

cPa DIXON, WALLER & CO., INC.

LAS ANIMAS SCHOOL

DISTRICT RE-1

LAS ANIMAS, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2016



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DIXON, WALLER & CO., INC.

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LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1

FINANCIAL STATEMENTS

JUNE 30, 2016

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LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
ROSTER OF SCHOOL OFFICIALS
June 30, 2016

BOARD OF EDUCATION

Robert Bucholz	President
Sonny Smith	Vice-President
Simona Gallegos	Treasurer
Bill Deal	Member
Steven Gallegos	Member

SCHOOL OFFICIALS

Elsie Goines	Superintendent
Nichole Eastin	Business Manager

FINANCIAL SECTION

164 E. MAIN
TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT

Board of Education
Las Animas School District Number RE-1
Las Animas, Colorado 81054

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Las Animas School District Number RE-1, 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 Las Animas School District Number RE-1, 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 ix and 37 through 41 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 Las Animas School District Number RE-1'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 respects in relation to the basic financial statements as a whole.

Sutton, Waller & Co., Inc.

November 30, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

Las Animas School District RE-1

<h2>Management's Discussion and Analysis</h2> <p>For the Fiscal Year Ended June 30, 2016</p>
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**Las Animas School District RE-1
1021 Second Street
Las Animas, CO 81054
(719) 456-0161**

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1021 Second Street
Las Animas, CO 81054
(719) 456-0161

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

This section of the Las Animas School District RE-1's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year which ended June 30, 2016. Please read it in conjunction with District's financial statements, which follow this section.

The District implemented GASB 68 during 2015. The current net pension liability is \$8,468,936. 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.

Las Animas School District RE-1
Fund Equity & Reserves

Fund Equity and Reserves-
All Governmental Funds

\$2,534,011

General Fund 55%
Government Grants 0%
Capital Projects 0%
Bond Fund 27%
Capital Reserves 18%

FINANCIAL HIGHLIGHTS

- The District's total combined net position was \$910,560 at June 30, 2016.
- The General Fund ending balance at June 30, 2016, is \$1,369,182 for an increase of \$75,596 from last year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to Las Animas School District RE-1's basic financial statements. This annual report consists of three parts:

- Management’s discussion and analysis
- Fund financial statements
- Notes to basic financial statements.

The Management’s Discussion and Analysis also contains other supplemental information.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements with a comparison of the District’s budget for the year.

Government-wide Financial Statements:

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The government-wide statements relate to those activities directly related to the education of the students.

The *statement of net position* presents information on all of the District’s assets, liabilities and deferred flows with the difference between them being *net position*. Over time, increases or decreases in net position may serve as a useful indicator of changes in the financial position of the District.

The government-wide financial statements of the District are reported in one category:

- *Governmental Activities:* This category consolidates all of the following Las Animas School District RE-1 funds: (1) General Fund (2) Bond Redemption Fund (3) Food Service Fund (4) Capital Projects Fund (5) Capital Reserve Capital Project Fund and (6) Government Designated Purpose Grants Fund. Most of the District’s basic services are included here, such as instructional, transportation, maintenance and operations, administration, and food service.

Fund Financial Statements

The fund financial statements provide more detailed information about the District’s most significant funds – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All District funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Most of the District’s basic services are included in the governmental funds, which focus on (1) how cash and other financial assets that can be readily converted to cash flow in and out and (2) the balances left at the year-end that are available for spending. Consequently, the government funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.

Las Animas School District RE-1 maintains six individual governmental funds. Information is presented separately in the governmental fund – balance sheet and in the governmental fund – statement of revenues, expenditures and changes in fund balances for the (1) General Fund (2) Bond Redemption Fund (3) Food Service Fund (4) Capital Projects Fund (5) Capital Reserve Capital Projects Fund and (6) Government Designated Purpose Grants Fund. Also included in the supplementary information section is budget-to-actual information for the debt service fund as required by law.

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the general fund is included in the fund financial statements to demonstrate compliance with the adopted budget.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government, such as the student activity fund. The District is responsible for ensuring that the assets reported in this fund are used for their intended purpose and by those to whom the assets belong. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations. The district maintains only one fiduciary fund, which is categorized as an agency fund. This is the student activity fund so there will be no statement of changes in fiduciary net assets as it is not required for agency funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning in the audited financial statements following management's discussion and analysis.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Cash, investments, receivables, inventories and prepaid expenditures are current assets. These assets are available to provide resources for the near-term operations of the District. Capital assets are used in the operations of the District. These assets include land, buildings, equipment and vehicles.

Table A-1 provides a summary of the District's net position for 2016 compared to 2015.

TABLE A-1

Condensed Statement of Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>TOTAL</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current & Other Assets	\$3,099,012	\$2,708,783	\$0	\$0	\$3,099,012	\$2,708,783
Capital Assets	\$14,181,702	\$14,044,404	\$0	\$0	\$14,181,702	\$14,044,404
Accumulated Depreciation	-\$6,592,349	-\$6,160,386	\$0	\$0	-\$6,592,349	-\$6,160,386
Bond Issue Cost	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL ASSETS	\$10,688,365	\$10,592,801	\$0	\$0	\$10,688,365	\$10,592,801
Deferred Outflows	\$1,059,213	\$374,834			\$1,059,213	\$374,834
Other Liabilities	\$542,510	\$513,381	\$0	\$0	\$542,510	\$513,381
Long Term Debt and NPO	\$9,783,666	\$9,306,424			\$9,783,666	\$9,306,424
TOTAL LIABILITIES	\$10,326,176	\$9,819,805	\$0	\$0	\$10,326,176	\$9,819,805
Deferred Inflows	\$510,842	\$480			\$510,842	\$480
Net Assets Invested in Capital Assets, Net of Related Debt	\$6,393,549	\$6,513,246	\$0	\$0	\$6,393,549	\$6,513,246
Restricted	\$864,020	\$733,669			\$864,020	\$733,669
Unrestricted	-\$6,347,009	-\$6,099,565	\$0	\$0	-\$6,347,009	-\$6,099,565
TOTAL NET POSITION	\$910,560	\$1,147,350	\$0	\$0	\$1,147,350	\$1,147,350

Changes in Net Position:

Total *net* position of the Las Animas School District decreased by \$236,790.

Statement of Revenues, Expenditures, and Change in Net Position:

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	<u>2015-2016</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2014-2015</u>
REVENUES:						
Property Taxes	\$1,322,746	\$1,252,270			\$1,322,746	\$1,252,270
Ownership Taxes	\$119,154	\$113,810			\$119,154	\$113,810
Earnings on Investments	\$5,537	\$4,895	\$0	\$0	\$5,537	\$4,895
Equalization	\$2,683,825	\$2,442,288			\$2,683,825	\$2,442,288
Charges for Services	\$75,733	\$63,104	\$0	\$0	\$75,733	\$63,104
Operating and Capital Grants	\$923,017	\$697,000	\$0	\$0	\$923,017	\$697,000
Other Local Sources	\$14,482	\$828	\$0	\$0	\$14,482	\$828
Transfers	<u>0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0	\$0
TOTAL REVENUES	\$5,144,494	\$3,814,091	\$0	\$0	\$5,144,494	\$3,814,091
EXPENDITURES:						
Instructional Services	\$2,724,439	\$2,931,637	\$0		\$2,724,439	\$2,931,637
Supporting Services:						
Students	\$236,613	\$212,171	\$0		\$236,613	\$212,171
Instructional Staff	\$230,969	\$174,411	\$0		\$230,969	\$174,411
District Admin.	\$155,249	\$156,985	\$0		\$155,249	\$156,985
School Admin.	\$348,632	\$360,783	\$0		\$348,632	\$360,783
Business	\$112,149	\$129,376	\$0		\$112,149	\$129,376
Operation/Maint.	\$558,878	\$635,832	\$0		\$558,878	\$635,832
Transportation	\$167,116	\$136,283	\$0		\$167,116	\$136,283
Central Svcs.	\$66,059	\$54,204	\$0		\$66,059	\$54,204
Pension Cost	\$239,485	\$45,110	\$0		\$239,485	\$45,110
Debt Service	\$36,372	\$0	\$0		\$36,372	\$0
Principal	\$0	\$0	\$0		\$0	\$0
Interest	\$21,644	\$60,840	\$0		\$21,644	\$60,840
Capital Outlay	\$7,114	\$67,313	\$0		\$7,114	\$67,313
Food Service	<u>\$292,711</u>	<u>\$312,207</u>	<u>\$0</u>	<u>\$0</u>	\$292,711	\$312,207
TOTAL EXPENDITURES	\$5,197,329	\$5,277,152	\$0	\$0	\$5,197,329	\$5,277,152
NET CHANGE	(\$52,835)	(\$702,957)	0	0	(\$52,835)	(\$702,957)
BEGINNING NET POSITION	\$1,147,349	\$1,850,307	\$0	\$0	\$1,147,349	\$1,850,307
PRIOR PERIOD ADJUSTMENT	(\$183,954)				(\$183,954)	
ENDING NET POSITION	\$910,560	\$1,147,349	\$0	\$10,584	\$910,560	\$1,147,349

The District's General Fund revenues totaled \$4,130,990 with General Fund expenditures totaling \$3,915,394. Chart A-2 and A-3 give percentages of revenue sources and expenditures by program.

