

**WRAY SCHOOL DISTRICT RD-2
WRAY, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2016**



RECEIVED

By Justin L. Smith at 4:01 pm, Jan 04, 2017

**WRAY SCHOOL DISTRICT RD-2
WRAY, COLORADO**

ROSTER OF SCHOOL OFFICIALS

JUNE 30, 2016

BOARD OF EDUCATION

Brad Rock, Board President
Steve McEntire, Vice President
Virginia Weaver, Secretary
Phil Kettelson, Director
Curt Lapp, Director

ADMINISTRATIVE STAFF

Dee Blecha
Co-Executive Director of Education

Levi Kramer
Co-Executive Director of Education

Ginger Williams
Executive Director of Operations/HR

Rosie Jones
Director of Finance

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FINANCIAL SECTION

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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information - Unaudited)

**WRAY SCHOOL DISTRICT RD-2
Management Discussion and Analysis
For Fiscal Year Ended June 30, 2016**

This section of Wray School District RD-2's annual financial report presents its discussion and analysis of the District's financial performance during the year ended June 30, 2016.

Financial Highlights

- The assets of Wray School District RD-2 exceeded its liabilities at the close of the most recent fiscal year by \$1,950,815 (net position).
- The district's total net position increased by \$101,697. This change in net position is due to the inclusion of PERA liability reporting for the second year. Please refer to note 7 on page 29 for more details.
- General Fund revenues accounted for \$6,558,407 or 82% of the \$7,970,788 in total revenues.
- The general fund ending fund balance reached \$2,602,600, an increase of \$218,636 from last year.

Overview of Financial Statements

The discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. A comparison to the prior year's activity is normally provided in the document. The basic financial statements consist of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and, (4) required supplementary information. This report also contains required supplementary information in addition to the basic financial statements.

Government-wide Statements

The Government-wide financial statements are designed to provide readers with information about the School District as a whole using accounting methods similar to those used by private-sector businesses.

The statement of net position includes all of the School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The District's total net position from governmental activities were \$850,453 as of June 30, 2016. There is a \$167,060 increase in total net position from the prior fiscal year.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and retiree's early retirement bonuses). In the government-wide financial statements, the School District's activities are divided into two categories.

- **Governmental activities:** Most of the School District's basic services are included here, such as instruction, transportation, maintenance and operations, food service, and administration. Taxes and intergovernmental revenues principally support these activities.
- **Business-type activities:** The wind turbine operations are intended to recover all or a significant portion of their costs through fees, charges and governmental reimbursements.

The government-wide financial statements consolidate the governmental and business type activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide more detailed information about the School District's operations, focusing on the most significant or "major" funds, not the School District as a whole. The School District has three kinds of funds: governmental funds, enterprise funds, and fiduciary funds.

Governmental Funds

Most of the District's basic services are included in the governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the status of financial resources that can be spent in the near future to finance the School District's program.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Thus, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and change in fund balances provide reconciliation to the government-wide financial statements in order to facilitate this comparison between governmental funds and governmental activities.

The School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures and change in fund balances for the general and bond redemption funds, which are considered to be major funds. Data for the other nonmajor governmental fund is combined in a single, aggregated presentation. Individual fund data for the nonmajor governmental fund is provided in the form of a budgetary comparison schedule elsewhere in this report.

The basic governmental fund financial statements can be found on pages 6 – 9 of this report.

Enterprise Funds

This fund is an enterprise fund used to account for financial activities associated with the District's wind turbine operations. The enterprise fund financial statements may be found on page 48 of this report.

Fiduciary Funds

Fiduciary funds are used to count for resources held for the benefit of parties outside the school district. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 49 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements may be found on pages 14-39 of this report.

Other information

In addition to the basic financial statements, this report also presents other supplementary information concerning the School District's annual appropriated budgets with comparison statements that demonstrate compliance with budgets. Budgeted amounts may be found on pages 42-49.

Financial Analysis of the School District as a Whole

As noted earlier, net position may serve over time as a useful indicator of the School District's financial position.

72% of the School District's assets are investment in capital assets (e.g., land, buildings and equipment). The school District uses these assets to provide instruction and related services to its students.

The following table provides a summary of the district's net position as of June 30, 2016.

	Governmental		Business-type		Total	
	Activities		Activities			
	2016	2015	2016	2015	2016	2015
Current & Other Assets	\$ 4,804,837	\$ 4,440,280	\$ 74,421	\$ 79,491	\$ 4,879,258	\$ 4,519,771
Capital Assets - Net	11,791,183	12,237,776	1,065,941	1,146,663	12,857,124	13,384,439
Total Assets	16,596,020	16,678,056	1,140,362	1,226,154	17,736,382	17,904,210
Deferred Outflows of Resources	1,724,656	772,060	-	-	1,724,656	772,060
Current Liabilities	694,991	685,426	-	429	694,991	685,855
Non-Current Liabilities	16,253,638	15,579,141	40,000	60,000	16,293,638	15,639,141
Total Liabilities	16,948,629	16,264,567	40,000	60,429	16,988,629	16,324,996
Deferred Inflows of Resources	521,594	502,156	-	-	521,594	502,156
Net Investment in Capital Assets	7,663,542	7,564,550	1,065,942	1,153,751	8,729,484	8,718,301
Restricted Net Position	1,666,077	1,524,238	-	-	1,666,077	1,524,238
Unrestricted Net Position	(8,479,166)	(8,405,395)	34,420	11,974	(8,444,746)	(8,393,421)
Total Net Position	\$ 850,453	\$ 683,393	\$ 1,100,362	\$ 1,165,725	\$ 1,950,815	\$ 1,849,118

Following is a summary of the School District's change in net position.

	Governmental		Business-Type		Total	
	Activities		Activities			
	2016	2015	2016	2015	2016	2015
Program Revenues:						
Charges for Services	\$ 151,581	\$ 118,044	\$ 75,152	\$ 83,184	\$ 226,733	\$ 201,228
Operating Grants	1,290,909	1,436,684	-	-	1,290,909	1,436,684
Capital Grants	6,401	626	-	-	6,401	626
Total Program Revenues	1,448,891	1,555,354	75,152	83,184	1,524,043	1,638,538
General Revenues:						
Taxes	2,993,305	2,815,432	-	-	2,993,305	2,815,432
State Equalization	3,289,707	3,237,203	-	-	3,289,707	3,237,203
Investment Income	7,015	3,080	28	17	7,043	3,097
Insurance Proceeds	1,809	13,895	-	-	1,809	13,895
Miscellaneous	229,854	71,753	-	-	229,854	71,753
Total General Revenues	6,521,690	6,141,363	28	17	6,521,718	6,141,380
Total Revenues	7,970,581	7,696,717	75,180	83,201	8,045,761	7,779,918
Expenses						
Instruction	4,340,868	4,219,695	-	-	4,340,868	4,219,695
Supporting Services	3,341,029	3,305,430	-	-	3,341,029	3,305,430
Invested in Long Term Debt	121,624	124,582	-	-	121,624	124,582
Wind Turbine service	-	-	140,543	165,895	140,543	165,895
Total Expenses	7,803,521	7,649,707	140,543	165,895	7,944,064	7,815,602
Change in Net Position	167,060	47,010	(65,363)	(82,694)	101,697	(35,684)
Net Position - Beginning	683,393	636,383	1,165,725	1,248,419	1,849,118	1,884,802
Net Position - Ending	\$ 850,453	\$ 683,393	\$ 1,100,362	\$ 1,165,725	\$ 1,950,815	\$ 1,849,118

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994, as amended (SFA). Under the SFA the School District received \$7,812.14 per funded student. In fiscal year 2015-16 the funded pupil count was 658.3. Funding for the SFA comes from property taxes, specific ownership tax and state equalization. The School District receives approximately 65 percent of this funding from state equalization while the remaining amount comes from property taxes and specific ownership tax. The School District's assessed valuation generated \$1,765,743 in property and specific ownership taxes for fiscal year 2015-2016.

Business-Type Activities

Business-type activities are made up of the wind turbine funds. These programs had total revenues of \$75,152 and expenses of \$140,543. Business type activities receive no support from tax revenue.

Governmental Funds

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

As the end of the fiscal year, the School District's governmental funds reported combined ending fund balances of \$4,102,915, an increase of \$347,838. The general fund had a fund balance increase of \$218,636.

General Fund Budget Highlights

The District's budget is prepared according to Colorado law and is based on accounting for transactions under generally accepted accounting principles. The most significant budgeted fund is the General Fund.

The differences are found between the final budget and the actual expended amounts were due to some increased salaries, employer paid benefits, insurance, fuel and capital outlay as well as keeping up with technology needs for students and for new state-mandated tests. The cost of employment turnover continues to run above average over the last four years creating a negative effect on our bottom line.

Capital Assets and Debt Administration

Capital Assets

The School Districts investment in capital assets for its governmental and business type activities as of June 30, 2016 amounts to \$12,857,124 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, licensed vehicles and capital leases all with an original cost greater than \$5,000 for the governmental activities and \$1,000 for the business-type activities and proprietary funds.

