENUE FUND

Food Service Fund – This fund accounts for all financial activities associated with the District’s school breakfast and lunch programs.

FIDUCIARY FUND

Agency Fund

Student Activity – The District holds assets in trust for various student clubs and organizations.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-4
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2016

	<u>Food Service</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>		
Cash	48,540	48,540
Investments	-	-
Accounts Receivable	3,312	3,312
Accrued Revenue	-	-
Due from Other Funds	-	-
Inventories	3,801	3,801
Receivables - Other	-	-
<u>Total Assets</u>	<u>55,653</u>	<u>55,653</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>Liabilities</u>		
Accounts Payable	-	-
Accrued Salaries	11,079	11,079
Due to Other Funds	-	-
Other Payables	-	-
<u>Total Liabilities</u>	<u>11,079</u>	<u>11,079</u>
 <u>Fund Balances</u>		
Nonspendable:		
Inventories	3,801	3,801
Restricted:		
Food Service	40,773	40,773
<u>Total Fund Balances</u>	<u>44,574</u>	<u>44,574</u>
 <u>TOTAL LIABILITIES & FUND BALANCES</u>	 <u>55,653</u>	 <u>55,653</u>

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

BACA COUNTY SCHOOL DISTRICT RE-4
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2016

	<u>Food Service</u>	<u>Total Nonmajor Governmental Funds</u>
<u>REVENUES</u>		
Earnings on Investments	34	34
Other Local Sources	54,683	54,683
State Aid	2,972	2,972
Federal Aid	<u>99,876</u>	<u>99,876</u>
<u>Total Revenues</u>	<u>157,565</u>	<u>157,565</u>
<u>EXPENDITURES</u>		
Current:		
Instructional Services	-	-
Supporting Services:		
Food Service	158,878	158,878
Capital Outlay	<u>-</u>	<u>-</u>
<u>Total Expenditures</u>	<u>158,878</u>	<u>158,878</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>		
	(1,313)	(1,313)
<u>OTHER FINANCING SOURCES (USES)</u>		
Transfers	<u>-</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>		
	(1,313)	(1,313)
<u>FUND BALANCE, Beginning</u>		
	<u>45,887</u>	<u>45,887</u>
<u>FUND BALANCE, Ending</u>		
	<u>44,574</u>	<u>44,574</u>

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

BACA COUNTY SCHOOL DISTRICT RE-4
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOOD SERVICE – SPECIAL REVENUE
For the Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	49,655	54,683	5,028
Earnings on Investments	25	34	9
Other	-	-	-
<u>State Sources</u>			
School Lunches and Breakfast	2,900	2,972	72
<u>Federal Sources</u>			
School Lunches and Breakfast	73,000	90,791	17,791
Commodities	<u>8,000</u>	<u>9,085</u>	<u>1,085</u>
<u>Total Revenues</u>	<u>133,580</u>	<u>157,565</u>	<u>23,985</u>
 <u>EXPENDITURES</u>			
Salaries	60,734	57,327	3,407
Employee Benefits	14,919	13,785	1,134
Purchased Services – Professional	-	-	-
Purchased Services – Property	1,770	1,328	442
Purchased Services - Other	440	77	363
Food Purchases	87,900	73,906	13,994
Capital Outlay	1,500	1,168	332
Commodities	-	8,632	(8,632)
Non-Food Supplies	4,300	2,655	1,645
Appropriated Reserves	<u>32,904</u>	<u>-</u>	<u>32,904</u>
<u>Total Expenditures</u>	<u>204,467</u>	<u>158,878</u>	<u>45,589</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>			
	(70,887)	(1,313)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
 <u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>			
	(45,887)	(1,313)	
 <u>FUND BALANCE, July</u>			
	<u>-</u>	<u>45,887</u>	
 <u>FUND BALANCE, June 30</u>			
	<u>(45,887)</u>	<u>44,574</u>	

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

BACA COUNTY SCHOOL DISTRICT RE-4
 SCHEDULE OF RECEIPTS AND EXPENDITURES – BUDGET AND ACTUAL
 STUDENT ACTIVITY FUND
 For the Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>RECEIPTS</u>			
Other Local	265,314	155,082	(110,232)
<u>EXPENDITURES:</u>			
Pupil Activities	265,314	150,649	114,665
Net Increase (Decrease) in Deposits Held	-	4,433	
Deposits Held – Beginning of Year	-	53,665	
Deposits Held – End of Year	-	58,098	

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

STATE REQUIRED SCHEDULES

Auditor's Integrity Report (Revenues, Expenditures, and Fund Balance by Fund)

Bolded Balance Sheet



Colorado Department of Education
Auditors Integrity Report
 District 0250 - SPRINGFIELD RE-4
 Fiscal Year 2015-16
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental				
10 General Fund	1,324,265	2,813,989	2,562,140	1,576,114
18 Risk Mgmt Sub-Fund of General Fund	-14,920	349,265	281,075	53,271
19 Colorado Preschool Program Fund	60,268	103,877	129,583	34,563
Sub-Total	1,369,614	3,267,132	2,972,798	1,663,948
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Food Service Spec Revenue Fund	45,887	157,564	158,877	44,574
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	0	0	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
Totals	1,415,911	3,424,696	3,131,675	1,708,522
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	53,665	155,082	150,649	58,098
75 GASB 34/Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	53,665	155,082	150,649	58,098

FINAL

*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



Colorado Department of Education

Bolded Balance Sheet Report

District 0250 - SPRINGFIELD RE-4

Fiscal Year 2015-16

Colorado School District/BOCES

ASSETS	Governmental							Proprietary					Fiduciary		Totals
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-25	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85			
Cash and Investments (8100-8104,8111)	1,785,895	0	55,065	48,540	0	0	0	0	0	0	58,098	0	0	1,947,598	
Cash with Fiscal Agent (8105)	11,920	0	0	0	0	0	0	0	0	0	0	0	0	11,920	
Taxes Receivable (8121,8122)	66,820	0	0	0	0	0	0	0	0	0	0	0	0	66,820	
Interfund Loans Receivable (8131,8132)	3,700	0	0	0	0	0	0	0	0	0	0	0	0	3,700	
Grants Accounts Receivable (8142)	10,304	0	0	0	0	0	0	0	0	0	0	0	0	10,304	
Other Receivables (8151-8154,8161)	4,902	0	0	3,312	0	0	0	0	0	0	0	0	0	8,214	
Inventories (8171,8172,8173)	0	0	0	3,800	0	0	0	0	0	0	0	0	0	3,800	
Prepaid Expenses 8181,8182)	14,099	0	0	0	0	0	0	0	0	0	0	0	0	14,099	
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Assets	1,857,640	0	55,065	55,653	0	0	0	0	0	0	58,098	0	0	2,066,455	

	Governmental							Proprietary					Fiduciary
	General Funds 10,12-1B	Charter School Fund, 11	Preschool Fund, 19	Food Service Special Revenue Fund, 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
LIABILITIES & FUND EQUITY													
LIABILITIES													
Interfund Payables (7401,7402)	0	0	3,700	0	0	0	0	0	0	0	0	0	3,700
Other Payables (7421-7423)	6,828	0	0	0	0	0	0	0	0	0	0	0	6,828
Accrued Expenses (7461)	221,751	0	16,802	11,079	0	0	0	0	0	0	0	0	249,632
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Deferred Revenue (7482)	939	0	0	0	0	0	0	0	0	0	0	0	939
Deferred Inflow (7800)	38,737	0	0	0	0	0	0	0	0	0	0	0	38,737
Total Liabilities	268,255	0	20,502	11,079	0	0	0	0	0	0	0	0	299,836

Governmental

Proprietary

Fiduciary

FUND EQUITY	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
	Non-spendable Fund Balance 6710	14,099	0	0	3,800	0	0	0	0	0	0	0	0
Restricted Fund Balance 6720	0	0	0	40,774	0	0	0	0	0	0	0	0	40,774
TABOR 3% Emergency Reserve 6721	97,000	0	0	0	0	0	0	0	0	0	0	0	97,000
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	34,563	0	0	0	0	0	0	0	0	0	34,563
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	0	0	0	0	0
Committed Fund Balance 6750	53,271	0	0	0	0	0	0	0	0	0	0	0	53,271
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	58,098	0	58,098
Unassigned Fund Balance 6770	1,465,015	0	0	0	0	0	0	0	0	0	0	0	1,465,015
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	1,629,385	0	34,563	44,574	0	0	0	0	0	0	58,098	0	1,766,620

General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
1,897,640	0	55,065	55,653	0	0	0	0	0	0	58,098	0	2,066,455

General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
1,897,640	0	55,065	55,653	0	0	0	0	0	0	58,098	0	2,066,455

For Each Fund Type: Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes
 Do Assets=Liability+Fund Equity