CHART A-2
Revenues

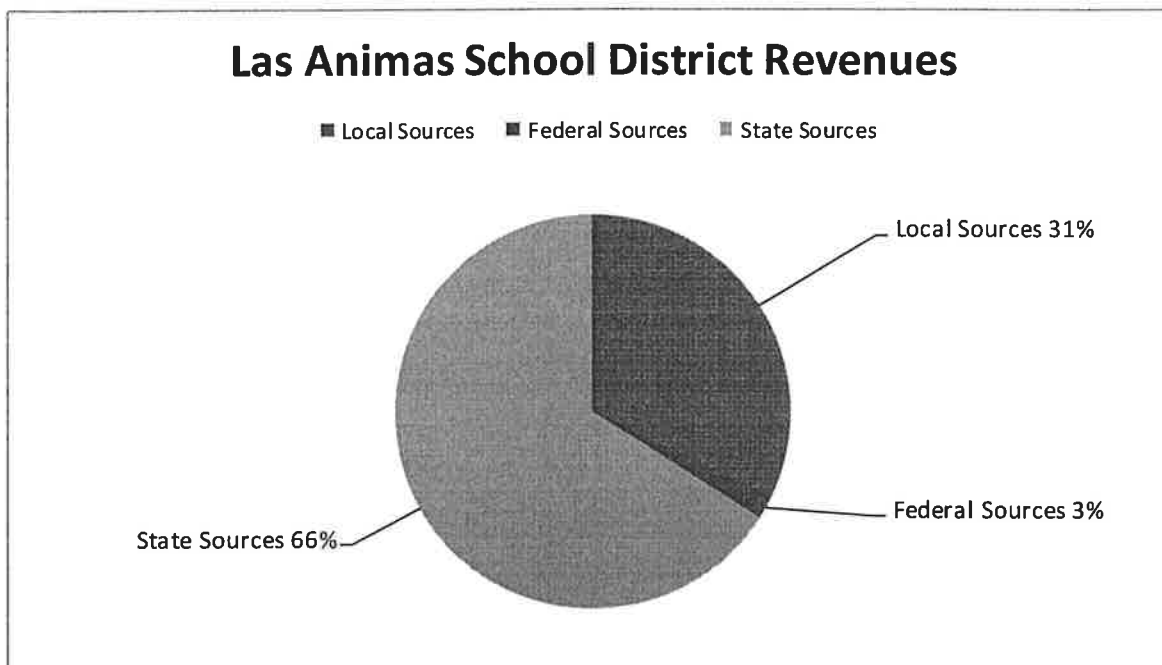
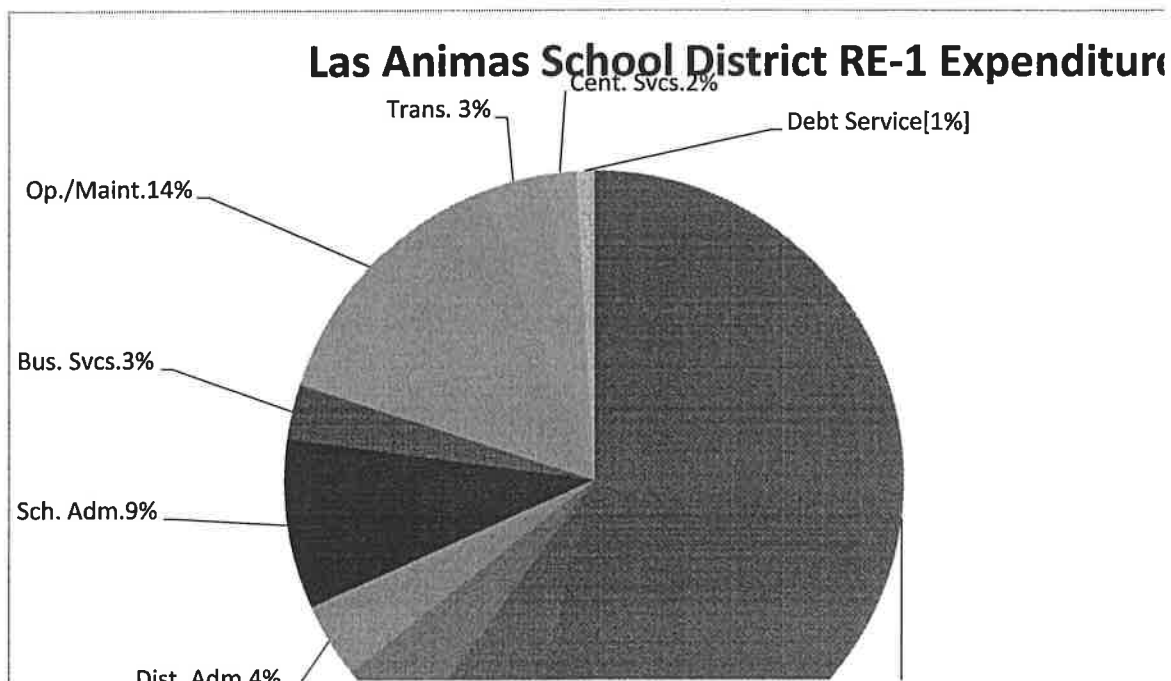


CHART A-3 Expenditures



Governmental Activities:

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this act, the District received \$7,867.38 per funded student. In fiscal year 2015 - 2016, the **funded** pupil count was 499.6 students. Funding for the School Finance Act comes from property taxes, specific ownership taxes and state equalization.

Governmental funds include the General, Consolidated Grant Program, Capital Projects, Colorado Preschool Program, Student Activity, Bond Redemption and Food Service Funds.

Financial Analysis of the District's Funds:

General Fund:

The General Fund is the major operating fund of the District, providing the majority of the resources for the educational and support programs. The School Board approves a budget in June based on enrollment projections for the following school year. In January of 2016, the School Board approved a final issuance of the budget.

The \$1,369,182 General Fund balance as of June 30, 2016, includes \$130,000 reserved for TABOR.

The budgetary basis differs from generally accepted accounting principles (GAAP) in the treatment of accrued salaries, benefits and related liabilities. According to state statutes, the accrued salaries and related benefits do not need to be "funded" and, therefore, are not subtracted from budgetary basis fund balance.

Bond Redemption Fund/Long Term Debt:

At year-end, the District had total general obligation debt outstanding of \$1,075,000. The mill levy is set each year to provide property tax revenue sufficient to pay principal and interest as required by the bond amortization schedule.

Grant Fund – Special Revenue:

The District uses this fund to account for the proceeds of the specific revenue sources that are legally restricted to expenditures for specified purposes. Revenues from designated purpose grants amounted to \$286,256 in the year ended June 30, 2016.

Capital Projects Fund:

A new Capital Projects fund was established in 2010 for purposes of capital expenditures such as school and activity buses or major construction repairs or projects. Although not a requirement, the district intends to transfer \$100,000 to this fund each year as a reserve account for capital expenditures.

Food Service Fund -- Special Revenue:

The Food Service Fund reported an ending fund balance of \$25,645. The district subsidized the food program by \$40,000 during the 2015 - 2016 fiscal year. The food service fund receives no support from tax revenue.

CAPITAL ASSET ADMINISTRATION

At the end of 2016, the District had invested \$14,181,702 in a broad range of capital assets, including land, equipment, buildings, and vehicles.

Las Animas School District RE-1 CAPITAL ASSETS	
Land, Buildings, Site Improvements	\$13,288,878
Vehicles	\$ 555,705
Equipment	\$ 337,119
TOTAL FUNDS CAPITAL ASSETS	\$14,181,702

Accumulated depreciation on the above governmental fixed assets amounted to \$6,592,349 at June 30, 2016 for a net value of \$7,589,353.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future.