The School District's total capital assets at June 30, 2016, net of accumulated depreciation were as follows:

	Balance July 1 2015	Additions	Deletions	Balance June 30 2016
Governmental Activities:				
Capital Assets not depreciated:				
Land	\$ 359,300	\$ -	\$ -	\$ 359,300
Capital Assets being depreciated:				
Land Improvements	1,216,128	-	-	1,216,128
Buildings and Improvements	19,278,583	22,292	-	19,300,875
Furniture and Equipment	482,875	34,115	-	516,990
Food Service Equipment	91,741	7,754	-	99,495
Licensed Vehicles	1,672,147	26,346	-	1,698,493
Total Capital Assets being depreciated	<u>22,741,474</u>	<u>90,507</u>	<u>-</u>	<u>22,831,981</u>
Total Capital Assets	<u>23,100,774</u>	<u>90,507</u>	<u>-</u>	<u>23,191,281</u>
Accumulated Depreciation:				
Land Improvements	(891,237)	(33,547)	-	(924,784)
Buildings and Improvements	(8,059,934)	(399,977)	-	(8,459,911)
Furniture and Equipment	(453,172)	(7,757)	-	(460,929)
Food Service Equipment	(66,942)	(2,490)	-	(69,432)
Licensed Vehicles	(1,391,713)	(93,329)	-	(1,485,042)
Total Accumulated Depreciation	<u>(10,862,998)</u>	<u>(537,100)</u>	<u>-</u>	<u>(11,400,098)</u>
Net Capital Assets	<u>\$ 12,237,776</u>	<u>\$ (446,592)</u>	<u>\$ -</u>	<u>\$ 11,791,184</u>

	Balance July 1 2015	Additions	Deletions	Balance June 30 2016
Business-Type Activities:				
Capital Assets being depreciated:				
Equipment	\$ 1,741,749	\$ 6,529	\$ -	\$ 1,748,278
Less: Accum. Depreciation	<u>(595,086)</u>	<u>(87,251)</u>	<u>-</u>	<u>(682,337)</u>
Net Capital Assets	<u>\$ 1,146,663</u>	<u>\$ (80,721)</u>	<u>\$ -</u>	<u>\$ 1,065,942</u>

Additional information on the School District's capital assets can be found in note 4 to the basic financial statements.

Long-Term Debt

At year-end, the School District’s long-term debt of \$16,231,521 represented its compensated absences of \$61,715, capital lease obligations of \$82,640, general obligation bonds of \$4,302,708, CDE audit repayment of \$28,844 and net pension liability of \$11,755,614.

Please see additional information regarding long-term debt in the audit on pages 26-29 under note 6.

	<u>Balance</u> <u>06/30/15</u>	<u>Advances</u>	<u>Payments</u>	<u>Balance</u> <u>06/30/16</u>	<u>Current</u> <u>Portion</u>	<u>Interest</u> <u>Expense</u>
<u>Governmental Activities</u>						
2005 General Obligation Bonds	\$ 385,000	\$ -	\$ 385,000	\$ -	\$ -	\$ -
2013 GO Refunding Bonds	4,125,000	-	80,000	4,045,000	80,000	117,065
Bond Premiums	262,805	-	5,097	257,708	30,899	-
Capital Lease Obligations	163,226	-	80,586	82,640	82,641	6,182
CDE Audit Repayment	28,844	-	-	28,844	28,844	-
PERA Net Pension Obligation	10,552,551	1,203,063	-	11,755,614	-	-
Compensated Absences	61,715	-	-	61,715	-	-
Total Long-Term Obligations	\$ 15,579,141	\$ 1,203,063	\$ 550,683	\$ 16,231,521	\$ 222,384	\$ 123,247
Defeased Debt	\$ 4,840,000	\$ -	\$ 4,840,000	\$ -	\$ -	\$ -

	<u>Balance</u> <u>06/30/15</u>	<u>Advances</u>	<u>Payments</u>	<u>Balance</u> <u>06/30/16</u>	<u>Current</u> <u>Portion</u>	<u>Interest</u> <u>Expense</u>
<u>Business-type Activities</u>						
Loans Payable	\$ 60,000	\$ -	20,000	\$ 40,000	\$ 20,000	\$ -

Economic Factors

The budget is based upon the goals and objectives of all stakeholders which include the board of education, community and staff, school accountability committees, and administration. The four goals are: 1) improving student achievement, 2) retain and hire highly qualified staff, 3) develop curriculum and instruction rotation, and 4) maintain and improve facilities and student transportation. Many factors were considered by the District’s administration during the process of developing the fiscal year 15-16 budget. Among them:

- The enrollment remained steady in FY16, and the enrollment outlook for FY17 is uncertain due to our community size and economic challenges for rural areas.
- Health and property insurance premiums continue to rise at a rate that is higher than the percentage of funding increase.
- Goals are in place to build up reserves in the Capital Reserve Fund to address the much needed maintenance repairs of our aging facilities and transportation fleet.
- The budget will include the following considerations:
 - Salary – staff will receive a vertical step on the salary schedule. The District continues to make every effort to raise salaries when possible.

- Fringe Benefits – The District will remain with CEBT health insurance. The health insurance premiums increased slightly, but well below the state average.
- PERA – Employer contribution will increase in January 2017 by another 0.5% for a total of 19.65% employer contribution.
- Operation & Maintenance – Reserves will need to build if plans are made for various capital replacement needs.
- Food Services – The State requires the district to complete a lunch price equity tool to determine if lunch prices need to be increased. A slight increase to lunch prices will be required in FY17. The general fund has budgeted to transfer money into the food service fund.

The District maintains the budget, quarterly reports, monthly accounts payable and current salary schedules on its website: www.wrayschools.org.

Next Year Challenges

The prospects of the School District have changed more negatively from prior years. We also continue to see a decrease in gas exploration in Yuma County due to the national economic factors and our assessed valuation continues to suffer.

The board of education has adopted a deficit budget for the FY16-17 school year utilizing approximately \$70,000 of fund balance to keep our current status quo operation. Restoring one-fifth of the negative factor does not begin to heal the district or address priorities we are facing which include: attracting and retaining highly qualified staff and curriculum needs that align to the Colorado Academic Standards, increase maintenance repairs and aging transportation fleet.

With participation from district and school accountability committees, staff, community and administration, we have identified four budget goals that will continue to be a challenge for our district to fund without generating another source of revenue. This will require us to look at generating local revenues through a voter approved mill levy override as we cannot continue to use beginning fund balance to offset costs and meet the needs of our students. With the review of our current programs costs, we were able to reduce cost where we could and make necessary salary adjustments to retain staff. We were also able to increase classroom supplies, purchase curriculum resources for our students and fund one-time capital projects with local contributions and/or grants. It will be vital to our district's financial strength to successfully pass a mill levy override for the future of our school district.

Contacting the Districts Financial Management

This financial report is designed to provide the District's citizens, taxpayers, parents, investors and creditors with a general overview of the District's finances and to demonstrate the district's accountability for the money it receives. If you have any questions about this report or need additional information, contact Wray School District RD-2, 30222 County Road 35, Wray, Colorado 80758.

Holscher, Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of Education
Wray School District RD-2
Wray, Colorado

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, the aggregate remaining fund information, and the related notes to the financial statements of the Wray School District RD-2, Colorado, as of and for the year ended June 30, 2016, which collectively comprise the basic financial statements of the District, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the Wray School District RD-2, Colorado, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Wray School District RD-2's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 10, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information – Management Discussion and Analysis and Pension Schedules (Unaudited)

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1-M8 and pension schedules on pages 40-41 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.

Required Supplementary Information – Budgetary Comparison Schedule and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 42-45 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. In addition, the combining and individual fund schedules on pages 46-49 and listed as other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Colorado Department of Education Auditors' Electronic Financial Data Integrity Check Figures and Bolded Balance Sheet reports pages 50-53 are presented for state regulatory compliance and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Holscher, Mayberry + Company, LLC

Englewood, CO
November 21, 2016

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all government-wide and fund level activity as of June 30, 2016.

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Wray School District RD-2
Statement of Net Position
June 30, 2016

	Governmental	Business-Type	Totals
	Activities	Activities	2016
ASSETS AND DEFERRED OUTFLOWS			
Assets			
Cash and Investments	\$ 3,160,085	\$ 59,172	\$ 3,219,257
Cash with Fiscal Agent	1,481,597	-	1,481,597
Taxes Receivable	98,262	-	98,262
Internal Balances	(7,095)	-	(7,095)
Grants Receivable	27,522	-	27,522
Other Accounts Receivable	22,072	15,249	37,321
Inventory	22,394	-	22,394
Capital Assets, not being depreciated	359,300	-	359,300
Capital Assets, being depreciated	11,431,883	1,065,941	12,497,824
Total Assets	16,596,020	1,140,362	17,736,382
Deferred Outflows of Financial Resources			
Deferred Charge on Refunding	258,783	-	258,783
Contributions Subsequent to Measurement Date	309,118	-	309,118
Difference Between Projected and Actual Returns on Pension Plan Investments - net	1,001,257	-	1,001,257
Difference Between Projected and Actual Pension Plan Experience - net	155,498	-	155,498
Total Deferred Outflows of Financial Resources	1,724,656	-	1,724,656
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 18,320,676	\$ 1,140,362	\$ 19,461,038
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE			
Liabilities			
Accounts Payable	98,213	-	98,213
Accrued Interest	6,734	-	6,734
Accrued Salaries & Benefits	584,013	-	584,013
Payroll Taxes & Deductions Payable	6,031	-	6,031
Non-Current Liabilities			
Due Within One Year	222,385	20,000	242,385
Due In More Than One Year	16,031,253	20,000	16,051,253
Total Liabilities	16,948,629	40,000	16,988,629
Deferred Inflows of Financial Resources			
Deferred Revenues	4,750	-	4,750
Difference Between Projected and Actual Pension Plan Experience - net	491	-	491
Change in District's Proportionate Share of Net Pension Liability - net	349,943	-	349,943
Change in Pension Assumptions - net	166,410	-	166,410
Total Deferred Inflows of Financial Resources	521,594	-	521,594
Net Position			
Net Investment in Capital Assets	7,663,542	1,065,942	8,729,484
Restricted Net Position	1,666,077	-	1,666,077
Unrestricted Net Position	(8,479,166)	34,420	(8,444,746)
Total Net Position	850,453	1,100,362	1,950,815
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSTION	\$ 18,320,676	\$ 1,140,362	\$ 19,461,038

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

**Wray School District RD-2
Statement of Activities
For the Year Ended June 30, 2016**

<u>Functions/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
Governmental Activities				
Instruction	\$ 4,340,868	\$ 49,842	\$ 752,809	\$ -
Supporting Services	3,341,029	101,739	538,100	6,401
Interest on Long Term Debt	121,624	-	-	-
Total Governmental Activities	<u>7,803,521</u>	<u>151,581</u>	<u>1,290,909</u>	<u>6,401</u>
Business Type Activities				
Wind Turbine	140,543	75,152	-	-
Total Primary Government	<u>\$ 7,944,064</u>	<u>\$ 226,733</u>	<u>\$ 1,290,909</u>	<u>\$ 6,401</u>