Information from the 2015 - 2016 student enrollments "October Count" shows that Las Animas School District RE-1 had 32 more students than last year. The District's enrollment for the last five years has been as follows:

	Actual 15 – 16 FY	Actual 14 – 15 FY	Actual 13 – 14 FY	Actual 12 – 13 FY	Actual 11- 12 FY
Total October 1 Certified Pupil Count	533	501	492	485	506
Total Funded Pupil Count	499.6	482.5	503.3	520.3	528.6

Based on historical trends, our projections for student enrollment are expected to hold steady.

Each year, the United States and the State of Colorado experience slowing economic conditions. One impact of this economic slowing is the reduction in the State of Colorado's General Fund revenues, which continue to decline.

Because educational expenditures represent a significant portion of the State of Colorado's total expenditures, the District anticipates its revenues may be adversely impacted.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's financials and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Nichole Eastin, Finance Director, Las Animas School District RE-1, 1021 Second Street, Las Animas, Colorado 81054.

BASIC FINANCIAL STATEMENTS

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF NET POSITION
June 30, 2016

	<u>Governmental</u> <u>Activities</u>	<u>Total</u>
<u>ASSETS</u>		
Cash	2,834,569	2,834,569
Accounts Receivable	135,468	135,468
Accrued Revenue	71,841	71,841
Property Taxes Receivable	51,000	51,000
Inventories	6,134	6,134
Capital Assets	14,181,702	14,181,702
Accumulated Depreciation	(6,592,349)	(6,592,349)
Other	-	-
<u>Total Assets</u>	<u>10,688,365</u>	<u>10,688,365</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Deferred Refunding – Debt	12,589	12,589
Deferred Pension Cost – Plan	831,930	831,930
Deferred Pension Cost – Contributions Subsequent to Pension Measurement Date	214,694	214,694
<u>Total Deferred Outflows</u>	<u>1,059,213</u>	<u>1,059,213</u>
<u>LIABILITIES</u>		
Accounts Payable	171,160	171,160
Accrued Salaries and Benefits	367,132	367,132
Accrued Interest Payable	4,218	4,218
Noncurrent Liabilities:		
Bond Payments Due Within One Year	140,000	140,000
Capital Leases Due Within One Year	31,915	31,915
Bond Due in More Than One Year	935,000	935,000
Capital Leases Due in More Than One Year	88,889	88,889
Unamortized Bond Premium	58,017	58,017
Compensated Absences	60,909	60,909
Net Pension Liability	8,468,936	8,468,936
<u>Total Liabilities</u>	<u>10,326,176</u>	<u>10,326,176</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Deferred Pension – Plan	120,034	120,034
Deferred Pension - Entity	390,808	390,808
<u>Total Deferred Inflows</u>	<u>510,842</u>	<u>510,842</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	6,393,549	6,393,549
Restricted:		
TABOR Reserve	130,000	130,000
Preschool	27,356	27,356
Food Service	25,645	25,645
Debt Service	681,019	681,019
Unrestricted	(6,347,009)	(6,347,009)
<u>TOTAL NET POSITION</u>	<u>910,560</u>	<u>910,560</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

	Expenses	Program Revenues			in Net Position	
		Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Total
FUNCTIONS						
Instructional Services	2,724,439	32,157	360,740	-	(2,331,542)	(2,331,542)
Supporting Services:						
Students	236,613	-	-	-	(236,613)	(236,613)
Instructional Staff	230,969	-	62,229	-	(168,740)	(168,740)
District Administration	155,248	-	-	-	(155,248)	(155,248)
School Administration	348,632	-	-	-	(348,632)	(348,632)
Business	112,149	-	-	-	(112,149)	(112,149)
Operation & Maintenance of Facilities	558,878	-	-	-	(558,878)	(558,878)
Transportation	167,116	11,077	-	-	(156,039)	(156,039)
Central Support	66,059	-	-	-	(66,059)	(66,059)
Food Service	292,711	32,499	234,859	-	(25,353)	(25,353)
Other	-	-	-	-	-	-
Capital Outlay	7,114	-	-	265,189	258,075	258,075
Debt Issue Cost	36,272	-	-	-	(36,272)	(36,272)
Interest on Long-Term Debt	21,644	-	-	-	(21,644)	(21,644)
Pension Cost	239,485	-	-	-	(239,485)	(239,485)
<u>Total Governmental Activities</u>	<u>5,197,329</u>	<u>75,733</u>	<u>657,828</u>	<u>265,189</u>	<u>(4,198,579)</u>	<u>(4,198,579)</u>
<u>Total School District</u>	<u>5,197,329</u>	<u>75,733</u>	<u>657,828</u>	<u>265,189</u>	<u>(4,198,579)</u>	<u>(4,198,579)</u>
General Revenues						
Property Taxes Levied for General Purposes					1,322,746	1,322,746
Specific Ownership Taxes					119,154	119,154
Equalization					2,683,825	2,683,825
Earnings on Investments					5,537	5,537
Other Revenues					14,482	14,482
<u>Total General Revenues</u>					<u>4,145,744</u>	<u>4,145,744</u>
<u>Change in Net Position</u>					<u>(52,835)</u>	<u>(52,835)</u>
<u>Net Position, Beginning</u>					<u>1,147,349</u>	<u>1,147,349</u>
<u>Prior Period Adjustment</u>					<u>(183,954)</u>	<u>(183,954)</u>
<u>Net Position, Ending</u>					<u>910,560</u>	<u>910,560</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016

	<u>General</u>	<u>Capital Projects</u>	<u>Capital Reserve Capital Projects</u>	<u>Debt Service</u>
<u>ASSETS</u>				
Cash	1,655,001	42,534	428,086	677,668
Investments	-	-	-	-
Accounts Receivable	7,765	62,227	16,631	-
Accrued Revenue	27,092	-	-	-
Due From Other Funds	60,903	-	-	-
Property Taxes Receivable	44,000	-	-	7,000
Inventories	-	-	-	-
<u>Total Assets</u>	<u>1,794,761</u>	<u>104,761</u>	<u>444,717</u>	<u>684,668</u>
<u>LIABILITIES</u>				
Accounts Payable	79,650	91,510	-	-
Accrued Salaries and Benefits	322,869	-	-	-
Due To Other Funds	-	-	-	-
Other Payables	-	-	-	-
Grant Amounts Received in Advance	-	-	-	-
<u>Total Liabilities</u>	<u>402,519</u>	<u>91,510</u>	<u>-</u>	<u>3,649</u>
<u>DEFERRED INFLOW OF RESOURCES</u>				
Property Tax	<u>23,060</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>				
Nonspendable:				
Inventories	-	-	-	-
Restricted:				
Emergency Reserve	130,000	-	-	-
Debt Service	-	-	-	681,019
Preschool	27,356	-	-	-
Capital Outlay	-	-	-	-
Food Service	-	-	-	-
Committed:				
Capital Outlay	-	13,251	444,717	-
Assigned:				
Grant Expenditures	-	-	-	-
Unassigned:				
	<u>1,211,826</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Fund Balances</u>	<u>1,369,182</u>	<u>13,251</u>	<u>444,717</u>	<u>681,019</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>				
	<u>1,794,761</u>	<u>104,761</u>	<u>444,717</u>	<u>684,668</u>

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

Other Governmental Funds	Total Governmental Funds
31,280	2,834,569
-	-
48,845	135,468
44,749	71,841
-	60,903
-	51,000
<u>6,134</u>	<u>6,134</u>
<u>131,008</u>	<u>3,159,915</u>
-	171,160
44,263	367,132
60,903	60,903
-	-
<u>-</u>	<u>-</u>
<u>105,166</u>	<u>599,195</u>
<u>-</u>	<u>26,709</u>
6,134	6,134
-	130,000
-	681,019
-	27,356
-	-
19,511	19,511
-	457,968
197	197
<u>-</u>	<u>1,211,826</u>
<u>25,842</u>	<u>2,534,011</u>
<u>131,008</u>	<u>3,159,915</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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>	2,534,011
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$14,181,702 and the accumulated depreciation is \$6,592,349.	7,589,353
Property tax revenue is recognized when earned (claim to resources established) rather than when “available” in the entity-wide financial statements.	26,709
Interest is recognized when paid in the funds. This is accrued interest payable to year end.	(4,218)
Long-term liabilities, including capital leases and general obligation bonds are not due and payable in the current period and therefore are not reported in the funds. Deferrals due to refundings and bond premiums are recorded at the entity-wide level only.	
Capital Lease	(120,804)
G.O. Bonds	(1,075,000)
Deferred Refunding	12,589
Bond Premium	<u>(58,017)</u>
	(1,241,232)
The liability for compensated absences is not recorded in the funds.	(60,909)
Net pension liability, along with associated deferred flow, are not recorded at the fund level:	
Net Pension Liability	(8,468,936)
Deferred Pension Cost – Outflow	1,046,624
Deferred Pension Cost – Inflows	<u>(510,842)</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>910,560</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2016

	<u>General</u>	<u>Capital Projects</u>	<u>Capital Reserve Capital Projects</u>	<u>Debt Service</u>
REVENUES:				
Property Taxes	1,148,516	-	-	184,116
Specific Ownership Taxes	102,192	-	-	16,962
Earnings on Investments	2,673	-	567	645
Other Local Sources	45,994	-	48,766	2,136
State Aid	2,728,010	85,302	131,121	-
Federal Aid	<u>103,605</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Revenues</u>	<u>4,130,990</u>	<u>85,302</u>	<u>180,454</u>	<u>203,859</u>
EXPENDITURES				
Current:				
Instructional Services	2,112,629	-	-	-
Supporting Services:				
Students	236,613	-	-	-
Instructional Staff	168,740	-	-	-
District Administration	155,248	-	-	-
School Administration	348,632	-	-	-
Business	112,149	-	-	-
Operation & Maintenance of Facilities	555,322	-	-	-
Transportation	124,680	-	-	-
Central	64,921	-	-	1,138
Food Service	-	-	-	-
Debt Service:				
Principal	29,968	-	-	130,000
Interest	6,492	-	-	25,944
Capital Outlay	<u>-</u>	<u>114,238</u>	<u>30,174</u>	<u>-</u>
<u>Total Expenditures</u>	<u>3,915,394</u>	<u>114,238</u>	<u>30,174</u>	<u>157,082</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>215,596</u>	<u>(28,936)</u>	<u>150,280</u>	<u>46,777</u>
OTHER FINANCING SOURCES (USES)				
Transfers	(140,000)	-	100,000	-
Debt Proceeds – Refunding Bond	-	-	-	1,144,212
Bond Issue Cost	-	-	-	(36,272)
Payments to Fiscal Agent – Refunded Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,105,018)</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(140,000)</u>	<u>-</u>	<u>100,000</u>	<u>2,922</u>
NET CHANGE IN FUND BALANCES				
	75,596	(28,936)	250,280	49,699
FUND BALANCES – BEGINNING				
	<u>1,293,586</u>	<u>42,187</u>	<u>194,437</u>	<u>631,320</u>
FUND BALANCES – ENDING				
	<u>1,369,182</u>	<u>13,251</u>	<u>444,717</u>	<u>681,019</u>

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

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
-	1,332,632
-	119,154
161	4,046
32,499	129,395
4,810	2,949,243
<u>516,305</u>	<u>619,910</u>
<u>553,775</u>	<u>5,154,380</u>
224,027	2,336,656
-	236,613
62,229	230,969
-	155,248
-	348,632
-	112,149
-	555,322
-	124,680
-	66,059
285,197	285,197
-	159,968
-	32,436
-	<u>144,412</u>
<u>571,453</u>	<u>4,788,341</u>
<u>(17,678)</u>	<u>366,039</u>
40,000	-
-	1,144,212
-	(36,272)
-	<u>(1,105,018)</u>
<u>40,000</u>	<u>2,922</u>
22,322	368,961
<u>3,520</u>	<u>2,165,050</u>
<u>25,842</u>	<u>2,534,011</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2016

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

Net Change in Fund Balances – Total Governmental Funds 368,961

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more the \$5,000 are capitalized and the cost is allocated over their estimated used lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlays more than \$5,000	137,298	
Depreciation Expense	<u>(431,963)</u>	(294,665)

Property tax revenues are not recognized for amounts levied and due but not “available” at year end and are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. (9,886)

The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. The effect of discounts and premiums are recognized when the debt is issued in governmental funds, whereas these amounts are deferred and amortized in the statement of activities. Interest expense is recognized as it accrued in the statement of activities regardless of when it is due. The net effect of these differences follows:

Refunding Bond Proceeds	(1,144,212)	
Payments to Fiscal Agent – Refunded Bond	1,105,018	
Repayment of Debt Principal	159,968	
Interest Expense	<u>10,792</u>	131,566

Compensated absences are not recognized as a liability in the funds. This is the current year change. (9,326)

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>(239,485)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (52,835)

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
June 30, 2016

	<u>Student Activities Fund</u>
<u>ASSETS</u>	
Cash	93,936
Investments	-
Deposits Held by Others	-
<u>Total Assets</u>	<u>93,936</u>
<u>LIABILITIES</u>	
Due to Student Groups	93,936
Accounts Payable	-
<u>Total Liabilities</u>	<u>93,936</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Las Animas School District Number RE-1 (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 six 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 Las Animas School District Number RE-1. 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 and proprietary funds. Major individual governmental funds (General Fund, Capital Reserve Capital Project Fund, Bond Redemption Debt Service Fund and Capital Project Fund) and 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 inflows/outflows, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

- Major Governmental Funds
 1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
 2. Bond Redemption Debt Service Fund – used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.
 3. Capital Project Fund – used to account for bond proceeds, grants and other sources for capital expenditures on a designated project.
 4. Capital Reserve Capital Project Fund – used to account for the accumulation of funds to provide for the acquisition of sites, buildings, equipment and vehicles.

Additionally, the District reports the following fund type: 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Receivables 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.

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 \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-40 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 and the balance sheet 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 and governmental balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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. The District's general obligation bonds are serviced from property taxes and other revenues of the Debt Service Fund. Capital leases are serviced from property taxes and other revenues of the General Fund and Capital Reserve Capital Projects 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 1997 the registered voters approved a ballot resolution authorizing Las Animas School District Number RE-1 to collect, retain and expend (during 1995 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 (excluding bonded debt service). As of June 30, 2016 the District reserved \$130,000 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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 Las Animas 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. COMPENSATED ABSENCES

The District has policies regarding vacation and sick pay benefits and the payment of accumulated amounts at separation from service. After 10 years of service and termination for reasons other than retirement, payment will be made for unused leave up to 12 days based on the average daily rate paid to the employee during their last 5 years. Employees eligible for retirement will be paid ¼ of unused leave not to exceed 30 days at the average daily rate paid them during their last 5 years.

A summary of changes in compensated absences is as follows:

<u>Balance</u>			<u>Balance</u>
<u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
<u>51,583</u>	<u>9,326</u>	<u> -</u>	<u>60,909</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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 balances 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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:

	<u>General Fund</u>	<u>Capital Projects Capital Projects Fund</u>	<u>Designated Purpose Grants Fund</u>	<u>Food Service Fund</u>	<u>Debt Service Fund</u>	<u>Capital Reserve Capital Project Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>							
Inventories	-	-	-	6,134	-	-	6,134
<u>Restricted:</u>							
Emergencies	130,000	-	-	-	-	-	130,000
Debt Service	-	-	-	-	681,019	-	681,019
Preschool	27,356	-	-	-	-	-	27,356
Capital Outlay	-	-	-	-	-	-	-
Food Service	-	-	-	19,511	-	-	19,511
<u>Committed:</u>							
Capital Outlay	-	13,251	-	-	-	444,717	457,968
<u>Assigned:</u>							
Grant							
Expenditures	-	-	197	-	-	-	197
<u>Unassigned</u>	<u>1,211,826</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,211,826</u>
<u>Total Fund</u>							
<u>Balances</u>	<u>1,369,182</u>	<u>13,251</u>	<u>197</u>	<u>25,645</u>	<u>681,019</u>	<u>444,717</u>	<u>2,534,011</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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
Continued

The following transactions between funds have been eliminated in the government-wide statements:

Transfers:

	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
Food Service Fund	40,000	-
General Fund	-	140,000
Capital Reserve-Capital Project Fund	<u>100,000</u>	<u>-</u>
	<u>140,000</u>	<u>140,000</u>

Interfund Balances:

	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>
General Fund	-	60,903
Designated Purpose Grant Fund	34,052	-
Food Service	<u>26,851</u>	<u>-</u>
	<u>60,903</u>	<u>60,903</u>

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, Special Revenue Funds, Debt Service Funds and Capital Project Funds.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 3 BUDGETARY INFORMATION (Continued)

6. Budgets for the General, Special Revenue, Capital Projects and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets have been adopted for Trust and Agency Funds.