General Revenues

Property Taxes
 Specific Ownership Taxes
 State Equalization
 Investment Earnings
 Insurance Proceeds
 Other Revenues

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

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

Net (Expense) Revenue and Change in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (3,538,217)	\$ -	\$ (3,538,217)
(2,694,789)	-	(2,694,789)
(121,624)	-	(121,624)
<u>(6,354,630)</u>	-	<u>(6,354,630)</u>
-	(65,391)	(65,391)
<u>(6,354,630)</u>	<u>(65,391)</u>	<u>(6,420,021)</u>
2,700,891	-	2,700,891
292,414	-	292,414
3,289,707	-	3,289,707
7,015	28	7,043
1,809	-	1,809
<u>229,854</u>	-	<u>229,854</u>
<u>6,521,690</u>	<u>28</u>	<u>6,521,718</u>
167,060	(65,363)	101,697
<u>683,393</u>	<u>1,165,725</u>	<u>1,849,118</u>
<u>\$ 850,453</u>	<u>\$ 1,100,362</u>	<u>\$ 1,950,815</u>

Wray School District RD-2
Balance Sheet
Governmental Funds
June 30, 2016
(With Comparative Totals for June 30, 2015)

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Debt Service</u>
		<u>Food Service Fund</u>	<u>Bond Redemption Fund</u>
ASSETS			
Cash and Investments	\$ 3,120,718	\$ 32,468	\$ -
Cash with Fiscal Agent	30,544	-	1,451,053
Taxes Receivable	72,265	-	25,997
Interfund Accounts Receivable	130	-	-
Grants Receivable	7,002	-	-
Other Accounts Receivable	16,633	5,439	-
Inventory	-	22,394	-
TOTAL ASSETS	<u>\$ 3,247,292</u>	<u>\$ 60,301</u>	<u>\$ 1,477,050</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE			
Liabilities			
Interfund Accounts Payable	\$ 7,095	\$ -	\$ 130
Accounts Payable	98,213	-	-
Accrued Salaries & Benefits	533,353	23,241	-
Payroll Taxes & Deductions Payable	6,031	-	-
Total Liabilities	<u>644,692</u>	<u>23,241</u>	<u>130</u>
Deferred Inflows			
Deferred Revenue	-	4,750	8,915
Fund Balance			
Nonspendable Fund Balance	-	22,394	-
Restricted Fund Balance			
Restricted for Debt Service	-	-	1,468,005
Restricted for TABOR Emergencies	193,000	-	-
Restricted for Colorado Preschool Program	5,072	-	-
Assigned Fund Balance			
Assigned for Fund Purposes	-	9,916	-
Unassigned Fund Balance	2,404,528	-	-
Total Fund Balance	<u>2,602,600</u>	<u>32,310</u>	<u>1,468,005</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 3,247,292</u>	<u>\$ 60,301</u>	<u>\$ 1,477,050</u>

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

Special Revenue	Totals	
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Nonmajor Head		
Start Fund	2016	2015
\$ 6,899	\$ 3,160,085	\$ 2,808,075
-	1,481,597	1,372,166
-	98,262	78,119
-	130	130
20,520	27,522	120,643
-	22,072	47,562
-	22,394	20,810
<u>\$ 27,419</u>	<u>\$ 4,812,062</u>	<u>\$ 4,447,505</u>

\$ -	\$ 7,225	\$ 7,225
-	98,213	74,752
27,419	588,013	588,357
-	6,031	4,084
<u>27,419</u>	<u>695,482</u>	<u>674,418</u>

-	13,665	18,010
---	--------	--------

-	22,394	-
---	--------	---

-	1,468,005	1,330,631
-	193,000	185,000
-	5,072	8,607

-	9,916	40,482
-	2,404,528	2,190,357

-	4,102,915	3,755,077
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<u>\$ 27,419</u>	<u>\$ 4,812,062</u>	<u>\$ 4,447,505</u>
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Wray School District RD-2
Reconciliation of Governmental Fund Balances
to Governmental Activities Net Position
June 30, 2016

Fund Balance - Governmental Funds		\$ 4,102,915
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, not being depreciated	359,300	
Capital assets, being depreciated	22,831,981	
Accumulated depreciation	<u>(11,400,098)</u>	11,791,183
Property taxes receivable will be collected during the current calendar year, but are not available soon enough to pay for current expenditures and are therefore deferred in the funds		
Deferred Revenues - Property Taxes		8,915
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds		
Contributions subsequent to measurement date	309,118	
Difference between projected and actual investment returns on the pension plan	1,326,564	
Amortization of the investment return difference	(325,307)	
Difference between projected and actual pension plan experience (outflow)	214,399	
Amortization of the experience difference (outflow)	(58,901)	
Net pension liability	(11,775,614)	
Difference between projected and actual pension plan experience (inflow)	(1,068)	
Amortization of the experience difference (inflow)	577	
Change in District proportionate share of the net pension liability	(695,310)	
Amortization of the change in proportion	345,367	
Change in pension assumptions	(229,445)	
Amortization of the change in assumptions	<u>63,035</u>	(10,826,585)
Certain long-term assets are not available to pay for current year expenditures and are therefore not reported in the funds		
Deferred charge on refunding	258,783	
Bond premiums	<u>(257,708)</u>	1,075
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Bonds payable	(4,045,000)	
CDE audit repayment	(28,844)	
Capital leases payable	(82,641)	
Accrued interest payable	(6,734)	
Accrued compensated absences	<u>(63,831)</u>	<u>(4,227,050)</u>
Total Net Position - Governmental Activities		<u>\$ 850,453</u>

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

Wray School District RD-2
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	<u>General Fund</u>	<u>Special Revenue Food Service Fund</u>	<u>Debt Service Bond Redemption Fund</u>
REVENUES			
Local Sources	\$ 2,445,187	\$ 88,867	\$ 721,202
Intermediate Sources	7,487	-	1,622
State Sources	3,915,609	7,753	-
Federal Sources	190,124	257,526	-
TOTAL REVENUES	<u>6,558,407</u>	<u>354,146</u>	<u>722,824</u>
EXPENDITURES			
Instruction	3,600,938	-	-
Pupil Support	119,650	-	-
Staff Support	171,211	-	-
General Administration	457,768	-	-
School Administration	350,219	-	-
Business Services	124,295	-	400
Operations and Maintenance	662,846	-	-
Transportation	352,458	-	-
Other Central Support	146,933	-	-
Risk Management	238,705	-	-
Food Service	-	392,318	-
Facilities	-	-	-
Debt Service	84,748	-	585,050
TOTAL EXPENDITURES	<u>6,309,771</u>	<u>392,318</u>	<u>585,450</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	248,636	(38,172)	137,374
OTHER FINANCING SOURCES (USES)			
Transfer In (Out) - net	(30,000)	30,000	-
CHANGE IN FUND BALANCE	<u>218,636</u>	<u>(8,172)</u>	<u>137,374</u>
BEGINNING FUND BALANCE	<u>2,383,964</u>	<u>40,482</u>	<u>1,330,631</u>
ENDING FUND BALANCE	<u>\$ 2,602,600</u>	<u>\$ 32,310</u>	<u>\$ 1,468,005</u>

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

<u>Special Revenue</u>		<u>Totals</u>	
Nonmajor Head			
<u>Start Fund</u>	<u>2016</u>	<u>2015</u>	
\$ 79,150	\$ 3,334,406	\$ 3,238,014	
-	9,109	3,734	
-	3,923,362	3,786,721	
<u>256,261</u>	<u>703,911</u>	<u>666,702</u>	
<u>335,411</u>	<u>7,970,788</u>	<u>7,695,171</u>	
260,037	3,860,975	3,724,693	
-	119,650	166,471	
-	171,211	177,628	
70,167	527,935	488,194	
-	350,219	417,945	
1,791	126,486	138,786	
3,416	666,262	529,277	
-	352,458	367,514	
-	146,933	115,524	
-	238,705	115,534	
-	392,318	395,202	
-	-	137,353	
-	669,798	671,498	
<u>335,411</u>	<u>7,622,950</u>	<u>7,445,619</u>	
-	347,838	249,552	
-	-	-	
-	347,838	249,552	
-	3,755,077	3,505,525	
<u>\$ -</u>	<u>\$ 4,102,915</u>	<u>\$ 3,755,077</u>	

Wray School District RD-2
Reconciliation of Governmental Changes in Fund Balance
to Governmental Activities Change in Net Position
For the Year Ended June 30, 2016

Change in Fund Balance - Governmental Funds	\$	347,838
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level		
Capitalized Asset Purchases		90,507
Depreciation Expense	(537,100)	(446,593)
Property taxes receivable will be collected during the current calendar year, but are not available soon enough to pay for current expenditures and are therefore deferred in the funds		
Change in Deferred Inflows - Property Taxes		(207)
Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.		
Change in contributions subsequent to the measurement date	19,493	
Current year projected to actual investment return difference	1,083,750	
Current year amortization of overall investment return differences	(301,026)	
Current year projected to actual pension plan experience difference (outflow)	214,399	
Current year amortization of overall experience differences (ouflow)	(58,901)	
Change in net pension liability	(1,223,063)	
Current year projected to actual pension plan experience difference (inflow)	(280)	
Current year amortization of overall experience differences (inflow)	470	
Current year change in proportionate share of cost-sharing plan liability	(114,655)	
Current year amortization of overall proportionate share differences	266,187	
Current year change in pension plan assumptions	(229,445)	
Current year amortization of change in assupmtions	63,035	(280,036)
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level		
Principal payments on bonds payable	465,000	
Principal payments on capital leases	80,585	
Change in accrued interest payable	2,611	
Amortization of charges, premiums and discounts	(22)	
Change in accrued compensated absences	(2,116)	546,058
Change in Net Position - Governmental Activities	\$	167,060

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

Wray School District RD-2
Statement of Net Position
Proprietary Funds
Wind Turbine Fund
June 30, 2016
(With Comparative Totals for June 30, 2015)

	Totals	
	2016	2015
ASSETS		
Current Assets		
Cash and Investments	\$ 59,172	\$ 68,435
Other Accounts Receivable	15,249	11,056
Total Current Assets	74,421	79,491
Noncurrent Assets		
Machinery & Equipment	1,748,278	1,741,749
Accumulated Depreciation	(682,337)	(595,086)
Total Noncurrent Assets	1,065,941	1,146,663
TOTAL ASSETS	\$ 1,140,362	\$ 1,226,154
LIABILITIES AND NET POSITION		
Liabilities		
Current Liabilities		
Interfund Accounts Payable	\$ -	\$ 429
Noncurrent Liabilities		
Due within a Year	20,000	20,000
Due in More than One Year	20,000	40,000
Total Noncurrent Liabilities	40,000	60,000
Total Liabilities	40,000	60,429
Net Position		
Net Investment in Capital Assets	1,065,942	1,153,751
Unrestricted Net Position	34,420	11,974
Total Net Position	1,100,362	1,165,725
TOTAL LIABILITIES AND NET POSITION	\$ 1,140,362	\$ 1,226,154

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

Wray School District RD-2
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Wind Turbine Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	Totals	
	2016	2015
OPERATING REVENUES		
Other Local	\$ 75,152	\$ 83,184
OPERATING EXPENSES		
PS - Other	16,206	20,293
Supplies	3,506	-
PS - Professional	33,580	58,515
Depreciation	87,251	87,087
TOTAL OPERATING EXPENSES	140,543	165,895
OPERATING INCOME	(65,391)	(82,711)
OTHER REVENUES (EXPENSES)		
Investment Earnings	28	17
CHANGE IN NET POSITION	(65,363)	(82,694)
BEGINNING NET POSITION	1,165,725	1,248,419
ENDING NET POSITION	\$ 1,100,362	\$ 1,165,725

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

Wray School District RD-2
Statement of Cash Flows
Proprietary Funds
Wind Turbine Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	Totals	
	2016	2015
Cash Flows from Operating Activities:		
Cash Received from Local Sources	\$ 70,959	\$ 77,099
Cash Paid to Suppliers	(53,292)	(78,808)
Net Cash Provided (Used) for Operating Activities	17,667	(1,709)
Cash Flows from Capital and Related Financing Activities:		
Purchases of Capital Assets	(6,529)	-
Principal Paid on Capital Debt	(20,000)	(20,000)
Net Cash Provided (Used) for Capital and Related Financing Activities	(26,529)	(20,000)
Cash Flows from Noncapital Financing Activities:		
Cash Flows from Investing Activities:		
Interest Received	28	17
Net Increase(Decrease) in Cash	(9,263)	(21,263)
Cash, Beginning	68,435	89,698
Cash, Ending	\$ 59,172	\$ 68,435
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) for Operating Activities:		
Operating Income (Loss)	\$ (65,391)	\$ (82,711)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Depreciation	87,251	87,087
Changes in Assets and Liabilities Related to Operations:		
(Increase) Decrease in:		
Other Accounts Receivable	(4,193)	(6,085)
Total Adjustments	83,058	81,002
Net Cash Provided (Used) for Operating Activities	\$ 17,667	\$ (1,709)

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

Wray School District RD-2
Statement of Fiduciary Net Position
Fiduciary Funds
Pupil Activity Agency Fund
June 30, 2016
(With Comparative Totals for June 30, 2015)

	Totals	
	2016	2015
ASSETS		
Cash and Investments	\$ 146,001	\$ 120,072
Interfund Accounts Receivable	7,095	7,524
TOTAL ASSETS	153,096	127,596
NET POSITION		

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

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Wray School District RD-2 (the District) conform to generally accepted accounting principles as applicable to governmental units. Following is a summary of the more significant policies:

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, the District's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statement No. 14, "The Financial Reporting Entity."

Based upon the application of these criteria, no additional organizations are includable within the District's reporting entity.

Jointly Governed Organizations

The District in conjunction with other surrounding districts created the Northeast Colorado 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 BOCES board is comprised of one member from each participating district. During the fiscal year ended June 30, 2016, the District paid \$138,492 for assessments and other services to the BOCES. Financial statements for the BOCES can be obtained from the BOCES administrative office at: P O Box 98, Haxtun, CO 80731.

Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information of the District as a whole. The reporting information includes all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The fiduciary funds are presented separately.

The District reports the following major governmental funds:

General Fund – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue (Food Service) Funds – These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes.

Debt Service (Bond Redemption) – This fund is used to account for the repayment of the District's general obligation indebtedness.

In addition, the District reports the following nonmajor governmental funds:

Special Revenue (Head Start) Funds – These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes.

The District reports the following Proprietary Fund:

Wind Turbine Fund – This fund is an enterprise fund used to account for the financial activities associated with the District's wind turbine operations.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

The District reports the following fiduciary fund:

Agency Fund (Pupil Activity Fund) – These funds are used to account for the money held in trust by the District for student organizations. This fund is custodial in nature and does not measure the results of operations.

Government-Wide and Proprietary Fund Financial Statements

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the same time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available as allowed by the per pupil operating revenue formula approved by the State legislature or within sixty days after year end. These revenues could include federal, state, and county grants, and some charges for services. Grants are only recognized to the extent allowable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year end.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting (Continued)

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

- Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Budgets are required to be filed with the Commissioner of Education within thirty days after the beginning of the fiscal year.
- Budgets may be revised until January 31st of the budget year.
- Expenditures may not legally exceed appropriations at the fund level.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted and amended by the Board of Education.
- Encumbrance accounting is not utilized.

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

Receivables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories – Inventory of the proprietary fund is valued at the lower of cost (first-in, first-out) or market.

Due To and Due From Other Funds – Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Assets – Capital assets used in governmental activities operations are shown on the government-wide financial statements. These assets are not shown in the governmental funds and are therefore listed as a reconciling item between the two presentations. Property and equipment acquired or constructed for governmental fund operations are recorded as expenditures in the fund making the disbursement and capitalized at cost in the government-wide presentation. No depreciation has been provided on capital assets in the governmental funds.

Property and equipment acquired for the proprietary fund is capitalized in the fund.

Property and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Depreciation has been provided over the estimated useful lives of the asset in the government-wide presentation as well as in the proprietary fund. Depreciation is calculated using the straight-line method over the following useful lives:

Buildings and Site Improvements	10-80 years
Vehicles	10-25 years
Other Equipment	5-15 years

Taxes Receivable – Property taxes are recognized as revenue in the year in which they are intended to finance operating expenses, pursuant to the Colorado school district funding formula. As 2015 property taxes were both measurable and available at June 30, 2016, the District has recognized a receivable (net of uncollectible portion) for property taxes levied January 1, 2016 but not collected by June 30, 2016.

Accumulated unpaid sick and vacation and other pay are serviced from other revenues in the General Fund. These liabilities are only recorded on the government-wide financial statements as they are not expected to be financed from current resources. At June 30, 2016, the District has recorded accrued leave as disclosed in Note 6.

Long-Term Debt – The District's general obligation bonds are accounted for in the Bond Redemption Fund. Principal repayments are shown as expenditures in the fund level financial statements. The District's capital leases are paid through the General Fund and are shown as expenditures in that fund. Accrued leave and pension liabilities are paid by the fund to which the employee is charged. For the government-wide presentation, principal payments are reclassified as reductions in the outstanding obligation balances.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government has two items that qualify for reporting in this category. The first, deferred charge on refunding is related to refunded bond issuances as further described in Note 6. The remaining items relate to outstanding pension obligations and further described in Note 7.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports pension related deferrals as further described in Note 7 for the governmental activities, and has an additional category related to property tax collections and prepaid student balances for the governmental fund presentation.

Net Position/Fund Balances In the government-wide financial statements and for the proprietary fund statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balance are reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education, and at their highest level of action are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. All other remaining governmental balances are reported as unassigned.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position/Fund Balance and Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Revenues and Expenditures/Expenses

Revenues and Expenditures/Expenses – Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred.

Revenues and expenses of proprietary funds are recognized in essentially the same manner as in commercial accounting.

Property Tax Revenues – Property taxes are levied on December 15 based on the assessed value of property as certified by the county assessor on August 17. Assessed values are an approximation of market value. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2: CASH AND INVESTMENTS

A reconciliation of the cash components on the balance sheet to the cash categories in this footnote are as follows:

Governmental Activities	\$ 4,641,682
Business-Type Activities	59,172
Fiduciary	<u>146,001</u>
Total Cash and Investments	<u>\$ 4,846,855</u>
Deposits	\$ 3,255,386
Investments	1,549,943
Cash with County Treasurer	<u>41,526</u>
Total Cash and Investments	<u>\$ 4,846,855</u>

Deposits

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At June 30, 2016, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	Bank	Carrying
	<u>Balance</u>	<u>Balance</u>
FDIC Insured	\$ 512,541	\$ 512,541
PDPA Collateralized (Not held in District's na	<u>2,900,973</u>	<u>2,742,845</u>
Total Deposits	<u>\$ 3,413,514</u>	<u>\$ 3,255,386</u>

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments

The following are the major categories of assets and liabilities measured at fair value on a recurring basis during the year ended June 30, 2016 using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	<u>Weighted Avg Mat</u>
Local Gov't Invest Pool - Bond Trustee	\$ -	\$ 1,440,070	\$ -	\$ 1,440,070	0.00
Local Gov't Invest Pool - Unrestricted	-	109,873	-	109,873	0.00
Total Investments	<u>\$ -</u>	<u>\$ 1,549,943</u>	<u>\$ -</u>	<u>\$ 1,549,943</u>	0.00

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

- **Investment Pools:** Valued at the proportionate share of ownership of the quoted market prices of the underlying assets.

The District recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. During 2016, there were no changes in the methods or assumptions utilized to derive the fair value of the District's assets and liabilities.