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.

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)	250,000	250,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	1,986,941	2,057,807
Cash Equivalents	675,581	675,581
Cash with County Treasurer	15,108	-
Cash on Hand	875	-
<u>Total Cash and Deposits</u>	<u>2,928,505</u>	<u>2,983,388</u>

As presented above, deposits with a bank balance of \$2,057,807 and a carrying balance of \$1,986,941 as of June 30, 2016 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	Balance <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	Balance <u>June 30, 2016</u>
<u>Non-Depreciable Assets:</u>					
Land	77,029	-	-	-	77,029
Construction in Progress	112,054	-	-	(112,054)	-
<u>Total Non-Depreciable Assets</u>	<u>189,083</u>	<u>-</u>	<u>-</u>	<u>(112,054)</u>	<u>77,029</u>
<u>Depreciable Assets:</u>					
Buildings	12,531,133	137,298	-	112,054	12,780,485
Site Improvements	431,364	-	-	-	431,364
Vehicles	555,705	-	-	-	555,705
Equipment	245,341	-	-	-	245,341
Food Service Equipment	91,778	-	-	-	91,778
<u>Total Depreciable Assets</u>	<u>13,855,321</u>	<u>137,298</u>	<u>-</u>	<u>112,054</u>	<u>14,104,673</u>
<u>Less Accumulated</u>					
<u>Depreciation for:</u>					
Building	5,138,333	362,604	-	-	5,500,937
Site Improvements	313,065	11,459	-	-	324,524
Vehicles	462,555	42,436	-	-	504,991
Equipment	184,701	7,950	-	-	192,651
Food Service Equipment	61,732	7,514	-	-	69,246
<u>Total Accumulated Depreciation</u>	<u>6,160,386</u>	<u>431,963</u>	<u>-</u>	<u>-</u>	<u>6,592,349</u>
<u>Total Capital Assets, Net</u>	<u>7,884,018</u>	<u>(294,665)</u>	<u>-</u>	<u>-</u>	<u>7,589,353</u>

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

Governmental Activities:

Instruction	378,457
Operation & Maintenance	3,556
Transportation	42,436
Food Service	7,514
<u>Total Depreciation Expense – Governmental Activities</u>	<u>431,963</u>

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 6 INTERFUND TRANSACTIONS

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	60,903	-
Designated Purpose Grant Fund	-	34,052
Food Service Fund	-	26,851
	<u>60,903</u>	<u>60,903</u>

All interfund due to/from amounts were accumulated in the normal course of operations and represent amounts paid or settled between the General Fund and other operating funds of the District. All are expected to be repaid in the upcoming period.

	<u>Transfers To Other Funds</u>	<u>Transfers From Other Funds</u>
General	140,000	-
Capital Reserve – Capital Projects	-	100,000
Food Service Fund	-	40,000
	<u>140,000</u>	<u>140,000</u>

Transfers were made in the normal course of operations to support funding needs.

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 to ten months. The salaries and benefits earned, but unpaid, at June 30, 2016, are estimated to be \$367,132 and have been budgeted for payment during the following fiscal year. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 8 **PENSION PLAN (Continued)**

Contributions. Eligible employees and Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Las Animas School District Number RE-1 were \$416,702 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 Las Animas School District Number RE-1 reported a liability of \$8,468,936 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 Las Animas School District Number RE-1 proportion of the net pension liability was based on Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 proportion was 0.0554 percent, which was a decrease of 0.0028 from its proportion measured as of December 31, 2014.

For the year ended June 30, 2016, the Las Animas School District Number RE-1 recognized pension expense of \$239,485. At June 30, 2016, the Las Animas School District Number RE-1 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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	111,833	(353)
Changes of assumptions or other inputs	0	(119,681)
Net difference between projected and actual earnings on pension plan investments	720,097	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	(390,808)
Contributions subsequent to the measurement date	214,694	N/A
Total	1,046,624	(510,842)

\$214,694 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	15,336
2018	35,840
2019	122,247
2020	147,665
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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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:

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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 Las Animas School District Number RE-1 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	10,978,216	8,436,936	6,381,683

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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 Las Animas School District Number RE-1 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 \$8,160.

Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – The Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 contributions to the HCTF were \$23,969, \$25,065 and \$24,716, respectively equal to their required contributions for each year.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 9 JOINT VENTURES

Not reflected in the accompanying financial statements is the District's participation in the Santa Fe Trail 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 for the year ended June 30, 2015, is as follows:

Assets and Deferred Outflows	962,339
Liabilities and Deferred Inflows	<u>4,286,942</u>
Net Position	<u>(3,324,603)</u>
Revenues	<u>2,662,939</u>
Expenses	<u>2,701,735</u>
Changes in Net Position	<u>(38,796)</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. The BOCES files an audit annually with the Colorado State Auditor's Office.

NOTE 10 LONG-TERM DEBT

The District had changes in its long-term obligations as follows:

	Balance <u>7-1-2015</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6-30-2016</u>	Current <u>Portion</u>
Lighting Lease	150,772	-	29,968	120,804	31,915
General Obligation Bonds 2002	1,220,000	-	1,220,000	-	-
General Obligation Bonds 2015	-	1,075,000	-	1,075,000	140,000
Deferred Refunding	-	<u>(15,018)</u>	<u>(2,429)</u>	<u>(12,589)</u>	<u>(3,294)</u>
<u>Total</u>	<u>1,370,772</u>	<u>1,059,982</u>	<u>1,247,539</u>	<u>1,183,215</u>	

Lighting Lease

The District entered into a capital Lease arrangement to improve the lighting in District Buildings during the year ended June 30, 2010. The original balance was \$325,375 and called for quarterly payments of \$8,459 to \$9,575. The interest rate is 4.65%. Minimum future payments follow:

<u>Year</u>	<u>Payments</u>	<u>Principal</u>	<u>Interest</u>
2017	36,980	31,915	5,065
2018	37,508	33,961	3,547
2019	38,038	36,106	1,932
2020	<u>19,150</u>	18,821	329
	131,676		
Less Amounts Representing Interest	<u>10,872</u>		
Present Value of Future Minimum Payments	<u>120,804</u>		

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 10 LONG-TERM DEBT (Continued)

General Obligation Bonds Series 2002.

These bonds issued on August 15, 2002 for the original amount of \$2,500,000 mature serially on December 1 in amounts varying from \$25,000 to \$180,000 with interest from 3.00% to 4.75% semi annually.

The bond proceeds along with approximately \$2,305,625 of State of Colorado Capital Construction Grant Funds awarded to the District, were used to construct a new elementary school. The matching grant was awarded by the Colorado Department of Education after determining the District's need for an elementary school.

In 2015, the District issued refunding bonds for repayment of principal and interest on this issue.

General Obligation Refunding Series 2015

On September 2, 2015, the District issued \$1,075,000 in General Obligation Refunding Bonds with an average interest rate of 3.1% to advance refund \$1,090,000 of outstanding 2002 General Obligation Bonds bearing interest rates ranging from 3.00% to 4.75%. Refunding proceeds of \$1,105,018 were deposited with an escrow agent to provide debt service payments of \$1,090,000 in principal and \$183,908 in interest on the 2002 Series Bonds. As a result, that portion of 2002 Bonds is considered to be defeased and the liability for the issue has been removed from the financial statements.

The District completed the advance refunding to reduce the total debt service payments over the next 7 years by \$77,933 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$99,348.

As a result of the difference between the reacquisition price and the carrying amount of the old debt, a deferred refunding was recorded in the amount of \$15,018. It will be amortized against interest costs of the refunding issue.

Below is a schedule of debt service requirements to maturity:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2017	140,000	16,875
2018	140,000	29,550
2019	150,000	25,350
2020	155,000	19,350
2021	155,000	14,700
2022	165,000	10,050
2023	<u>170,000</u>	<u>5,100</u>
<u>Total</u>	<u>1,075,000</u>	<u>120,975</u>

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 11 COLORADO SCHOOL DISTRICTS SELF-INSURANCE POOL

The District belongs to the Colorado School Districts 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 coverages. 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 not 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 fund from which they were paid.

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	<u>-</u>
Net Income (Loss) Before Dividend	(2,388,357)
Dividend	<u>-</u>
Net Income (Loss)	(2,388,357)
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>95,339</u>
Return of Capital Contributions from Members	<u>-</u>
Unassigned Surplus	<u>24,325,009</u>

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 12 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.

NOTE 13 COMPLIANCE WITH BUDGET LAW

During the year ended June 30, 2016, expenditures in the following fund exceeded amounts budgeted:

Food Service	\$1,459
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NOTE 14 PRIOR PERIOD ADJUSTMENT

In the fiscal year ended June 30, 2015, no deferred inflow 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 inflow at June 30, 2015 that should have been recorded was \$183,954. 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

BUDGET COMPARISONS

PENSION TREND DATA

BUDGET COMPARISONS

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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

REVENUES	Budgeted Amounts		Actual Amounts	Variance- Favorable (Unfavorable)
	Original	Final		
<u>Local Sources</u>				
Property Taxes	1,059,329	1,059,329	1,148,516	89,187
Specific Ownership Taxes	111,462	111,462	102,192	(9,270)
Earnings on Investments	3,060	3,060	2,673	(387)
Delinquent Taxes & Interest	2,500	2,500	3,694	1,194
Other	38,536	35,200	42,300	7,100
<u>State Sources</u>				
Equalization	2,505,952	2,746,267	2,683,825	(62,442)
Transportation	23,760	18,233	11,077	(7,156)
Vocational Education	21,000	21,000	8,589	(12,411)
Other	14,226	24,502	24,519	17
<u>Federal Sources</u>				
Designated Purpose Grants	68,632	68,698	103,605	34,907
Other	-	-	-	-
TOTAL REVENUES	<u>3,848,457</u>	<u>4,090,251</u>	<u>4,130,990</u>	<u>40,739</u>
 <u>EXPENDITURES</u>				
<u>Instruction</u>				
<u>Regular Programs</u>				
Salaries	1,510,299	1,457,016	1,418,770	38,246
Employee Benefits	522,633	495,992	486,396	9,596
Purchased Services - Professional	1,000	1,000	1,013	(13)
Purchased Services – Property	3,400	3,400	1,755	1,645
Purchased Services – Other	123,510	123,510	83,662	39,848
Supplies and Materials	116,867	116,867	116,222	645
Property	8,000	8,000	3,867	4,133
Other Objects	1,012	1,012	944	68
<u>Total Instruction</u>	<u>2,286,721</u>	<u>2,206,797</u>	<u>2,112,629</u>	<u>94,168</u>
 <u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	47,061	47,061	50,840	(3,779)
Employee Benefits	15,258	15,258	13,929	1,329
Purchased Services – Professional	36,100	36,100	36,057	43
Purchased Services – Property	-	-	-	-
Purchased Services – Other	120,400	120,400	133,205	(12,805)
Supplies and Materials	8,850	8,850	2,582	6,268
Property	-	-	-	-
Other Objects	390	390	-	390
<u>Total Student Supporting Services</u>	<u>228,059</u>	<u>228,059</u>	<u>236,613</u>	<u>(8,554)</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

<u>SUPPORTING SERVICES (Continued)</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance -
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Instructional Staff</u>				
Salaries	66,460	66,460	67,406	(946)
Benefits	26,956	26,956	26,496	460
Purchased Services – Professional	64,308	64,308	67,659	(3,351)
Purchased Services – Property	-	-	-	-
Purchased Services – Other	1,000	1,000	2,758	(1,758)
Supplies and Materials	5,000	5,000	4,421	579
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Instructional Staff</u>	<u>163,724</u>	<u>163,724</u>	<u>168,740</u>	<u>(5,016)</u>
<u>General Administration</u>				
Salaries	90,000	90,000	89,080	920
Employee Benefits	25,251	25,251	24,223	1,028
Purchased Services – Professional	21,900	21,900	19,988	1,912
Purchased Services – Other	9,000	9,000	6,141	2,859
Supplies and Materials	600	600	6,567	(5,967)
Property	-	-	-	-
Other Objects	9,100	9,100	9,249	(149)
<u>Total General Administration</u>	<u>155,851</u>	<u>155,851</u>	<u>155,248</u>	<u>603</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	235,963	235,963	236,761	(798)
Employee Benefits	79,762	79,762	78,838	924
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	21,200	21,200	23,607	(2,407)
Purchased Services – Other	1,300	1,300	1,731	(431)
Supplies and Materials	6,810	6,810	3,252	3,558
Property	1,715	1,715	3,228	(1,513)
Other Objects	1,515	1,515	1,215	300
<u>Total School Administration</u>	<u>348,265</u>	<u>348,265</u>	<u>348,632</u>	<u>(367)</u>
<u>Business Services</u>				
Salaries	79,683	79,683	80,683	(1,000)
Employee Benefits	21,945	21,945	20,185	1,760
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	3,000	3,000	1,996	1,004
Purchased Services – Other	600	600	433	167
Supplies and Materials	9,200	9,200	8,852	348
Property	-	-	-	-
Other Objects	300	300	-	300
<u>Total Business Services</u>	<u>114,728</u>	<u>114,728</u>	<u>112,149</u>	<u>2,579</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>SUPPORTING SERVICES (Continued)</u>				
<u>Operations and Maintenance</u>				
Salaries	166,469	166,469	162,993	3,476
Employee Benefits	53,548	53,548	49,409	4,139
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	63,590	63,590	73,989	(10,399)
Purchased Services – Other	61,300	61,300	43,225	18,075
Supplies and Materials	267,950	267,950	225,573	42,377
Property	1,200	1,200	-	1,200
Other Objects	-	-	133	(133)
<u>Total Operations and Maintenance</u>	<u>614,057</u>	<u>614,057</u>	<u>555,322</u>	<u>58,735</u>
<u>Student Transportation</u>				
Salaries	57,000	57,000	64,445	(7,445)
Employee Benefits	11,515	11,515	13,044	(1,529)
Purchased Services – Professional	1,700	1,700	845	855
Purchased Services – Property	25,000	25,000	22,541	2,459
Purchased Services – Other	9,000	9,000	10,710	(1,710)
Supplies and Materials	24,200	24,200	13,095	11,105
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Student Transportation</u>	<u>128,415</u>	<u>128,415</u>	<u>124,680</u>	<u>3,735</u>
<u>Central Support</u>				
Purchased Services – Professional	750	750	750	-
Purchased Services – Other	69,900	69,900	64,171	5,729
<u>Total Central Support</u>	<u>70,650</u>	<u>70,650</u>	<u>64,921</u>	<u>5,729</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>1,823,749</u>	<u>1,823,749</u>	<u>1,766,305</u>	<u>57,444</u>
<u>Debt Service</u>	<u>36,461</u>	<u>36,461</u>	<u>36,460</u>	<u>1</u>
<u>Appropriated Reserves</u>	<u>767,219</u>	<u>1,170,104</u>	<u>-</u>	<u>1,170,104</u>
<u>TOTAL EXPENDITURES</u>	<u>4,914,150</u>	<u>5,237,111</u>	<u>3,915,394</u>	<u>1,321,717</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(1,065,693)</u>	<u>(1,146,860)</u>	<u>215,596</u>	
<u>Other Financing Sources (Uses)</u>				
Transfers	(40,000)	(140,000)	(140,000)	-
<u>Total Other Financing Sources (Uses)</u>	<u>(40,000)</u>	<u>(140,000)</u>	<u>(140,000)</u>	<u>-</u>
<u>Revenues and Other Financing Sources Over</u>				
<u>(Under) Expenditures and Other Uses</u>	<u>(1,105,693)</u>	<u>(1,286,860)</u>	<u>75,596</u>	
<u>FUND BALANCE, July 1</u>	<u>1,105,693</u>	<u>1,291,860</u>	<u>1,293,586</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>5,000</u>	<u>1,369,182</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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)	0.0554%	0.0582%	0.0602%	-	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$8,468,936	\$7,884,069	\$7,671,728	-	-	-	-	-	-	-
District's covered-employee payroll	\$2,349,848	\$2,457,376	\$2,423,132	-	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	360%	321%	317%	-	-	-	-	-	-	-
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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 For The Last 10 Fiscal Years (As Available)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Contractually required contributions	\$ 416,702	\$ 414,975	\$ 389,021	\$ 371,082	-	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (416,702)</u>	<u>\$ (414,975)</u>	<u>\$ (389,021)</u>	<u>\$ (371,082)</u>	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-	-	-	-
District's covered-employee payroll	\$2,349,848	\$2,457,376	\$2,433,132	\$2,449,484	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	17.73%	16.89%	16.05%	15.15%	-	-	-	-	-	-

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

COMBINING FUND FINANCIAL STATEMENTS

AND INDIVIDUAL FUND BUDGET SCHEDULES

Capital Project Funds

Capital Project – Capital Project Fund - This fund accounts for a capital project funded through dedicated revenues from bonds, grants or other sources.

Capital Reserve Capital Project Fund – This fund accounts for the acquisition of sites, buildings, equipment and vehicles.

Bond Redemption Debt Service Fund

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

Food Service Fund

This fund accounts for all the financial activities associated with the District's school breakfast and lunch program.

Designated Purpose Grants Fund

This fund is provided to maintain a separate accounting for federal and state grant funded programs which normally have a different fiscal period than that of the District.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2016

	<u>Special Revenue Funds</u>	<u>Total</u>	
	<u>Food</u>	<u>Nonmajor</u>	
	<u>Service</u>	<u>Governmental</u>	
	<u>Designated</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Grants</u>	
	<u>Grants</u>	<u>Funds</u>	
<u>Assets</u>			
Cash and Equivalents	13,716	17,564	31,280
Investments	-	-	-
Accounts Receivable	48,845	-	48,845
Accrued Revenue	-	44,749	44,749
Due From Other Funds	-	-	-
Inventories	<u>6,134</u>	<u>-</u>	<u>6,134</u>
<u>Total Assets</u>	<u>68,695</u>	<u>62,313</u>	<u>131,008</u>
 <u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	-	-	-
Accrued Salaries	16,199	28,064	44,263
Due To Other Funds	<u>26,851</u>	<u>34,052</u>	<u>60,903</u>
<u>Total Liabilities</u>	<u>43,050</u>	<u>62,116</u>	<u>105,166</u>
 <u>Fund Balances:</u>			
Nonspendable:			
Inventories	6,134	-	6,134
Restricted:			
Food Service	19,511	-	19,511
Committed:			
Capital Outlay	-	-	-
Assigned:			
Grant Expenditures	-	197	197
Unassigned:			
<u>Total Fund Balances</u>	<u>25,645</u>	<u>197</u>	<u>25,842</u>
 <u>Total Liabilities & Fund Balances</u>	 <u>68,695</u>	 <u>62,313</u>	 <u>131,008</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2016

	<u>Special Revenue Funds</u>		<u>Total</u>
	<u>Food</u>	<u>Designated</u>	<u>Nonmajor</u>
<u>Revenue</u>	<u>Service</u>	<u>Purpose</u>	<u>Governmental</u>
		<u>Grants</u>	<u>Funds</u>
Local Sources:			
Earnings on Investments	161	-	161
Fees and Charges	32,499	-	32,499
State Sources	4,810	-	4,810
Federal Sources	<u>230,049</u>	<u>286,256</u>	<u>516,305</u>
<u>Total Revenues</u>	<u>267,519</u>	<u>286,256</u>	<u>553,775</u>
 <u>Expenditures</u>			
Current:			
Instructional Services	-	224,027	224,027
Supporting Services			
Students	-	62,229	62,229
Food Service	<u>285,197</u>	-	<u>285,197</u>
<u>Total Expenditures</u>	<u>285,197</u>	<u>286,256</u>	<u>571,453</u>
 <u>Excess (Deficiency) of Revenues</u>			
<u>Over (Under) Expenditures</u>	(17,678)	-	(17,678)
 <u>Other Financing Sources (Uses)</u>			
Transfers	<u>40,000</u>	-	<u>40,000</u>
 <u>Net Change in Fund Balances</u>	22,322	-	22,322
 <u>Fund Balances – Beginning</u>	<u>3,323</u>	<u>197</u>	<u>3,520</u>
 <u>Fund Balances – Ending</u>	<u>25,645</u>	<u>197</u>	<u>25,842</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 CAPITAL PROJECT - CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
State Grants	-	101,498	85,302	(16,196)
<u>Total Revenues</u>	<u>-</u>	<u>101,498</u>	<u>85,302</u>	<u>(16,196)</u>
<u>Expenditures</u>				
Capital Outlay Buildings	154,277	143,021	114,238	28,783
<u>Total Expenditures</u>	<u>154,277</u>	<u>143,021</u>	<u>114,238</u>	<u>28,783</u>
<u>Revenues Over (Under) Expenditures</u>	(154,277)	(41,523)	(28,936)	
<u>Other Financing Sources (Uses)</u>				
Transfers	-	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Revenues and Sources Over (Under) Expenditures and Uses</u>	(154,277)	(41,523)	(28,936)	
<u>FUND BALANCES, July 1</u>	<u>154,277</u>	<u>42,188</u>	<u>42,187</u>	
<u>FUND BALANCES, June 30</u>	<u>-</u>	<u>665</u>	<u>13,251</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 CAPITAL RESERVE - CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual</u>	Variance -
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Revenues</u>				
Local	-	-	48,766	48,766
Earnings on Investments	900	900	567	(333)
State Grants	-	131,121	131,121	-
Federal Grants	-	-	-	-
<u>Total Revenues</u>	<u>900</u>	<u>132,021</u>	<u>180,454</u>	<u>48,433</u>
<u>Expenditures</u>				
Capital Outlay	190,000	321,121	30,174	290,947
Appropriated Reserves	<u>12,032</u>	<u>105,337</u>	-	<u>105,337</u>
<u>Total Expenditures</u>	<u>202,032</u>	<u>426,458</u>	<u>30,174</u>	<u>396,284</u>
<u>Revenues Over (Under) Expenditures</u>	(201,132)	(294,437)	150,280	
<u>Other Financing Sources (Uses)</u>				
Transfers	-	<u>100,000</u>	<u>100,000</u>	-
<u>Total Other Financing Sources (Uses)</u>	-	<u>100,000</u>	<u>100,000</u>	-
<u>Revenues and Sources Over (Under)</u>				
<u>Expenditures and Uses</u>	(201,132)	(194,437)	250,280	
<u>FUND BALANCES, July 1</u>	<u>201,132</u>	<u>194,437</u>	<u>194,437</u>	
<u>FUND BALANCES, June 30</u>	<u>-</u>	<u>-</u>	<u>444,717</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 BOND REDEMPTION DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual</u>	Variance - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Property Tax	185,000	185,000	184,116	(884)
Specific Ownership Tax	15,000	15,000	16,962	1,962
Earnings on Investments	600	600	645	45
Other Local	<u>600</u>	<u>600</u>	<u>2,136</u>	<u>1,536</u>
<u>Total Revenues</u>	<u>201,200</u>	<u>201,200</u>	<u>203,859</u>	<u>2,659</u>
<u>EXPENDITURES</u>				
Debt Service:				
Principal	130,000	130,000	130,000	-
Interest	67,000	67,000	25,944	41,056
Other	1,200	16,218	1,138	15,080
Appropriated Reserves	<u>633,918</u>	<u>637,242</u>	-	<u>637,242</u>
<u>Total Expenditures</u>	<u>832,118</u>	<u>850,460</u>	<u>157,082</u>	<u>693,378</u>
<u>REVENUES OVER (UNDER)</u>				
<u>EXPENDITURES</u>	(630,918)	(649,260)	46,777	
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds of Refunding Bonds	-	1,144,212	1,144,212	-
Payment to Refunded Bond Escrow Agent	-	(1,090,000)	(1,105,018)	(15,018)
Bond Issue Cost	<u>-</u>	<u>(36,272)</u>	<u>(36,272)</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>17,940</u>	<u>2,922</u>	<u>(15,018)</u>
<u>REVENUES AND SOURCES OVER</u>				
<u>(UNDER) EXPENDITURES AND USES</u>	(630,918)	(631,320)	49,699	
<u>FUND BALANCES, July 1</u>	<u>630,918</u>	<u>631,320</u>	<u>631,320</u>	
<u>FUND BALANCES, June 30</u>	<u>-</u>	<u>-</u>	<u>681,019</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 FOOD SERVICE – SPECIAL REVENUE 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</u>	Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Budget</u>		
<u>REVENUES</u>				
<u>Local Sources</u>				
Food Sales	31,700	31,700	32,499	799
Earnings on Investments	80	115	161	46
Other	-	-	-	-
<u>State Sources</u>				
School Lunches and Breakfast	3,600	3,600	4,810	1,210
<u>Federal Sources</u>				
School Lunches and Breakfast	190,000	192,000	220,416	28,416
Commodities	8,000	8,000	9,633	1,633
<u>Total Revenues</u>	<u>233,380</u>	<u>235,415</u>	<u>267,519</u>	<u>32,104</u>
<u>EXPENDITURES</u>				
Salaries	86,545	86,545	86,096	449
Employee Benefits	40,613	40,613	39,809	804
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	1,000	1,000	196	804
Purchased Services - Other	200	200	233	(33)
Food Purchases	130,848	128,336	132,243	(3,907)
Capital Outlay	-	-	-	-
Commodities	9,000	9,000	9,633	(633)
Non-Food Supplies	19,100	14,100	16,863	(2,763)
Other	2,800	250	124	126
Appropriated Reserves	3,694	3,694	-	3,694
<u>Total Expenditures</u>	<u>293,800</u>	<u>283,738</u>	<u>285,197</u>	<u>(1,459)</u>
<u>REVENUES OVER (UNDER)</u>				
<u>EXPENDITURES</u>	(60,420)	(48,323)	(17,678)	
<u>OTHER FINANCING SOURCES</u>				
<u>(USES)</u>				
Transfers	40,000	45,000	40,000	(5,000)
<u>REVENUES AND SOURCES OVER</u>				
<u>(UNDER) EXPENDITURES AND USES</u>	(20,420)	(3,323)	22,322	
<u>FUND BALANCE, July 1</u>	<u>20,420</u>	<u>3,323</u>	<u>3,323</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>-</u>	<u>25,645</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
DESIGNATED PURPOSE GRANT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
For the Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual</u>	Variance - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	<u>285,455</u>	<u>311,521</u>	<u>286,256</u>	<u>(25,265)</u>
<u>Total Revenues</u>	<u>285,455</u>	<u>311,521</u>	<u>286,256</u>	<u>(25,265)</u>
<u>Expenditures</u>				
Instruction	234,977	269,706	224,027	45,679
Support Services	50,478	41,815	62,229	(20,414)
Other	<u>197</u>	<u>197</u>	-	<u>197</u>
<u>Total Expenditures</u>	<u>285,652</u>	<u>311,718</u>	<u>286,256</u>	<u>25,462</u>
<u>Revenues Over (Under) Expenditures</u>	(197)	(197)	-	
<u>Other Financing Sources (Uses)</u>				
Transfers	-	-	-	-
<u>Revenues and Sources Over (Under) Expenditures and Uses</u>				
	(197)	(197)	-	
<u>Fund Balance, July 1</u>	<u>197</u>	<u>197</u>	<u>197</u>	
<u>Fund Balance, June 30</u>	<u>-</u>	<u>-</u>	<u>197</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 STUDENT ACTIVITY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES –
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>RECEIPTS</u>			
Other Local	<u>190,000</u>	<u>208,905</u>	<u>18,905</u>
<u>Total Receipts</u>	<u>190,000</u>	<u>208,905</u>	<u>18,905</u>
 <u>EXPENDITURES</u>			
Pupil Activities	<u>190,000</u>	<u>188,405</u>	<u>1,595</u>
Net Increase (Decrease) in Deposits Held	-	20,500	
Deposits Held – Beginning of Year	<u>-</u>	<u>73,436</u>	
Deposits Held – End of Year	<u><u>-</u></u>	<u><u>93,936</u></u>	

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: 0290 - LAS ANIMAS RE-1
 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	1,291,860	0	3,821,666	3,771,700	0	1,341,826	
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0	0	0	
19 Colorado Preschool Program Fund	1,726	169,324	143,684	27,356			
Sub-Total	1,293,586		3,990,990	3,915,393		1,369,182	
11 Charter School Fund	0	0	0	0	0	0	
20.76-29 Special Revenue Fund	0	0	0	0	0	0	
21 Food Service Spec. Revenue Fund	3,323	307,518	285,196	25,644			
22 Govt Designated-Purpose Grants Fund	197	286,256	286,256	197			
23 Pupil Activity Special Revenue Fund	0	0	0	0	0	0	
24 Full Day Kindergarten Mill Levy Override	0	0	0	0	0	0	
25 Transportation Fund	0	0	0	0	0	0	
31 Bond Redemption Fund	631,320	1,348,071	1,298,372	681,019			
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0	0	0	
41 Building Fund	42,187	85,302	114,238	13,251			
42 Special Building Fund	0	0	0	0	0	0	
43 Capital Reserve Capital Projects Fund	194,437	280,454	30,174	444,717			
Totals	2,165,049		6,298,591	5,929,631		2,534,010	
Proprietary							
50 Other Enterprise Funds	0	0	0	0	0	0	
64 (63) Risk-Related Activity Fund	0	0	0	0	0	0	
60.65-69 Other Internal Service Funds	0	0	0	0	0	0	
Totals	0		0	0		0	
Fiduciary							
70 Other Trust and Agency Funds	0	0	0	0	0	0	
72 Private Purpose Trust Fund	0	0	0	0	0	0	
73 Agency Fund	0	0	0	0	0	0	
74 Pupil Activity Agency Fund	73,436	208,906	168,406	93,936			
79 GASB 34-Permanent Fund	0	0	0	0	0	0	
85 Foundations	0	0	0	0	0	0	
Totals	73,436		208,906	168,406		93,936	

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: 0290 - LAS ANIMAS RE-1
 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, 22-29	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			
Cash and Investments (8100-8104,8111)	1,617,736	0	24,242	13,716	17,564	675,581	470,621	0	0	0	93,936	0	2,913,398		
Cash with Fiscal Agent (8105)	13,021	0	0	0	0	2,087	0	0	0	0	0	0	15,107		
Taxes Receivable (8121,8122)	44,000	0	0	0	0	7,000	0	0	0	0	0	0	51,000		
Interfund Loans Receivable (8131,8132)	60,903	0	19,589	0	0	0	0	0	0	0	0	0	80,492		
Grants Accounts Receivable (8142)	27,093	0	0	48,845	44,748	0	62,227	0	0	0	0	0	182,913		
Other Receivables (8151-8154,8161)	7,765	0	0	0	0	0	16,631	0	0	0	0	0	24,396		
Inventories (8171,8172,8173)	0	0	0	6,134	0	0	0	0	0	0	0	0	6,134		
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Assets	1,770,519	0	43,831	68,654	62,312	684,668	549,478	0	0	0	93,936	0	3,273,439		

Governmental

Proprietary

Fiduciary

	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
LIABILITIES & FUND EQUITY													
LIABILITIES													
Interfund Payables (7401,7402)	19,589	0	0	26,851	34,053	0	0	0	0	0	0	0	80,492
Intergovernmental Payables (7411)	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Payables (7421-7423)	79,644	0	0	0	0	0	68,881	0	0	0	0	0	148,525
Contracts Payable (7431-7433)	0	0	0	0	0	0	22,629	0	0	0	0	0	22,629
Accrued Expenses (7461)	306,394	0	16,475	16,199	28,063	0	0	0	0	0	0	0	367,131
Payroll Ded. and Withholdings (7471-7473)	6	0	0	0	0	0	0	0	0	0	0	0	6
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Deferred Revenue (7482)	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Inflow (7800)	23,060	0	0	0	0	3,649	0	0	0	0	0	0	26,709
Total Liabilities	428,693	0	16,475	43,050	62,116	3,649	91,510	0	0	0	0	0	645,493

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	0	0	0	6,134	0	0	0	0	0	0	0	0
Restricted Fund Balance 6720	0	0	27,356	19,510	0	681,019	0	0	0	0	0	0	727,885
TABOR 3% Emergency Reserve 6721	130,000	0	0	0	0	0	0	0	0	0	0	0	130,000
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	27,356	0	0	0	0	0	0	0	0	0	0	0	27,356
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	0	0	0	0	0	0	457,968	0	0	0	0	0	457,968
Assigned Fund Balance 6760	0	0	0	0	197	0	0	0	0	0	93,936	0	94,133
Unassigned Fund Balance 6770	1,184,470	0	0	0	0	0	0	0	0	0	0	0	1,184,470
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	1,341,826	0	27,356	25,844	197	681,019	457,968	0	0	0	93,936	0	2,627,946

Total Liabilities & 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
	1,770,519	1,770,519	0	43,831	68,694	62,312	684,668	549,478	0	0	0	93,936	0

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