Credit Risk

Colorado statutes specify which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of the U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The District's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

During the year ended June 30, 2016, the District invested funds in Colotrust and CSAFE. As investment pools, they operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market funds with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. These funds are rated AAAM by the Standard and Poor's Corporation.

Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase unless authorized by the local board. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2016, the District did not have any investments requiring safekeeping.

NOTE 3: INVENTORIES

Food Service Fund inventory of \$22,394 as of June 30, 2016, consisted of purchased food and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4: CAPITAL ASSETS

Activity for governmental capital assets is summarized below:

	Balance July 1 2015	Additions	Deletions	Balance June 30 2016
Governmental Activities:				
Capital Assets not depreciated:				
Land	\$ 359,300	\$ -	\$ -	\$ 359,300
Capital Assets being depreciated:				
Land Improvements	1,216,128	-	-	1,216,128
Buildings and Improvements	19,278,583	22,292	-	19,300,875
Furniture and Equipment	482,875	34,115	-	516,990
Food Service Equipment	91,741	7,754	-	99,495
Licensed Vehicles	1,672,147	26,346	-	1,698,493
Total Capital Assets being depreciated	22,741,474	90,507	-	22,831,981
Total Capital Assets	23,100,774	90,507	-	23,191,281
Accumulated Depreciation:				
Land Improvements	(891,237)	(33,547)	-	(924,784)
Buildings and Improvements	(8,059,934)	(399,977)	-	(8,459,911)
Furniture and Equipment	(453,172)	(7,757)	-	(460,929)
Food Service Equipment	(66,942)	(2,490)	-	(69,432)
Licensed Vehicles	(1,391,713)	(93,329)	-	(1,485,042)
Total Accumulated Depreciation	(10,862,998)	(537,100)	-	(11,400,098)
Net Capital Assets	\$ 12,237,776	\$ (446,592)	\$ -	\$ 11,791,184

The District capitalizes assets with an original value of at least \$5,000 and a useful life in excess of one year. Depreciation is computed on a straight-line basis over the expected use life of the underlying asset.

Depreciation for governmental activities is allocated as follows:

Instruction	\$ 298,248
Supporting Services	238,852
Total Depreciation	\$ 537,100

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4: CAPITAL ASSETS (Continued)

Business type-activities capital assets are as follows:

	Balance July 1 2015	Additions	Deletions	Balance June 30 2016
Business-Type Activities:				
Capital Assets being depreciated:				
Equipment	\$ 1,741,749	\$ 6,529	\$ -	\$ 1,748,278
Less: Accum. Depreciation	<u>(595,086)</u>	<u>(87,251)</u>	<u>-</u>	<u>(682,337)</u>
Net Capital Assets	<u>\$ 1,146,663</u>	<u>\$ (80,721)</u>	<u>\$ -</u>	<u>\$ 1,065,942</u>
Total Wind Turbine Depreciation		<u>\$ 87,251</u>		

NOTE 5: 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, as of June 30, 2016 is reflected as a liability in the respective funds in the accompanying financial statements as follows:

General Fund	\$ 533,353
Food Service Fund	23,241
Head Start Fund	<u>27,419</u>
Total	<u>\$ 584,013</u>

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6: LONG-TERM DEBT

Governmental Activity Debt

The following is a summary of governmental activity long-term obligation transactions of the District for the year ended June 30, 2016:

	Balance			Balance	Current	Interest
	06/30/15	Advances	Payments	06/30/16	Portion	Expense
<u>Governmental Activities</u>						
2005 General Obligation Bonds	\$ 385,000	\$ -	\$ 385,000	\$ -	\$ -	\$ -
2013 GO Refunding Bonds	4,125,000	-	80,000	4,045,000	80,000	117,065
Bond Premiums	262,805	-	5,097	257,708	30,899	-
Capital Lease Obligations	163,226	-	80,586	82,640	82,641	6,182
CDE Audit Repayment	28,844	-	-	28,844	28,844	-
PERA Net Pension Obligation	10,552,551	1,203,063	-	11,755,614	-	-
Compensated Absences	61,715	-	-	61,715	-	-
Total Long-Term Obligations	<u>\$ 15,579,141</u>	<u>\$ 1,203,063</u>	<u>\$ 550,683</u>	<u>\$ 16,231,521</u>	<u>\$ 222,384</u>	<u>\$ 123,247</u>
Defeased Debt	<u>\$ 4,840,000</u>	<u>\$ -</u>	<u>\$ 4,840,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Balance			Balance	Current	Interest
	06/30/15	Advances	Payments	06/30/16	Portion	Expense
<u>Business-type Activities</u>						
Loans Payable	\$ 60,000	\$ -	20,000	\$ 40,000	\$ 20,000	\$ -

General Obligation Bonds

General obligation bonds payable consist of the following individual issue:

\$5,430,000 general obligation refunding bonds, dated March 14, 2013, due in annual installments beginning in fiscal year 2014 ranging from \$385,000 to \$570,000; varying annual interest rates ranging from 2.00% to 3.00%, payable semiannually on June 15th and December 15th.

Total general obligation bonds \$ 4,045,000

The District has reported a deferred charge related to the above bond refunding. The activity related to these charges is as follows:

	Balance			Balance	Current
	06/30/15	Additions	Amortization	06/30/16	Portion
Deferred Outflows of Financial Resources					
Deferred Charge on Refunding	<u>\$271,412</u>	<u>\$ -</u>	<u>\$ 7,510</u>	<u>\$263,902</u>	<u>\$ 7,510</u>

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6: LONG-TERM DEBT (Continued)

Governmental Activity Debt (Continued)

The following schedule represents the District's debt service requirement to maturity for all outstanding bond indebtedness:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 485,000	\$ 106,700	\$ 591,700
2018	495,000	96,900	591,900
2019	505,000	84,375	589,375
2020	520,000	69,000	589,000
2021	535,000	53,175	588,175
2022-2024	<u>1,505,000</u>	<u>62,775</u>	<u>2,155,950</u>
Total	<u>\$ 4,045,000</u>	<u>\$ 472,925</u>	<u>\$ 5,106,100</u>

Capital Lease Obligations

Technology lease obligation - In July 2013, the District entered into an agreement with Apple, Inc. to purchase technology equipment. The agreement called for a lease term of four years. Annual payments of \$84,748 are due on July 17th of each year, with a final payment due in fiscal year 2017. The average interest rate over the lease term is 2.55%. The District has not capitalized any assets under this capital lease as none of the assets acquired met the District's capitalization threshold.

Payments on the capital lease are due as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2017	\$ 84,748
Less amount representing interest	<u>(2,107)</u>
Present value of future payments	<u>\$ 82,641</u>

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6: LONG-TERM DEBT (Continued)

Governmental Activity Debt (Continued)

Colorado Department of Education repayment

On October 19, 2011, the District received the results of an audit for fiscal years 2007 through 2010, which resulted in an amount due and payable to the Colorado Department of Education of \$28,844. In accordance with Colorado Revised Statutes 22-2-113(II)(A)&(B), audits that begin on or after July 1, 2007 shall not recover an interest fee for the period that is equal to the number of years and any fraction of a year between the settlement date of the current audit and the settlement date of the proceeding audit. The District intends to make payment in satisfaction of the audit in fiscal year 2016 as allowed by the statute.

Defeased Debt

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for a future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year-end, \$4,840,000 of defeased bonds outstanding had been redeemed.

Business-Type Activity Debt

The following is a summary of business – type activities long-term obligation transactions of the District for the year ended June 30, 2016:

	<u>Balance</u> <u>06/30/15</u>	<u>Advances</u>	<u>Payments</u>	<u>Balance</u> <u>06/30/16</u>	<u>Current</u> <u>Portion</u>
<u>Business-type Activities</u>					
Loans Payable	\$ 60,000	\$ -	20,000	\$ 40,000	\$ 20,000

Note Payable

In April 2008, the District received \$200,000 from the City of Wray for up-front capital for the purchase and installation of a wind turbine. In connection with this, the District entered into an agreement with the City of Wray to repay the funds over a ten-year period that commenced on the date of the first electric production from the wind turbine. The method of reimbursement was to be selected by the District and followed until the funds have been repaid. No interest will be payable in connection with this agreement.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6: LONG-TERM DEBT (Continued)

Business-Type Activity Debt (Continued)

The following schedule represents the District's debt service requirements to maturity for the note:

Fiscal Year	Principal	Interest	Total
2017	\$ 20,000	\$ -	\$ 20,000
2018	20,000	-	20,000
Total	\$ 40,000	\$ -	\$ 40,000

NOTE 7: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of 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 District 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/investments/pera-financial-reports.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

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

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

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

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

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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.

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

January 1st through December 31st	2015¹
Employer contribution rate	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%
Amount apportioned to the SCHDTF	9.13%
Amortization equalization disbursement (AED) as specified in C.R.S. 24-51-411	4.20%
Supplemental amortization equalization disbursement (SAED) as specified in C.R.S. 24-51-411	4.00%
Total employer contribution rate to the SCHDTF	17.33%

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

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from District were \$581,484 for the plan year ended December 31, 2015 and \$600,976 for the fiscal 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 District reported a liability of \$11,775,614 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 District's proportion of the net pension liability was based on District's 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 District's proportion was .07699%, which was a decrease of .0054% from its proportion measured as of December 31, 2014.

For the year ended June 30, 2016 the District recognized pension expense of \$1,171,233. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 155,498	\$ (490)
Changes of assumptions or other inputs	\$ -	\$ (166,411)
Net difference between projected and actual earnings on pension plan	\$ 1,001,257	\$ -
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ -	\$ (349,943)
Contributions subsequent to the measurement date	\$ 309,118	\$ -
Total	\$ 1,465,873	\$ (516,844)

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

\$309,118 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:	Fiscal Year Total
2017	\$ (72,458)
2018	(119,627)
2019	(242,508)
2020	(205,318)
Total	\$ (639,911)

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%
Real wage growth	1.10%
Wage inflation	3.90%
Salary increase, including wage inflation	3.90-10.10%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.50%
Post retirement benefit increases:	
PERA benefit structure hired prior to 1/1//07 and DPS benefit structure (automatic)	2.00%
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

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.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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.

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:

Asset Class	Target Allocation	10 Year Expected Geometric 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%.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Based on those assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Proportionate share of the net pension asset (liability)	\$ (15,264,637)	\$ (11,775,614)	\$ (8,873,397)

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.

NOTE 8: DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program

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

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 8: DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program\

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. The District does not contribute to the plan. Employees are immediately vested in their own contributions, employer contributions, if any, and investment earnings. For the year ended June 30, 2016 program members did not contribute to the plan.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS

Health Care Trust Fund

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

Funding Policy – The District is required to contribute at a rate of 1.02% of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2016, 2015 and 2014 each of the two preceding, the District contributions to the HCTF were \$33,195, \$31,730, and \$33,573, respectively, equal to their required contributions for each year.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

NOTE 10: RISK MANAGEMENT

Property and Liability Coverage

The District belongs to the Colorado School District Self Insurance Pool (“CSDSIP”) that was formed in 1981 to individual school districts more buying power and financial stability. By partnering with districts across the state, members gain better access to essential coverage at a competitive price, and more control over the entire risk management function. The coverage provided by CSDSIP is property, crime, general liability, auto liability and physical damage, and errors and omissions. CSDSIP became self-administered in 1997. The board of directors is comprised of nine persons who are district school board members, superintendents, or district business officials. Each member’s premium contribution is determined by CSDSIP based on factors including, but not limited to, the aggregate CSDSIP claims, the cost of administrative and other operating expenses, the number of participants, operating and reserve fund adequacy, investment income and reinsurance expense and profit sharing.

Reporting to the Division of Insurance, as well as an audit and actuarial study is conducted annually. These reports may be obtained by contacting the CSDSIP administrative offices at 6857 South Spruce Street, Centennial, CO 80112. The District has not materially changed its coverage from previous years. The District has not recorded any liability for unpaid claims at June 30, 2016.

CSDSIP has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. The ultimate liability to the District resulting from claims not covered by the pool is not recently determinable. Management is of the opinion that the final outcome of such claims, of any, will not have a material adverse effect on the District’s financial statements.

Workers Compensation

The District carries commercial insurance for worker’s compensation coverage. Risk of loss transfers to the carrier.

Health Insurance

The District currently carries commercial insurance for employee health coverage with risk of loss transferred to the carrier.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11: SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Claims and Judgments - The District participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units and are subject to the various rules and regulations of the grantor agencies. Expenditures financed by grants are subject to audit and adjustment by the appropriate grantor agency. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

TABOR Amendment - In November 1992, Colorado voters passed the TABOR Amendment (Amendment 1) to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the TABOR Amendment. In the November 1996 election, the District's electorate allowed the District to collect, retain and expand all revenues collected, notwithstanding the limits of the Amendment. The TABOR Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment. The District has recorded a \$193,000 reserve in the General Fund to fully fund its 3% emergency reserve required by TABOR.

NOTE 12: INTERFUND ACTIVITY

The District has recorded the following routine operating transfers through June 30, 2016.

General Fund Transfer to Food Service Fund	\$ (30,000)
Food Service transfer from General Fund	<u>30,000</u>
Net Transfers	<u>\$ -</u>

The District has the following outstanding interfund balances as of June 30, 2015:

General Fund Due from Bond Redemption Fund	\$ 130
Pupil Activity Fund Due from Wind Turbine Fund	0
Pupil Activity Fund Due from General Fund	7,095
General Fund Due to Pupil Activity Fund	(7,095)
Bond Redemption Fund Due to General Fund	(130)
Wind Turbine Fund Due to Pupil Activity Fund	<u>-</u>
Net Due to/from	<u>\$ -</u>

For the financial statement presentation, these amounts are shown as a balance owned between the funds at the fund level and has been eliminated on the at the activity level to the extent allowed.

WRAY SCHOOL DISTRICT RD-2

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 13: DEFICIT NET POSITION

The Governmental Activities has an unrestricted net position deficit of \$(8,479,166) primarily due to the PERA net pension liability of \$11,775,614, as further described in Note 7. As the District has no control over pension benefits or contribution rates, the District expects this deficit net position to continue for the foreseeable future.

REQUIRED SUPPLEMENTARY INFORMATION

Pension Schedules (Unaudited)

WRAY SCHOOL DISTRICT RD-2

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION ASSET (LIABILITY)
PERA Pension Plan
Last 10 Fiscal Years⁽¹⁾**

	<u>6/30/16</u>	<u>6/30/15</u>	<u>6/30/14</u>
District's proportion of the net pension asset (liability)	0.076994%	0.077859%	0.082412%
District's proportionate share of the net pension asset (liability)	\$ (11,775,614)	\$ (10,552,551)	\$ (10,511,588)
District's covered-employee payroll	\$ 3,355,359	\$ 3,261,746	\$ 3,322,277
District's proportionate share of the net pension asset (liability) as a percentage of covered-employee payroll	350.95%	323.52%	316.40%
Plan fiduciary net position as a percentage of the total pension liability	59.16%	62.84%	64.07%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

WRAY SCHOOL DISTRICT RD-2

SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA Pension Plan
Last 10 Fiscal Years⁽¹⁾

	<u>6/30/16</u>	<u>6/30/15</u>	<u>6/30/14</u>
Contractually required contributions	\$ 581,484	\$ 535,905	\$ 515,950
Actual contributions	<u>(581,484)</u>	<u>(535,905)</u>	<u>(515,950)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 3,355,359	\$ 3,261,746	\$ 3,322,277
Contributions as a percentage of covered-employee payroll	17.33%	16.43%	15.53%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

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BUDGETARY COMPARISON SCHEDULES

(Required Supplementary Information)

Wray School District RD-2
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	2016				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2015 Actual
REVENUES					
Local Sources					
Property Taxes	\$ 1,514,727	\$ 1,427,989	\$ 1,979,974	\$ 551,985	\$ 1,865,090
Specific Ownership Taxes	236,000	292,766	292,414	(352)	297,911
Delinquent Taxes	6,500	5,366	2,947	(2,419)	3,206
Tuition From Individuals	35,400	43,920	49,842	5,922	32,194
Investment Earnings	3,960	920	3,977	3,057	2,222
Fees	6,000	6,000	5,641	(359)	5,570
Rent Revenue	-	1,258	1,836	578	-
Donations	1,000	103,622	48,670	(54,952)	130,992
Local BOCES Passthrough	-	1,111	1,111	-	-
Overhead Cost Revenue	-	-	4,296	4,296	4,088
Insurance Proceeds	2,500	2,500	1,809	(691)	13,895
Other Local	83,105	83,105	52,670	(30,435)	71,753
Total Local Sources	<u>1,889,192</u>	<u>1,968,557</u>	<u>2,445,187</u>	<u>476,630</u>	<u>2,426,921</u>
Intermediate Sources					
Mineral Leases	5,940	4,227	2,708	(1,519)	3,107
Impact Fee Revenue	90	180	4,779	4,599	140
Total Intermediate Sources	<u>6,030</u>	<u>4,407</u>	<u>7,487</u>	<u>3,080</u>	<u>3,247</u>
State Sources					
State Equalization	3,358,437	3,297,479	3,375,618	78,139	3,318,956
Transportation	94,000	94,000	100,587	6,587	104,908
State Grants from CDE					
State ELPA	17,500	73,326	44,655	(28,671)	45,800
Read Act	13,111	8,630	10,871	2,241	13,244
Library Grant	-	7,000	3,500	(3,500)	3,000
Small Rural School	169,896	172,773	172,773	-	-
At-Risk Funding	-	4,410	4,410	-	-
State Vocational Education	4,200	6,939	29,755	22,816	1,653
State Grants Provided through BOCES	218,985	262,505	173,440	(89,065)	289,314
Total State Sources	<u>3,876,129</u>	<u>3,927,062</u>	<u>3,915,609</u>	<u>(11,453)</u>	<u>3,776,875</u>
Federal Sources					
Federal Grants from CDE					
NCLB Title I, Part A - Improving Basic Programs	107,550	107,550	106,817	(733)	100,536
NCLB Title II, Part A - Teacher & Principal Training	22,196	22,196	26,233	4,037	24,026
RTTT Early Childhood	-	-	492	492	130
NCLB Title I, Part A - Competitive	-	-	-	-	44,133
Direct Federal Revenue					
NCLB Title VI, Part B - REAP/Rural Education	36,989	36,989	37,978	989	9,462
Federal Provided through BOCES	12,400	12,400	18,604	6,204	15,402
Total Federal Sources	<u>179,135</u>	<u>179,135</u>	<u>190,124</u>	<u>10,989</u>	<u>193,689</u>
TOTAL REVENUES	<u>5,950,486</u>	<u>6,079,161</u>	<u>6,558,407</u>	<u>479,246</u>	<u>6,400,732</u>

(Continued)

See the accompanying Independent Auditors' Report

Wray School District RD-2
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
(Continued)					
EXPENDITURES					
Instruction					
Salaries	2,192,433	2,234,666	2,219,665	15,001	2,189,473
Benefits	859,753	876,334	875,528	806	805,687
PS - Professional	12,134	16,014	13,051	2,963	17,559
PS - Property	19,000	16,078	20,509	(4,431)	20,439
PS - Other	240,456	242,873	233,895	8,978	266,002
Supplies	204,239	209,021	181,690	27,331	152,895
Property	20,666	22,439	25,383	(2,944)	21,437
Other Expenses	6,950	23,250	31,217	(7,967)	24,135
Total Instruction	<u>3,555,631</u>	<u>3,640,675</u>	<u>3,600,938</u>	<u>39,737</u>	<u>3,497,627</u>
Supporting Services					
Pupil Support					
Salaries	85,120	85,120	84,980	140	113,060
Benefits	31,397	31,397	31,991	(594)	42,466
PS - Professional	10,000	10,000	-	10,000	9,765
PS - Other	1,050	3,450	1,955	1,495	238
Supplies	744	744	412	332	942
Other Expenses	130	430	312	118	-
Total Pupil Support	<u>128,441</u>	<u>131,141</u>	<u>119,650</u>	<u>11,491</u>	<u>166,471</u>
Staff Support					
Salaries	46,887	60,956	61,114	(158)	50,738
Benefits	25,724	26,585	26,541	44	27,085
PS - Professional	15,000	15,000	9,091	5,909	41,800
PS - Property	260	260	-	260	260
PS - Other	14,025	60,017	66,170	(6,153)	47,287
Supplies	5,550	9,050	7,653	1,397	8,316
Other Expenses	-	-	642	(642)	2,143
Total Staff Support	<u>107,446</u>	<u>171,868</u>	<u>171,211</u>	<u>657</u>	<u>177,629</u>
General Administration					
Salaries	218,435	217,194	265,261	(48,067)	269,545
Benefits	71,226	88,261	82,917	5,344	64,145
PS - Professional	41,155	41,155	46,937	(5,782)	34,242
PS - Property	500	500	785	(285)	-
PS - Other	20,500	29,665	22,272	7,393	17,605
Supplies	4,265	6,800	5,196	1,604	2,740
Property	15,000	15,000	19,651	(4,651)	14,689
Other Expenses	14,300	18,100	14,749	3,351	15,656
Total General Administration	<u>385,381</u>	<u>416,675</u>	<u>457,768</u>	<u>(41,093)</u>	<u>418,622</u>
School Administration					
Salaries	311,400	262,400	256,461	5,939	314,008
Benefits	114,143	96,225	91,198	5,027	101,262
PS - Other	150	150	915	(765)	119
Supplies	1,100	1,100	129	971	695
Other Expenses	1,770	2,170	1,516	654	1,861
Total School Administration	<u>428,563</u>	<u>362,045</u>	<u>350,219</u>	<u>11,826</u>	<u>417,945</u>

(Continued)

See the accompanying Independent Auditors' Report

Wray School District RD-2
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
(Continued)					
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Business Services					
Salaries	71,405	71,405	69,586	1,819	70,396
Benefits	29,578	29,578	20,542	9,036	19,663
PS - Professional	2,000	2,000	275	1,725	1,028
PS - Property	13,100	13,100	13,860	(760)	15,237
PS - Other	17,400	17,400	6,241	11,159	15,119
Supplies	9,000	9,000	6,080	2,920	9,769
Property	1,500	1,500	1,501	(1)	-
Other Expenses	2,000	2,000	6,210	(4,210)	4,848
Total Business Services	<u>145,983</u>	<u>145,983</u>	<u>124,295</u>	<u>21,688</u>	<u>136,060</u>
Operations and Maintenance					
Salaries	175,500	210,500	192,611	17,889	161,110
Benefits	77,715	88,985	87,351	1,634	74,335
PS - Property	34,500	40,500	45,879	(5,379)	15,844
PS - Other	33,000	30,000	28,819	1,181	32,610
Supplies	238,000	238,000	232,311	5,689	231,974
Property	19,000	90,000	75,875	14,125	6,956
Other Expenses	3,000	3,000	-	3,000	556
Total Operations and Maintenance	<u>580,715</u>	<u>700,985</u>	<u>662,846</u>	<u>38,139</u>	<u>523,385</u>
Transportation					
Salaries	193,025	193,025	186,675	6,350	184,748
Benefits	84,327	84,327	80,898	3,429	72,956
PS - Professional	1,500	1,500	2,558	(1,058)	1,263
PS - Property	3,700	3,700	8,449	(4,749)	3,859
PS - Other	5,250	5,250	2,434	2,816	6,677
Supplies	108,000	93,000	65,386	27,614	87,679
Property	2,000	28,346	27,868	478	10,322
Other Expenses	-	-	(21,810)	21,810	-
Total Transportation	<u>397,802</u>	<u>409,148</u>	<u>352,458</u>	<u>56,690</u>	<u>367,504</u>
Other Central Support					
Salaries	-	-	24,859	(24,859)	9,603
Benefits	4,951	4,000	2,205	1,795	537
PS - Professional	2,660	18,660	6,596	12,064	12,996
PS - Property	-	4,000	-	4,000	-
PS - Other	30,400	40,400	49,908	(9,508)	43,029
Supplies	59,000	59,000	59,428	(428)	49,359
Other Expenses	-	3,951	3,937	14	-
Total Other Central Support	<u>97,011</u>	<u>130,011</u>	<u>146,933</u>	<u>(16,922)</u>	<u>115,524</u>
Risk Management					
PS - Property	-	5,000	118,701	(113,701)	-
PS - Other	110,000	94,109	120,004	(25,895)	115,534
Total Risk Management	<u>110,000</u>	<u>99,109</u>	<u>238,705</u>	<u>(139,596)</u>	<u>115,534</u>
Facilities/Capital Outlay					
Land and Improvements	-	-	-	-	104,150
Buildings	95,618	-	-	-	33,203
Total Facilities/Capital Outlay	<u>95,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,353</u>
Debt Service					
Principal	84,800	84,800	80,586	4,214	78,582
Interest	-	-	4,162	(4,162)	6,166
Total Debt Service	<u>84,800</u>	<u>84,800</u>	<u>84,748</u>	<u>52</u>	<u>84,748</u>
Contingency	<u>1,801,920</u>	<u>1,626,871</u>	<u>-</u>	<u>1,626,871</u>	<u>-</u>
TOTAL EXPENDITURES	<u>7,919,311</u>	<u>7,919,311</u>	<u>6,309,771</u>	<u>1,609,540</u>	<u>6,158,402</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>(1,968,825)</u>	<u>(1,840,150)</u>	<u>248,636</u>	<u>2,088,786</u>	<u>242,330</u>
OTHER FINANCING SOURCES (USES)					
Transfers	(24,332)	(46,232)	(30,000)	16,232	(86,815)
CHANGE IN FUND BALANCE	<u>(1,993,157)</u>	<u>(1,886,382)</u>	<u>218,636</u>	<u>2,105,018</u>	<u>155,515</u>
BEGINNING FUND BALANCE	<u>1,993,157</u>	<u>1,886,382</u>	<u>2,383,964</u>	<u>497,582</u>	<u>2,228,449</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,602,600</u>	<u>\$ 2,602,600</u>	<u>\$ 2,383,964</u>

See accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

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SPECIAL REVENUE FUND

The District has two special revenue funds (Food Service Fund and Head Start). These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes. The Food Service Fund is presented as a major fund with the budgetary comparison schedule presented as required supplementary information.

Wray School District RD-2
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Food Service Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	2016				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2015 Actual
Local Sources					
Investment Earnings	\$ 12	\$ 12	\$ 12	\$ -	\$ 7
Food Service Revenue	88,600	83,800	88,855	5,055	76,192
Total Local Sources	<u>88,612</u>	<u>83,812</u>	<u>88,867</u>	<u>5,055</u>	<u>76,199</u>
State Sources					
State Grants from CDE					
State Match - Child Nutrition	3,200	3,200	3,011	(189)	3,276
Smart Start Nutrition	4,100	4,100	2,938	(1,162)	3,928
State K-2 Reduced Lunch	2,700	2,700	1,804	(896)	2,642
Total State Sources	<u>10,000</u>	<u>10,000</u>	<u>7,753</u>	<u>(2,247)</u>	<u>9,846</u>
Federal Sources					
Federal Grants from CDE					
School Breakfast Program	109,000	100,500	93,633	(6,867)	93,216
National School Lunch Program	149,500	136,500	141,369	4,869	142,157
Federal Grants from Other State Agencies					
Commodity Revenue	16,700	16,700	22,524	5,824	19,692
Total Federal Sources	<u>275,200</u>	<u>253,700</u>	<u>257,526</u>	<u>3,826</u>	<u>255,065</u>
TOTAL REVENUES	<u>373,812</u>	<u>347,512</u>	<u>354,146</u>	<u>6,634</u>	<u>341,110</u>
EXPENDITURES					
Food Service					
Salaries	104,600	104,601	105,431	(830)	106,965
Benefits	64,695	64,695	61,327	3,368	61,457
PS - Professional	100	100	-	100	-
PS - Property	11,000	11,000	7,293	3,707	9,192
PS - Other	100	100	-	100	20
Food	200,646	218,145	189,688	28,457	195,923
Commodities	9,000	9,000	22,524	(13,524)	21,117
Property	6,000	6,000	6,055	(55)	528
Depreciation	2,003	2,003	-	2,003	-
Contingency	26,856	9,356	-	9,356	-
TOTAL EXPENDITURES	<u>425,000</u>	<u>425,000</u>	<u>392,318</u>	<u>32,682</u>	<u>395,202</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(51,188)	(77,488)	(38,172)	39,316	(54,092)
OTHER FINANCING SOURCES (USES)					
Transfers	24,332	68,132	30,000	(38,132)	86,815
CHANGE IN FUND BALANCE	(26,856)	(9,356)	(8,172)	1,184	32,723
BEGINNING FUND BALANCE	26,856	9,356	40,482	31,126	7,759
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,310</u>	<u>\$ 32,310</u>	<u>\$ 40,482</u>

See accompanying Independent Auditors' Report.

Wray School District RD-2
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Head Start Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	<u>2016</u>		<u>Variance with Final Budget</u>	<u>2015 Actual</u>
	<u>Final Budget</u>	<u>Actual</u>		
REVENUES				
Local Sources				
Investment Earnings	\$ -	\$ 4	\$ 4	\$ 3
Donations	100,609	79,146	(21,463)	85,564
Other Local	-	-	-	800
Total Local Sources	<u>100,609</u>	<u>79,150</u>	<u>(21,459)</u>	<u>86,367</u>
Federal Sources				
Head Start	<u>249,391</u>	<u>256,261</u>	<u>6,870</u>	<u>217,948</u>
TOTAL REVENUES	<u>350,000</u>	<u>335,411</u>	<u>(14,589)</u>	<u>304,315</u>
EXPENDITURES				
Instruction				
Salaries	90,525	110,351	(19,826)	94,296
Benefits	47,002	40,620	6,382	35,915
PS - Professional	15,980	31,149	(15,169)	32,265
PS - Property	1,917	26,520	(24,603)	18,151
PS - Other	4,452	33,670	(29,218)	35,252
Supplies	12,001	16,699	(4,698)	11,187
Property	1,000	1,028	(28)	-
Total Instruction	<u>172,877</u>	<u>260,037</u>	<u>(87,160)</u>	<u>227,066</u>
General Administration				
Salaries	50,192	50,192	-	50,192
Benefits	24,516	19,975	4,541	19,379
Total General Administration	<u>74,708</u>	<u>70,167</u>	<u>4,541</u>	<u>69,571</u>
Business Services				
Salaries	1,500	1,500	-	1,500
Benefits	306	291	15	276
Total Business Services	<u>1,806</u>	<u>1,791</u>	<u>15</u>	<u>1,776</u>
Operations and Maintenance				
Salaries	-	3,416	(3,416)	5,892
Transportation				
Salaries	-	-	-	8
Benefits	-	-	-	2
Total Transportation	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>
Contingency	<u>100,609</u>	<u>-</u>	<u>100,609</u>	<u>-</u>
TOTAL EXPENDITURES	<u>350,000</u>	<u>335,411</u>	<u>14,589</u>	<u>304,315</u>
CHANGE IN FUND BALANCE	-	-	-	-
BEGINNING FUND BALANCE	-	-	-	-
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Independent Auditors' Report.

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DEBT SERVICE FUND

Debt Service Funds These funds are used to account for the repayment of the District's general obligation indebtedness.

The District has the following debt service fund:

Bond Redemption Fund

Wray School District RD-2
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Bond Redemption Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	2016			2015 Actual
	Final Budget	Actual	Variance with Final Budget	
REVENUES				
Local Sources				
Property Taxes	\$ 651,237	\$ 717,141	\$ 65,904	\$ 646,540
Delinquent Taxes	1,000	1,038	38	1,140
Investment Earnings	(1,200)	3,023	4,223	847
Total Local Sources	651,037	721,202	70,165	648,527
Intermediate Sources				
Impact Fee Revenue	-	1,622	1,622	487
TOTAL REVENUES	<u>651,037</u>	<u>722,824</u>	<u>71,787</u>	<u>649,014</u>
EXPENDITURES				
Supporting Services				
Business Services				
PS - Professional	1,000	400	600	950
Debt Service				
Principal	465,000	465,000	-	450,000
Interest	161,390	120,050	41,340	136,750
Total Debt Service	626,390	585,050	41,340	586,750
Contingency	72,610	-	72,610	-
TOTAL EXPENDITURES	<u>700,000</u>	<u>585,450</u>	<u>114,550</u>	<u>587,700</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(48,963)	137,374	186,337	61,314
BEGINNING FUND BALANCE	48,963	1,330,631	1,281,668	1,269,317
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 1,468,005</u>	<u>\$ 1,468,005</u>	<u>\$ 1,330,631</u>

See accompanying Independent Auditors' Report.

ENTERPRISE FUND

The District has one enterprise fund:

Wind Turbine Fund – This fund is an enterprise fund used to account for the financial activities associated with the District's wind turbine operations.

Wray School District RD-2
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Wind Turbine Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance with Final Budget	
OPERATING REVENUES				
Other Local	\$ 86,700	\$ 75,152	\$ (11,548)	\$ 83,184
OPERATING EXPENSES				
PS - Other	18,000	16,206	1,794	20,293
Supplies	-	3,506	(3,506)	-
PS - Professional	42,700	33,580	9,120	58,515
Depreciation	93,700	87,251	6,449	87,087
Other Expenses	3,550	-	3,550	-
Total Enterprise Operations	139,950	120,831	19,119	145,602
Other Uses				
Principal	20,000	20,000	-	20,000
Contingency	322,050	-	322,050	-
TOTAL OPERATING EXPENSES	500,000	160,543	339,457	185,895
OPERATING INCOME	(413,300)	(85,391)	327,909	(102,711)
OTHER REVENUES (EXPENSES)				
Investment Earnings	(50)	28	78	17
CHANGE IN FUND BALANCE - BUDGETARY BASIS	(413,350)	(85,363)	327,987	(102,694)
ADJUSTMENTS TO GAAP BASIS				
Principal	-	20,000	20,000	20,000
CHANGE IN FUND BALANCE - GAAP BASIS	(413,350)	(65,363)	347,987	(82,694)
BEGINNING FUND BALANCE	413,350	1,165,725	752,375	1,248,419
ENDING FUND BALANCE	\$ -	\$ 1,100,362	\$ 1,100,362	\$ 1,165,725

See accompanying Independent Auditors' Report.

FIDUCIARY (AGENCY) FUNDS

Fiduciary (Agency) Fund is used to account for assets held by the District as an agent for individuals, private and student groups. The agency funds are custodial in nature and do not involve measurement of results of operations.

Pupil Activity Fund

The District has established an agency fund to account for various student athletic and activity groups and contributions from private organizations.

Wray School District RD-2
Schedule of Changes in Fiduciary Net Position
Budget and Actual
Fiduciary Funds
Pupil Activity Agency Fund
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance with Final Budget	
ADDITIONS				
Local Sources	\$ 555,000	\$ 374,657	\$ (180,343)	\$ 349,482
DEDUCTIONS				
Instruction	555,000	349,157	205,843	329,113
Contingency	45,000	-	45,000	-
TOTAL DEDUCTIONS	<u>600,000</u>	<u>349,157</u>	<u>250,843</u>	<u>329,113</u>
CHANGE IN NET POSITION	(45,000)	25,500	70,500	20,369
BEGINNING NET POSITION	<u>45,000</u>	<u>127,596</u>	<u>82,596</u>	<u>107,227</u>
ENDING NET POSITION	<u>\$ -</u>	<u>\$ 153,096</u>	<u>\$ 153,096</u>	<u>\$ 127,596</u>

See accompanying Independent Auditors' Report.

STATE COMPLIANCE

This report includes information required by the Colorado Department of Education.



Colorado Department of Education
Auditors Integrity Report
 District: 3210 - WRAY RD-2
 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	2,383,965	6,528,407	6,309,772	2,602,600
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	2,383,965	6,528,407	6,309,772	2,602,600
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Food Service Spec Revenue Fund	40,482	384,146	392,318	32,310
22 Govt Designated-Purpose Grants Fund	0	335,412	335,412	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	1,330,631	722,824	585,450	1,468,005
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
Totals	3,755,078	7,970,788	7,622,951	4,102,915
Proprietary				
50 Other Enterprise Funds	1,165,725	75,180	140,543	1,100,362
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	1,165,725	75,180	140,543	1,100,362
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	127,596	374,657	349,157	153,096
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	127,596	374,657	349,157	153,096

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: 3210 - WRAY RD-2

Fiscal Year 2015-16

Colorado School District/BOCES

ASSETS	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	
Cash and Investments (8100-8104,8111)	3,120,718	0	0	32,468	6,899	0	0	59,172	0	0	146,001	0	3,365,259	
Cash with Fiscal Agent (8105)	30,544	0	0	0	0	1,451,053	0	0	0	0	0	0	1,481,596	
Taxes Receivable (8121,8122)	72,265	0	0	0	0	25,997	0	0	0	0	0	0	98,262	
Interfund Loans Receivable (8131,8132)	130	0	0	0	0	0	0	0	0	7,095	0	0	7,225	
Grants Accounts Receivable (8142)	7,002	0	0	0	20,520	0	0	0	0	0	0	0	27,522	
Other Receivables (8151-8154,8161)	16,633	0	0	5,440	0	0	0	15,248	0	0	0	0	37,321	
Inventories (8171,8172,8173)	0	0	0	22,394	0	0	0	0	0	0	0	0	22,394	
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	1,065,942	0	0	0	0	1,065,942	
Total Assets	3,247,292	0	0	60,301	27,419	1,477,050	0	1,140,362	0	153,096	0	0	6,105,521	

Governmental Proprietary Fiduciary

LIABILITIES & FUND EQUITY	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
Interfund Payables (7401,7402)	7,095	0	0	0	0	130	0	0	0	0	0	7,225
Other Payables (7421-7423)	98,213	0	0	0	0	0	0	0	0	0	0	98,213
Bonds Payables (7441-7445,7451,7452,7455)	0	0	0	0	0	0	0	40,000	0	0	0	40,000
Accrued Expenses (7461)	533,353	0	0	23,241	27,419	0	0	0	0	0	0	584,013
Payroll Ded. and Withholdings (7471-7473)	6,031	0	0	0	0	0	0	0	0	0	0	6,031
Unearned Revenue (7481)	0	0	0	4,750	0	0	0	0	0	0	0	4,750
Compensated Absences (7541)	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Inflow (7800)	0	0	0	0	0	8,915	0	0	0	0	0	8,915
Total Liabilities	644,692	0	0	27,991	27,419	9,045	0	40,000	0	0	0	749,147

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	22,394	0	0	0	0	0	0	0	0	22,394
Restricted Fund Balance 6720	0	0	0	0	0	1,468,005	0	0	0	0	0	0	1,468,005
TABOR 3% Emergency Reserve 6721	193,000	0	0	0	0	0	0	0	0	0	0	0	193,000
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	5,072	0	0	0	0	0	0	0	0	0	0	0	5,072
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	0	0	0	0	0	0	0
Assigned Fund Balance 6760	0	0	0	9,916	0	0	0	0	0	0	0	0	9,916
Unassigned Fund Balance 6770	2,404,528	0	0	0	0	0	0	0	0	0	153,096	0	2,557,625
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	1,065,942	0	0	0	0	1,065,942
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	34,420	0	0	0	0	34,420
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	2,602,600	0	0	32,310	0	1,468,005	0	1,100,362	0	0	153,096	0	5,356,374

	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
Total Liabilities & Fund Equity	3,247,292	0	0	60,301	27,419	1,477,050	0	1,140,362	0	0	153,096	0	6,105,521
Do Assets=Liability+Fund Equity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes