

**HOLLY SCHOOL DISTRICT RE-3
HOLLY, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

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



RECEIVED

By Justin L. Smith at 9:28 am, Mar 01, 2017

**HOLLY SCHOOL DISTRICT RE-3
ROSTER OF SCHOOL OFFICIALS**

JUNE 30, 2016

BOARD OF EDUCATION

Daniel Tefertiller - President
Dana Barth - Vice President
Neil Fletcher - Secretary
Craig Schwab - Treasurer
Cody Hess - Director

ADMINISTRATIVE STAFF

Randy Holmen
Superintendent of Schools

Heather Flint
Principal of Schools

Shelbie Schenck
Business Manager

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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

HOLLY SCHOOL DISTRICT RE-3 MANAGEMENT'S DISCUSSION & ANALYSIS

This section of the Holly School District RE-3's financial report offers readers of the District's financial statements its discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information furnished in the District's financial statements, which immediately follow this section.

The District's a net pension liability was \$4,938,309. Under GASB 68 the District's proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association, is recorded as a liability of the District. Ending net position of governmental activities decreased by \$667,552 to \$22,835,484.

Financial Highlights

The assets of Holly School District RE-3 exceeded its liabilities at the close of June 30, 2016 by \$22,835,484 (net position) as reported in the government-wide financial statements.

Expenses of \$3,752,257 were offset by program specific charges, grants and contributions of \$42,955. General revenues from amounted to \$3,041,750.

The General Fund reported a fund balance of \$2,994.800 at the close of June 30, 2016. Fund balance increased by \$192,328 over the prior year. This District strives to adopt a balanced budget, which will both meet and exceed the needs of the students and still help provide a stable foundation for the District.

Overview of the Financial Statements

The Holly School District RE-3 basic financial statements are comprised of three components

1. Government wide financial statements - focusing on long-term and short-term information about the District's overall financial status including the General Fund, Food Service Fund, Capital Project Funds, and Bond Fund.
2. Fund financial statements - focusing on individual parts of the government, reporting the District's operations in more detail than the government wide-statements
3. Notes to the financial statements - required supplemental information that further explain and supports the information in the financial statements

Government-wide Statements

The financial statements provided are designed to supply the reader an overview of the District's financial activities similar to those statements used in the private sector. The government-wide statements relate to those activities directly related to the education of the students. The statement of net position includes all of the government's assets, liabilities and deferred flows. All of the current year revenues and expenses are accounted for in the statement of activities.

The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets, liabilities and deferred flows, is one indicator of the District's financial health. Over time, increases or decreases in the District's net position measures whether the financial health is improving or deteriorating. Readers also need to consider additional non-fictional factors in rating the district overall such as changes in the District's tax base, student enrollment, and overall condition of buildings.

TABLE 1 - CONDENSED STATEMENT OF NET POSITION

	Governmental Activities	
	2016	2015
Current Assets	\$ 3,983,567	\$ 3,599,520
Other Assets	26,505,795	27,468,279
Total Assets	30,489,362	31,067,799
Deferred Outflows of Financial Resources	615,810	216,658
Current Liabilities	401,297	310,492
Long-Term Liabilities	7,734,157	7,470,654
Total Liabilities	8,135,454	7,781,146
Deferred Inflows of Financial Resources	134,234	276
Net Investment in Capital Assets	23,709,947	24,538,996
Restricted Net Position	637,127	527,068
Unrestricted Net Position	(1,511,590)	(1,563,028)
Total Net Position (Deficit)	\$ 22,835,484	\$ 23,503,036

The government-wide financial statements of the District include the governmental activities. Most of the District's basic services are included within the governmental activities, such as instruction, support, general administration, food service, and capital outlay. The statements also indicate that funding for these services come primarily from state equalization, property tax, and grant sources.

TABLE 2 - CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities	
	2016	2015
Program Revenues:		
Charges for Services	\$ 67,223	\$ 68,335
Operating Grants	531,594	463,817
Capital Grants	(555,862)	-
Total Program Revenues	42,955	532,152
General Revenues:		
Taxes	951,349	883,233
State Equalization	1,967,267	1,923,217
Investment Income	16,211	15,183
Insurance Proceeds	29,448	-
Miscellaneous	77,475	248,571
Total General Revenues	3,041,750	3,070,204
Total Revenues	3,084,705	3,602,356
Expenses		
Instruction	2,046,645	2,841,627
Supporting Services	1,589,167	1,373,119
Food Service	-	160,716
Interest on Long Term Debt	116,445	121,748
Amortization of Pension Cost	-	25,984
Total Expenses	3,752,257	4,523,194
Change in Net Position	(667,552)	(920,838)
Net Position - Beginning	23,503,036	24,423,874
Net Position (Deficit) - Ending	\$ 22,835,484	\$ 23,503,036

Fund Financial Statements

Fund financial statements are designed to display compliance with finance-related legal requirements. A fund is a grouping of related accounts designed to keep control over resources segregated for specific activities or objectives. The Holly School District uses fund accounting to guarantee and prove compliance. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds account for the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements emphasize short-term financial resources and fund balances. Such information is used to evaluate the District's short-term financing requirements. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Comparison of the governmental funds with the government-wide funds may allow a better understanding of the long-term impact of the District's near-term financing decisions.

Holly School District maintains the following fund types:

General Fund - accounts for all financial resources except for those legally required to be accounted for separately.

Colorado Preschool Project Fund (CPP) - reported as part of the General Fund)- accounts for all financial resources related to preschool students identified by the CPP program.

Pupil Activity Agency Fund - accounts for all financial resources held by special interest groups such as clubs, organizations, and classes.

Food Service Fund - accounts for all financial resources related to the operation of the school lunch program.

Bond Fund- tracks the tax income from the bonds and the payments to the holding company.

Capital Reserve/Capital Project Fund - accounts for resources to be used for capital items.

Capital Project Fund - accounts for the construction of District facilities.

Notes to the Basic Financial Statements

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

Required Supplementary Information

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

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Holly School District, assets exceeded liabilities by \$22,835,484 at the close of business on June 30, 2016.

Holly School District reported assets consisting of current assets of \$3,983,567 and net capital assets of \$26,505,795. Current assets include cash and cash equivalents primarily in the General Fund. The ratio of current assets to current liabilities of 12 to 1 indicates the district's ability to meet current obligations.

The District's total net position on June 30, 2016 was \$22,835,484. Of the District's net position, \$23,709,947 reflects investment in capital assets (land, buildings, infrastructure, machinery, and equipment, net debt). The District uses capital assets to provide services to students. Thus these assets are not available for future spending. The unrestricted net position of \$(1,511,590) may be used to meet the District's ongoing financial obligations.

	Balance 6/30/15	Additions	Deletions	Adjustment for BEST Grant	Balance 6/30/16
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 110,000	\$ -	\$ -	\$ -	\$ 110,000
Capital assets being depreciated:					
Buildings	27,876,570	-	29,900	(23,245,193)	4,601,477
Equipment	3,080,622	49,586	-	-	3,130,208
Food Service equipment	61,528	-	-	-	61,528
Transportation equipment	547,214	102,167	-	-	649,381
Land Improvements	799,223	-	-	-	799,223
Total capital assets being depreciated	<u>32,365,157</u>	<u>151,753</u>	<u>29,900</u>	<u>(23,245,193)</u>	<u>9,241,817</u>
Accumulated Depreciation					
Buildings	(2,707,334)	(160,998)	-	871,695	(1,996,637)
Equipment	(1,733,546)	(281,682)	-	-	(2,015,228)
Food Service equipment	(56,702)	(1,338)	-	-	(58,040)
Transportation equipment	(302,128)	(35,029)	-	-	(337,157)
Land Improvements	(207,168)	(24,160)	-	-	(231,328)
Total accumulated depreciation	<u>(5,006,878)</u>	<u>(503,207)</u>	<u>-</u>	<u>871,695</u>	<u>(4,638,390)</u>
Net Capital Assets	<u>\$ 27,468,279</u>	<u>\$ (351,454)</u>	<u>\$ 29,900</u>	<u>\$ (22,373,498)</u>	<u>\$ 4,713,427</u>

The District also has three lease agreements for copy machines. The junior high/senior high copier lease is with Great American Leasing Corporation, the elementary copier lease is with DeLage Landen, and the administrative copier lease is with Business Solutions. All are operating leases.

Long-term Debt

The District issued \$3,417,833 in General Obligation Bonds in 2011 as matching money for a BEST construction grant. The outstanding balance at year-end was \$2,795,848.

	Balance 7/1/15	Advances	Payments	Balance 6/30/16	Current Portion
General obligation bonds, Series 2010	\$ 2,929,184	\$ -	\$ 133,336	\$ 2,795,848	\$ 138,779
PERA Net Pension Liability	<u>4,541,470</u>	<u>396,839</u>	<u>-</u>	<u>4,938,309</u>	<u>-</u>
Total	<u>\$ 7,470,654</u>	<u>\$ 396,839</u>	<u>\$ 133,336</u>	<u>\$ 7,734,157</u>	<u>\$ 138,779</u>

General Fund Budgetary Highlights

Holly School District Re-3 adopted a budget of \$5,729,160 the 2015-2016 fiscal year. The final budget and budget resolution was adopted on December 14, 2015.

The District purchased a 2015 20-passenger bus for \$56,584 that will be used for route and activity purposes. The District also purchased a 2016 Ford Expedition for \$45,583, the vehicle will be used for activity purposes. REAP money was used purchase Google Chromebooks to upgrade technology in the Junior High and High Schools The District also spent approximately \$20,000 for the purchase of a K-12 Reading and some Math Curriculum.

Next Year's Budget and Future Economic Status of the District

The district plans to use reserve funds to purchase a new bus that will be used for route and activity purposes. No other major purchases are planned. The REAP money will be used to upgrade technology in the secondary school. Textbook purchases will focus on a K-12 math curriculum. Budgetary constraints may limit curriculum spending.

Requests for Information

This financial report is designed to demonstrate accountability and provide the District's citizens, taxpayers, customers, and creditors a general overview of the District's finances. Questions or comments concerning this report may be sent to Corey Doss, Superintendent of Schools, PO Box 608, Holly, CO 81047 or call 719-537-6616.

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FINANCIAL SECTION

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
Holly School District RE-3
Holly, Colorado

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the related notes to the financial statements of the Holly School District RE-3, 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, each major fund, and the aggregate remaining fund information of the Holly School District RE-3, Colorado, as of June 30, 2016, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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-M4 and pension schedules on pages 35-36 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 37-39 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 40-45 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 46-49 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.



Englewood, CO
January 10, 2017

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.

HOLLY SCHOOL DISTRICT RE-3
Statement of Net Position
June 30, 2016

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS	
Assets	
Current Assets	
Cash and Investments	\$ 3,457,449
Cash with Fiscal Agent	30,813
Taxes Receivable	57,661
Other Accounts Receivable	3,027
Inventory	5,541
Total Current Assets	<u>3,983,567</u>
Other Assets	
Capital Assets, not being depreciated	110,000
Capital Assets, being depreciated	4,603,427
Long-Term BEST Grant Receivable	21,792,368
Total Other Assets	<u>26,505,795</u>
Total Assets	<u>30,489,362</u>
Deferred Outflows of Financial Resources	
Contributions Subsequent to Measurement Date	130,704
Difference Between Actual and Expected Experience - net	65,211
Difference Between Projected and Actual Returns on Pension Plan Investments - net	419,895
Total Deferred Outflows of Financial Resources	<u>615,810</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 31,105,172</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	
Liabilities	
Current Liabilities	
Accounts Payable	\$ 114,435
Accrued Interest	9,511
Accrued Salaries & Benefits	277,351
Total Current Liabilities	<u>401,297</u>
Non-Current Liabilities	
Due Within One Year	138,779
Due In More Than One Year	7,595,378
Total Non-Current Liabilities	<u>7,734,157</u>
Total Liabilities	<u>8,135,454</u>
Deferred Inflows of Financial Resources	
Difference Between Projected and Actual Pension Plan Experience - net	206
Changes of Assumptions - net	69,787
Change in District's Proportionate Share of Net Pension Liability - net	61,917
Deferred Inflows - Grants	2,324
Total Deferred Inflows of Financial Resources	<u>134,234</u>
Net Position	
Net Investment in Capital Assets	23,709,947
Restricted Net Position	637,127
Unrestricted Net Position	(1,511,590)
Total Net Position	<u>22,835,484</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSTION	<u>\$ 31,105,172</u>

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

HOLLY SCHOOL DISTRICT RE-3
Statement of Activities
For the Year Ended June 30, 2016

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue</u>
	<u>Expenses</u>	<u>Charges for</u>	<u>Operating Grants</u>	<u>Capital Grants and</u>	<u>and Change in Net Position</u>
		<u>Services</u>	<u>and Contributions</u>	<u>Contributions</u>	<u>Governmental Activities</u>
Primary Government					
Governmental Activities					
Instruction	\$ 2,046,645	\$ 10,326	\$ 279,015	\$ -	\$ (1,757,304)
Supporting Services	1,589,167	56,897	252,579	(555,862)	(1,835,553)
Interest on Long Term Debt	116,445	-	-	-	(116,445)
Total Primary Government	\$ 3,752,257	\$ 67,223	\$ 531,594	\$ (555,862)	(3,709,302)
General Revenues					
Property Taxes					829,433
Specific Ownership Taxes					121,916
State Equalization					1,967,267
Investment Earnings					16,211
Insurance Proceeds					29,448
Other Revenues					77,475
Total General Revenues and Transfers					3,041,750
Change in Net Position					(667,552)
Beginning Net Position					23,503,036
Ending Net Position					\$ 22,835,484

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

HOLLY SCHOOL DISTRICT RE-3
 Balance Sheet
 Governmental Funds
 June 30, 2016

	<u>Debt Service</u>			<u>Totals</u>
	<u>General Fund</u>	<u>Bond</u>	<u>Other</u>	<u>2016</u>
		<u>Redemption</u>	<u>Governmental</u>	
	<u>Fund</u>	<u>Funds</u>		
ASSETS				
Cash and Investments	\$ 3,348,149	\$ -	\$ 109,300	\$ 3,457,449
Restricted Cash and Investments	-	429,076	-	429,076
Cash with Fiscal Agent	21,189	9,624	-	30,813
Taxes Receivable	39,840	17,821	-	57,661
Interfund Accounts Receivable	8,901	-	-	8,901
Other Accounts Receivable	3,027	-	-	3,027
Inventory	-	-	5,541	5,541
TOTAL ASSETS	<u>\$ 3,421,106</u>	<u>\$ 456,521</u>	<u>\$ 114,841</u>	<u>\$ 3,992,468</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE				
Liabilities				
Interfund Accounts Payable	\$ 8,901	\$ -	\$ -	\$ 8,901
Accounts Payable	114,435	-	-	114,435
Accrued Salaries & Benefits	265,227	-	12,124	277,351
Total Liabilities	<u>388,563</u>	<u>-</u>	<u>12,124</u>	<u>400,687</u>
Deferred Inflows of Financial Resources				
Deferred Inflows - Other	35,419	10,695	-	46,114
Deferred Inflows - Grants	2,324	-	-	2,324
Total Deferred Inflows of Financial Resources	<u>37,743</u>	<u>10,695</u>	<u>-</u>	<u>48,438</u>
Fund Balance				
Nonspendable Fund Balance	-	-	5,541	5,541
Restricted Fund Balance				
Restricted for Debt Service	-	445,826	-	445,826
Restricted for TABOR Emergencies	93,000	-	-	93,000
Restricted for BEST Reserve	89,400	-	-	89,400
Restricted for Colorado Preschool Program	8,901	-	-	8,901
Assigned Fund Balance				
Other Assigned Fund Balance	-	-	97,176	97,176
Unassigned Fund Balance	2,803,499	-	-	2,803,499
Total Fund Balance	<u>2,994,800</u>	<u>445,826</u>	<u>102,717</u>	<u>3,543,343</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 3,421,106</u>	<u>\$ 456,521</u>	<u>\$ 114,841</u>	<u>\$ 3,992,468</u>

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

HOLLY SCHOOL DISTRICT RE-3
Reconciliation of Governmental Fund Balances
to Governmental Activities Net Position
June 30, 2016

Fund Balance - Governmental Funds		\$ 3,543,343
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, not being depreciated	110,000	
Capital assets, being depreciated	9,241,817	
Accumulated depreciation	<u>(4,638,390)</u>	4,713,427
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	130,704	
Difference Between Actual and Expected Experience	89,912	
Amortization of Experience Difference	(24,701)	
Difference between projected and actual investment returns on the pension plan	556,318	
Amortization of the investment return difference	(136,423)	
Net pension liability	(4,938,309)	
Difference between projected and actual pension plan experience	(448)	
Amortization of the experience difference	242	
Changes of Assumptions	(96,222)	
Amortization of Change in Assumptions	26,435	
Change in District proportionate share of the net pension liability	(41,330)	
Amortization of the change in proportion	<u>(20,587)</u>	(4,454,409)
Certain long-term assets are not available to pay for current year expenditures and are therefore not reported in the funds		
Long-Term BEST Grant Receivable		21,792,368
Certain deferrals are reported at the fund level as they are not available to finance current operations. These amounts are reported as revenues at the activity level		
Deferred Property Taxes		46,114
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Bonds payable	(2,795,848)	
Accrued interest payable	<u>(9,511)</u>	<u>(2,805,359)</u>
Total Net Position - Governmental Activities		<u>\$ 22,835,484</u>

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

HOLLY SCHOOL DISTRICT RE-3
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2016

	<u>General Fund</u>	<u>Debt Service</u>		<u>Totals</u>
		<u>Bond Redemption Fund</u>	<u>Other Governmental Funds</u>	
REVENUES				
Local Sources	\$ 817,900	\$ 291,854	\$ 28,403	\$ 1,138,157
Intermediate Sources	13,058	-	-	13,058
State Sources	2,240,807	-	2,829	2,243,636
Federal Sources	136,142	-	117,544	253,686
TOTAL REVENUES	<u>3,207,907</u>	<u>291,854</u>	<u>148,776</u>	<u>3,648,537</u>
EXPENDITURES				
Instruction	1,673,918	-	-	1,673,918
Pupil Support	130,006	-	-	130,006
Staff Support	166,832	-	-	166,832
General Administration	152,632	-	-	152,632
School Administration	122,735	-	-	122,735
Business Services	55,133	-	-	55,133
Operations and Maintenance	376,265	-	-	376,265
Transportation	249,503	-	-	249,503
Other Central Support	20,363	-	-	20,363
Food Service	-	-	139,128	139,128
Community Support	39,942	-	-	39,942
Facilities	250	-	-	250
Debt Service	-	250,234	-	250,234
TOTAL EXPENDITURES	<u>2,987,579</u>	<u>250,234</u>	<u>139,128</u>	<u>3,376,941</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	220,328	41,620	9,648	271,596
OTHER FINANCING SOURCES (USES)				
Transfer In (Out) - net	(28,000)	-	28,000	-
CHANGE IN FUND BALANCE	192,328	41,620	37,648	271,596
BEGINNING FUND BALANCE	2,802,472	404,206	65,069	3,271,747
ENDING FUND BALANCE	<u>\$ 2,994,800</u>	<u>\$ 445,826</u>	<u>\$ 102,717</u>	<u>\$ 3,543,343</u>

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

HOLLY SCHOOL DISTRICT RE-3
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		\$	271,596
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level			
Capitalized Asset Purchases	151,753		
Depreciation Expense	(503,207)		
Gain (Loss) on Asset Disposals	<u>(29,900)</u>		(381,354)
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	130,704		
Change in the difference between actual and expected experience	89,912		
Change in the amortization of experience difference	(24,701)		
Current year projected to actual investment return difference	464,934		
Current year amortization of overall investment return differences	(136,423)		
Change in net pension liability	(396,839)		
Current year projected to actual pension plan experience difference	(172)		
Current year amortization of overall experience differences	242		
Change in the changes of assumptions	(96,222)		
Change in the amortization of change in assumptions	26,435		
Current year change in proportionate share of cost-sharing plan liability	(166,604)		
Current year amortization of overall proportionate share differences	<u>(20,587)</u>		(129,321)
Certain long-term assets are not available to pay for current year expenditures and are therefore deferred in the funds			
Change in Deferred Revenue			18,868
The long term BEST grant receivable is being amortized due to depreciation on the underlying building that is the basis of grant.			
Amortization of BEST grant receivable			(581,130)
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	133,336		
Change in accrued interest payable	<u>453</u>		<u>133,789</u>
Change in Net Position - Governmental Activities		\$	<u><u>(667,552)</u></u>

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

HOLLY SCHOOL DISTRICT RE-3
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	<u>Pupil Activity</u> <u>Agency Fund</u>	<u>Totals</u> <u>2016</u>
ASSETS		
Cash and Investments	\$ 126,270	\$ 126,270
NET POSITION		
Restricted Net Position	<u>\$ 126,270</u>	<u>\$ 126,270</u>

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

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Holly School District RE-3 (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 is a participant among fourteen districts in a jointly governed organization to operate the Southeastern Colorado Board of Cooperative Educational Services (BOCES). The BOCES was formed for the purpose of administrative functions among member districts for special education and federal grants. The BOCES is governed by a board of directors consisting of a member of the board of education and the superintendent from each of the participating members. The District does not have an ongoing financial interest in or ongoing financial responsibility for the BOCES. Financial statements for the BOCES can be obtained from the BOCES administrative offices at: 703 South 3rd Street, Lamar, CO 81052. The District paid total assessments of \$40,864 to the BOCES for the year ended June 30, 2016.

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 District does not present any business type activities.

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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

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.

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 non-major 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.

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 (Food Service) Fund – This fund is 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, in this case the District's Food Service operation.

Capital Project (Capital Reserve) – This fund accounts for the District's routine capital projects.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

The District reports the following fiduciary funds:

Agency Funds (Pupil Activity Funds) – These funds are used to account for the money held in trust by the District for student organizations. These funds are custodial and do not measure the results of operations.

Government-Wide Financial Statements

The government-wide 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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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.
- 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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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 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.

The District capitalizes assets with an original value of at least \$5,000 and a useful life in excess of one year. Depreciation has been provided over the estimated useful lives of the underlying asset in the government-wide presentation. Depreciation is computed on a straight-line basis based on 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. For those amounts not received within 60 days subsequent to year end, a deferred inflow was reported at the fund level.

Accumulated unpaid sick and vacation and other pay are serviced from other revenues in the General Fund. As the District only allows a carryover of 10 days of unused sick leave that is not paid upon termination, no liability has been recorded in the financial statements.

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. For the government-wide presentation, principal payments are reclassified as reductions in the outstanding obligation balances.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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 items that qualify for reporting in this category, all related 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 deferred inflows related to pension liabilities as further described in Note 7 as well as deferred inflows for grants and for property taxes at the fund level.

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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Data

Comparative total data for the prior year has been presented in the accompanying basic financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to understand.

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:

Deposits	\$ 3,577,663
Restricted Deposits (with fiscal agent)	429,076
Cash on hand	<u>6,056</u>
Total	<u>\$ 4,012,795</u>
Government-wide - unrestricted	\$ 3,457,449
Government-wide - restricted (with fiscal agent)	429,076
Fiduciary	<u>126,270</u>
Total	<u>\$ 4,012,795</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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

Deposits

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 Balance	Carrying Balance
FDIC Insured	\$ 700,000	\$ 700,000
PDPA collateralized*	3,316,311	3,306,739
Cash on hand	-	6,056
Total	<u>\$ 4,016,311</u>	<u>\$ 4,012,795</u>

*Not in District's/Trustee's name

Investments

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. For the fiscal year ended June 30, 2016, the District did not have any investments requiring disclosure.

Concentration of Credit Risk

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

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

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 \$5,541 as of June 30, 2016, consisted of \$2,249 of purchased food, \$805 of non-food inventory and \$2,487 of 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.

HOLLY SCHOOL DISTRICT RE-3

NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

NOTE 4: CAPITAL ASSETS

Activity for capital assets is summarized below:

	Balance			Adjustment	Balance
	6/30/15	Additions	Deletions	for BEST Grant	6/30/16
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 110,000	\$ -	\$ -	\$ -	\$ 110,000
Capital assets being depreciated:					
Buildings	27,876,570	-	29,900	(23,245,193)	4,601,477
Equipment	3,080,622	49,586	-	-	3,130,208
Food Service equipment	61,528	-	-	-	61,528
Transportation equipment	547,214	102,167	-	-	649,381
Land Improvements	799,223	-	-	-	799,223
Total capital assets being depreciated	<u>32,365,157</u>	<u>151,753</u>	<u>29,900</u>	<u>(23,245,193)</u>	<u>9,241,817</u>
Accumulated Depreciation					
Buildings	(2,707,334)	(160,998)	-	871,695	(1,996,637)
Equipment	(1,733,546)	(281,682)	-	-	(2,015,228)
Food Service equipment	(56,702)	(1,338)	-	-	(58,040)
Transportation equipment	(302,128)	(35,029)	-	-	(337,157)
Land Improvements	(207,168)	(24,160)	-	-	(231,328)
Total accumulated depreciation	<u>(5,006,878)</u>	<u>(503,207)</u>	<u>-</u>	<u>871,695</u>	<u>(4,638,390)</u>
Net Capital Assets	<u>\$ 27,468,279</u>	<u>\$ (351,454)</u>	<u>\$ 29,900</u>	<u>\$ (22,373,498)</u>	<u>\$ 4,713,427</u>

The District has entered into a BEST grant agreement with the State of Colorado as further described in Note 13. For the prior year financial statement presentation, the State's portion of the building was presented as a capital asset and was depreciated. Since that portion of the District's facilities will not be owned by the District until the State repays its outstanding debt obligation related to the construction, the State portion has been reclassified as a long-term grant receivable that will be amortized through the debt obligation period and will be added to the District's capital assets upon the repayment.

Depreciation has been allocated to the District's operations in the activity level presentation as follows:

Instruction	\$ 269,398
Supporting services	<u>233,809</u>
Total depreciation	<u>\$ 503,207</u>

HOLLY SCHOOL DISTRICT RE-3

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

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	\$ 265,228
Food Service Fund	<u>12,124</u>
Total Accrued Salaries and Benefits	<u><u>\$ 277,352</u></u>

NOTE 6: LONG-TERM DEBT

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

	<u>Balance 7/1/15</u>	<u>Advances</u>	<u>Payments</u>	<u>Balance 6/30/16</u>	<u>Current Portion</u>
General obligation bonds, Series 2010	\$ 2,929,184	\$ -	\$ 133,336	\$ 2,795,848	\$ 138,779
PERA Net Pension Liability	<u>4,541,470</u>	<u>396,839</u>	<u>-</u>	<u>4,938,309</u>	<u>-</u>
Total	<u>\$ 7,470,654</u>	<u>\$ 396,839</u>	<u>\$ 133,336</u>	<u>\$ 7,734,157</u>	<u>\$ 138,779</u>

An interest summary of the District's long-term debt is as follows:

	<u>Accrued Interest</u>	<u>Interest Paid</u>	<u>Interest Expense</u>
General obligation bonds, Series 2010	\$ 9,511	\$ 116,848	\$ 116,395

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 6: LONG-TERM DEBT(Continued)

General Obligation Bonds (Continued)

In 2010, the District issued \$3,417,833 of general obligation bonds to refund bonds issued in 1999. Principal is due annually on December 1, and interest at rates from 1.50% to 3.30% is due semiannually on June 1 and December 1. The District realized \$45,385 of net present value savings on this refinancing. Payments are made through the Bond Redemption Fund of the District. Bond payments, to maturity, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 138,779	\$ 111,294	\$ 250,073
2018	144,444	105,513	249,957
2019	150,340	99,497	249,837
2020	156,477	93,235	249,712
2021	162,865	86,717	249,582
2022-2031	<u>2,042,943</u>	<u>444,417</u>	<u>2,487,360</u>
Total	<u>\$ 2,795,848</u>	<u>\$ 940,673</u>	<u>\$ 3,736,521</u>

In 2013, the District issued \$6,609,572 of general obligation bonds which were used for an escrow match to a BEST grant received. These bonds, along with the grant proceeds, were used to partially replace District facilities. Principal is due annually on December 1, and interest at a rate of 3.02% is due semiannually on June 1, and December, 1. Payments are made through the Building Fund of the District. Bond payments, to maturity, are as follows:

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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	2014¹	2015¹
Employer contribution rate	10.15%	10.15%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. 24-51-208(1)(f)	-1.02%	-1.02%
Amount apportioned to the SCHDTF	9.13%	9.13%
Amortization equalization disbursement (AED) as specified in C.R.S. 24-51-411	3.80%	4.20%
Supplemental amortization equalization disbursement (SAED) as specified in C.R.S. 24-51-411	3.50%	4.00%
Total employer contribution rate to the SCHDTF	16.43%	17.33%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from District were \$243,855 for the plan year ended December 31, 2015 and \$249,765 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 \$4,938,309 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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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

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 .03229%, which was a decrease of .00028% from its proportion measured as of December 31, 2014.

For the year ended June 30, 2016 the District recognized pension expense of \$490,836. 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	\$ 65,211	\$ (206)
Changes of assumptions or other inputs	\$ -	\$ (69,787)
Net difference between projected and actual earnings on pension plan	\$ 419,894	\$ -
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ -	\$ (61,917)
Contributions subsequent to the measurement date	\$ 130,704	\$ -
Total	\$ 615,809	\$ (131,910)

\$130,704 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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)

Year Ended June 30:	
2017	\$ (97,519)
2018	\$ (87,812)
2019	\$ (81,760)
2020	\$ (86,104)
Total	\$ (353,195)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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 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%.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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)	\$ (6,401,492)	\$ (4,938,309)	\$ (3,721,214)

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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

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.

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 contributed \$8,779.

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, the District contributions to the HCTF were \$14,306 \$14,390 and \$14,092, respectively, equal to their required contributions for each year.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 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 \$93,000 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	
Interfund Loan Payable Preschool	\$ (5,126)
Transfer to Capital Reserve Project Fund	<u>(28,000)</u>
Net General Fund	(33,126)
Preschool Fund	
Interfund Receivable	5,126
Capital Reserve Projects Fund	
Transfer from General Fund	<u>28,000</u>
Net Interfund Transfers	<u>\$ -</u>

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 13: BEST GRANT/FACILITY IMPROVEMENTS

The District received a BEST grant through the Colorado Department of Education for facility improvements that commenced during fiscal year 2010 with the District providing an upfront match payment held in escrow of \$3,417,833. The State funded their portion of this program, \$25,064,111 through Certificate of Participation issuances. The State coordinated the payment to the contractors with no funding flowing through the District other than for reimbursable costs that the District incurred. The District will not receive clear title to the improvements until the State has repaid the certificates. At that point, the District will record a capital asset and related accumulated depreciation for the cost of the BEST improvements, along with offsetting reduction of the outstanding long-term grant receivable.

The improvements completed by the BEST grant totaled \$23,245,193, and have a depreciated value of \$21,792,368 as of June 30, 2016. This amount has been recorded as long-term grant receivable as of June 30, 2016. As part of the BEST grant agreement, the District agreed to fund a capital replacement reserve in the amount of \$100 per funded pupil based on the annual October student count, commencing in fiscal year 2013. The amount set aside as of June 30, 2016 was \$89,400.

NOTE 15: DEFICIT UNRESTRICTED NET POSTION

The Governmental Activities has a deficit unrestricted net position of \$1,506,464, primarily due to the PERA net pension liability of \$4,938,309, further described in Note 7. As the District has no control over pension benefits or contribution rates, we expect this deficit to continue going forward.

REQUIRED SUPPLEMENTARY INFORMATION

Pension Schedules (Unaudited)

HOLLY SCHOOL DISTRICT RE-3

**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)	0.032289%	0.033508%	0.032566%
District's proportionate share of the net pension asset (liability)	\$ (4,938,309)	\$ (4,541,470)	\$ (4,153,781)
District's covered-employee payroll	\$ 1,407,129	\$ 1,403,748	\$ 1,312,838
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.

HOLLY SCHOOL DISTRICT RE-3

**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	\$ 243,855	\$ 230,636	\$ 203,884
Actual contributions	<u>(243,855)</u>	<u>(230,636)</u>	<u>(203,884)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,407,129	\$ 1,403,748	\$ 1,312,838
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)

HOLLY SCHOOL DISTRICT RE-3
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2016

	2016			
	Original Budget	Original and Final Budget	Actual	Variance with Final Budget
REVENUES				
Local Sources				
Property Taxes	\$ 516,000	\$ 516,000	\$ 556,468	\$ 40,468
Specific Ownership Taxes	85,000	85,000	82,898	(2,102)
Delinquent Taxes	3,000	3,000	1,774	(1,226)
Investment Earnings	12,000	12,000	15,632	3,632
Community Service Revenue	10,000	10,000	21,040	11,040
Rent Revenue	76,650	76,650	77,337	687
Donations	12,000	12,000	13,749	1,749
Sale of Fixed Assets	2,000	2,000	1,570	(430)
Insurance Proceeds	11,000	11,000	39,774	28,774
Other Local	6,000	6,000	7,658	1,658
Total Local Sources	<u>733,650</u>	<u>733,650</u>	<u>817,900</u>	<u>84,250</u>
Intermediate Sources				
Mineral Leases	150	150	144	(6)
Impact Fee Revenue	-	-	4,240	4,240
Other Intermediate Source Revenue	6,500	9,441	8,674	(767)
Total Intermediate Sources	<u>6,650</u>	<u>9,591</u>	<u>13,058</u>	<u>3,467</u>
State Sources				
State Equalization	2,039,273	2,039,273	1,967,267	(72,006)
Transportation	31,200	29,334	30,525	1,191
State Grants from CDE				
State ELPA	31,809	28,629	31,485	2,856
READ Act Grant	6,000	4,529	4,529	-
Library Grant	3,000	3,500	3,500	-
SRS	-	-	72,201	72,201
Additional At Risk	-	-	2,585	2,585
Best Capital Construction Program	-	-	21,028	21,028
Counselor Grant	71,500	71,567	71,567	-
Other CDE State Grants	72,000	72,000	-	(72,000)
State Vocational Education	12,000	6,397	10,535	4,138
State Grants Provided through BOCES	27,718	23,843	25,585	1,742
Total State Sources	<u>2,294,500</u>	<u>2,279,072</u>	<u>2,240,807</u>	<u>(38,265)</u>
Federal Sources				
Federal Grants from CDE				
NCLB Title I, Part A - Improving Basic Programs	100,179	100,179	100,173	(6)
NCLB Title II, Part A - Teacher & Principal Training	14,932	14,932	14,889	(43)
RTTT Readiness	-	152	144	(8)
Carl Perkins Vocational Education Supplemental	-	-	1,081	1,081
Direct Federal Revenue				
NCLB Title VI, Part B - REAP/Rural Education	14,400	16,584	16,584	-
Federal Provided through BOCES	4,000	3,000	3,270	270
Total Federal Sources	<u>133,511</u>	<u>134,847</u>	<u>136,141</u>	<u>1,294</u>
TOTAL REVENUES	<u>3,168,311</u>	<u>3,157,160</u>	<u>3,207,906</u>	<u>50,746</u>

(Continued)

See the accompanying Independent Auditors' Report

HOLLY SCHOOL DISTRICT RE-3
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2016

	2016			
	Original Budget	Original and Final Budget	Actual	Variance with Final Budget
(Continued)				
EXPENDITURES				
Instruction				
Salaries	1,080,980	1,073,860	1,025,933	47,927
Benefits	442,529	441,580	417,215	24,365
PS - Professional	21,068	24,328	23,396	932
PS - Other	137,318	137,470	127,879	9,591
Supplies	102,550	97,466	58,507	38,959
Property	28,630	30,814	20,987	9,827
Other Expenses	50	50	-	50
Total Instruction	<u>1,813,125</u>	<u>1,805,568</u>	<u>1,673,917</u>	<u>131,651</u>
Supporting Services				
Pupil Support				
Salaries	36,000	36,000	36,000	-
Benefits	14,501	14,501	14,574	(73)
PS - Professional	18,025	18,025	18,025	-
PS - Other	52,501	52,501	50,998	1,503
Supplies	5,000	5,000	4,624	376
Other Expenses	826	4,565	5,785	(1,220)
Total Pupil Support	<u>126,853</u>	<u>130,592</u>	<u>130,006</u>	<u>586</u>
Staff Support				
Salaries	13,709	13,709	13,709	-
Benefits	9,900	9,900	9,755	145
PS - Other	3,250	3,250	1,122	2,128
Supplies	6,500	7,000	4,240	2,760
Other Expenses	-	-	138,006	(138,006)
Total Staff Support	<u>33,359</u>	<u>33,859</u>	<u>166,832</u>	<u>(132,973)</u>
General Administration				
Salaries	75,000	75,000	75,000	-
Benefits	22,236	22,236	22,433	(197)
PS - Professional	9,300	9,300	10,947	(1,647)
PS - Other	38,100	38,100	31,534	6,566
Other Expenses	12,900	12,900	12,718	182
Total General Administration	<u>157,536</u>	<u>157,536</u>	<u>152,632</u>	<u>4,904</u>
School Administration				
Salaries	74,206	74,206	74,084	122
Benefits	45,878	45,878	45,211	667
PS - Other	1,000	1,000	-	1,000
Supplies	3,000	3,000	2,881	119
Other Expenses	1,000	1,000	559	441
Total School Administration	<u>125,084</u>	<u>125,084</u>	<u>122,735</u>	<u>2,349</u>

(Continued)

See the accompanying Independent Auditors' Report

HOLLY SCHOOL DISTRICT RE-3
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2016

	2016			
	Original Budget	Original and Final Budget	Actual	Variance with Final Budget
(Continued)				
EXPENDITURES (Continued)				
Supporting Services (Continued)				
Business Services				
Salaries	32,700	32,700	34,800	(2,100)
Benefits	13,682	13,682	14,190	(508)
PS - Professional	1,000	1,000	1,293	(293)
PS - Other	600	600	449	151
Supplies	6,308	6,308	4,010	2,298
Property	-	-	391	(391)
Total Business Services	<u>54,290</u>	<u>54,290</u>	<u>55,133</u>	<u>(843)</u>
Operations and Maintenance				
Salaries	100,210	100,210	76,634	23,576
Benefits	41,756	41,756	35,604	6,152
PS - Professional	22,000	22,000	6,578	15,422
PS - Property	36,225	32,487	25,758	6,729
PS - Other	69,200	69,200	67,600	1,600
Supplies	195,000	190,905	160,487	30,418
Property	1,000	1,000	-	1,000
Other Expenses	5,000	5,000	3,604	1,396
Total Operations and Maintenance	<u>470,391</u>	<u>462,558</u>	<u>376,265</u>	<u>86,293</u>
Transportation				
Salaries	84,648	84,648	82,086	2,562
Benefits	24,376	24,376	23,331	1,045
PS - Professional	3,000	3,000	-	3,000
PS - Other	8,024	8,024	8,024	-
Supplies	50,000	50,000	33,224	16,776
Property	129,000	129,000	102,167	26,833
Other Expenses	1,500	1,500	671	829
Total Transportation	<u>300,548</u>	<u>300,548</u>	<u>249,503</u>	<u>51,045</u>
Other Central Support				
Salaries	17,083	17,083	17,083	-
Benefits	3,526	3,526	3,280	246
Total Other Central Support	<u>20,609</u>	<u>20,609</u>	<u>20,363</u>	<u>246</u>
Community Support				
Salaries	22,928	22,928	24,234	(1,306)
Benefits	15,338	15,338	15,708	(370)
Total Community Support	<u>38,266</u>	<u>38,266</u>	<u>39,942</u>	<u>(1,676)</u>
Facilities/Capital Outlay				
PS - Property	250	250	250	-
Contingency	<u>2,600,000</u>	<u>2,600,000</u>	<u>-</u>	<u>2,600,000</u>
TOTAL EXPENDITURES	<u>5,740,311</u>	<u>5,729,160</u>	<u>2,987,578</u>	<u>2,741,582</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(2,572,000)	(2,572,000)	220,328	2,792,328
OTHER FINANCING SOURCES (USES)				
Transfers	(28,000)	(28,000)	(28,000)	-
CHANGE IN FUND BALANCE	(2,600,000)	(2,600,000)	192,328	2,792,328
BEGINNING FUND BALANCE	2,600,000	2,600,000	2,802,472	202,472
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,994,800</u>	<u>\$ 2,994,800</u>

See accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

HOLLY SCHOOL DISTRICT RE-3
Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals</u>
	<u>Capital Reserve</u>		
	<u>Food Service Fund</u>	<u>Project Fund</u>	<u>2016</u>
ASSETS			
Cash and Investments	\$ 55,934	\$ 53,366	\$ 109,300
Inventory	5,541	-	5,541
TOTAL ASSETS	<u>\$ 61,475</u>	<u>\$ 53,366</u>	<u>\$ 114,841</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE			
Liabilities			
Accrued Salaries & Benefits	\$ 12,124	-	\$ 12,124
Fund Balance			
Nonspendable Fund Balance	5,541	-	5,541
Assigned Fund Balance			
Other Assigned Fund Balance	43,810	53,366	97,176
Total Fund Balance	<u>49,351</u>	<u>53,366</u>	<u>102,717</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 61,475</u>	<u>\$ 53,366</u>	<u>\$ 114,841</u>

See accompanying Independent Auditors' Report.

HOLLY SCHOOL DISTRICT RE-3
Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals</u>
		<u>Capital Reserve</u>	
	<u>Food Service Fund</u>	<u>Project Fund</u>	<u>2016</u>
REVENUES			
Local Sources	\$ 28,376	\$ 27	\$ 28,403
State Sources	2,829	-	2,829
Federal Sources	117,544	-	117,544
TOTAL REVENUES	<u>148,749</u>	<u>27</u>	<u>148,776</u>
EXPENDITURES			
Food Service	<u>139,128</u>	-	<u>139,128</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	9,621	27	9,648
Transfer In (Out) - net	-	<u>28,000</u>	<u>28,000</u>
CHANGE IN FUND BALANCE	9,621	28,027	37,648
BEGINNING FUND BALANCE	<u>39,730</u>	<u>25,339</u>	<u>65,069</u>
ENDING FUND BALANCE	<u>\$ 49,351</u>	<u>\$ 53,366</u>	<u>\$ 102,717</u>

See accompanying Independent Auditors' Report.

HOLLY SCHOOL DISTRICT RE-3
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Capital Reserve Project Fund
For the Year Ended June 30, 2016

	2016		
	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
Investment Earnings	\$ 50	\$ 27	\$ (23)
EXPENDITURES			
Facilities/Capital Outlay			
Land and Improvements	<u>53,350</u>	<u>-</u>	<u>53,350</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(53,300)	27	53,327
OTHER FINANCING SOURCES (USES)			
Transfers	<u>28,000</u>	<u>28,000</u>	<u>-</u>
CHANGE IN FUND BALANCE	(25,300)	28,027	53,327
BEGINNING FUND BALANCE	<u>25,300</u>	<u>25,339</u>	<u>39</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 53,366</u>	<u>\$ 53,366</u>

See accompanying Independent Auditors' Report.

SPECIAL REVENUE FUND

This fund is 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 Special Revenue Fund:

Food Service Fund

HOLLY SCHOOL DISTRICT RE-3
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Food Service Fund
For the Year Ended June 30, 2016

	2016		
	Final Budget	Actual	Variance with Final Budget
Local Sources			
Investment Earnings	\$ 100	\$ 40	\$ (60)
Food Service Revenue	20,000	26,730	6,730
Rent Revenue	2,000	1,606	(394)
Total Local Sources	<u>22,100</u>	<u>28,376</u>	<u>6,276</u>
State Sources			
State Match - Child Nutrition	1,500	1,200	(300)
Smart Start Nutrition	1,500	899	(601)
State K-2 Reduced Lunch	1,500	730	(770)
Total State Sources	<u>4,500</u>	<u>2,829</u>	<u>(1,671)</u>
Federal Sources			
School Breakfast Program	27,000	35,585	8,585
National School Lunch Program	58,000	72,676	14,676
Commodity Revenue	-	9,283	9,283
Total Federal Sources	<u>85,000</u>	<u>117,544</u>	<u>32,544</u>
TOTAL REVENUES	<u>111,600</u>	<u>148,749</u>	<u>37,149</u>
EXPENDITURES			
Food Service			
Salaries	45,633	45,329	304
Benefits	30,630	30,439	191
PS - Other	1,000	331	669
Supplies	8,026	1,972	6,054
Food	62,000	51,761	10,239
Commodities	811	9,283	(8,472)
Depreciation	3,500	-	3,500
Other Expenses	-	13	(13)
TOTAL EXPENDITURES	<u>151,600</u>	<u>139,128</u>	<u>12,472</u>
OTHER FINANCING SOURCES (USES)			
CHANGE IN FUND BALANCE	(40,000)	9,621	49,621
BEGINNING FUND BALANCE	40,000	39,730	(270)
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 49,351</u>	<u>\$ 49,351</u>

See accompanying Independent Auditors' Report.

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

HOLLY SCHOOL DISTRICT RE-3
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Bond Redemption Fund
For the Year Ended June 30, 2016

	2016		
	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
Property Taxes	\$ 200,000	\$ 251,468	\$ 51,468
Specific Ownership Taxes	35,000	39,017	4,017
Delinquent Taxes	800	855	55
Investment Earnings	500	514	14
TOTAL REVENUES	<u>236,300</u>	<u>291,854</u>	<u>55,554</u>
EXPENDITURES			
Debt Service			
Principal	193,121	133,336	59,785
Interest	305,179	116,898	188,281
TOTAL EXPENDITURES	<u>498,300</u>	<u>250,234</u>	<u>248,066</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(262,000)	41,620	303,620
BEGINNING FUND BALANCE	<u>262,000</u>	<u>404,206</u>	<u>142,206</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 445,826</u>	<u>\$ 445,826</u>

See accompanying Independent Auditors' Report.

CAPITAL PROJECTS FUND

Capital Reserve Project Fund - This fund accounts for the District's routine capital projects.

HOLLY SCHOOL DISTRICT RE-3
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Capital Reserve Project Fund
For the Year Ended June 30, 2016

	2016		
	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
Investment Earnings	\$ 50	\$ 27	\$ (23)
EXPENDITURES			
Facilities/Capital Outlay			
Land and Improvements	<u>53,350</u>	<u>-</u>	<u>53,350</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(53,300)	27	53,327
OTHER FINANCING SOURCES (USES)			
Transfers	<u>28,000</u>	<u>28,000</u>	<u>-</u>
CHANGE IN FUND BALANCE	(25,300)	28,027	53,327
BEGINNING FUND BALANCE	<u>25,300</u>	<u>25,339</u>	<u>39</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 53,366</u>	<u>\$ 53,366</u>

See accompanying Independent Auditors' Report.

FIDUCIARY (AGENCY) FUNDS

Fiduciary (Agency) Funds are 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 activity groups and contributions from private organizations.

HOLLY SCHOOL DISTRICT RE-3
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		
	Final Budget	Actual	Variance with Final Budget
ADDITIONS			
Local Sources	\$ 200,000	\$ 181,382	\$ (18,618)
DEDUCTIONS			
Instruction	200,000	183,994	16,006
CHANGE IN NET POSITION	-	(2,612)	(2,612)
BEGINNING NET POSITION	-	128,882	128,882
ENDING NET POSITION	<u>\$ -</u>	<u>\$ 126,270</u>	<u>\$ 126,270</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: 2670 - HOLLY RE-3
 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	2,797,346	3,089,839	2,901,286	2,985,899
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	5,126	90,067	86,292	8,901
Sub- Total	2,802,472	3,179,906	2,987,578	2,994,800
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Food Service Spec Revenue Fund	39,730	148,750	139,128	49,351
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	404,206	291,854	250,234	445,826
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	25,339	28,027	0	53,366
Totals	3,271,746	3,648,537	3,376,940	3,543,343
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	128,882	181,382	183,994	126,270
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	128,882	181,382	183,994	126,270

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: 2670 - HOLLY RE-3

Fiscal Year 2015-16

Colorado School District/BOCES

See accompanying Independent Auditor's Report

	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 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals	
ASSETS														
Cash and Investments (8100-8104,8111)	3,348,149	0	0	55,935	0	0	53,366	0	0	126,270	0	3,583,719		
Cash with Fiscal Agent (8105)	21,189	0	0	0	0	438,699	0	0	0	0	0	459,889		
Other Investment Accounts (8112-8115)	3,027	0	0	0	0	0	0	0	0	0	0	3,027		
Taxes Receivable (8121,8122)	39,840	0	0	0	0	17,821	0	0	0	0	0	57,662		
Interfund Loans Receivable (8131,8132)	0	0	8,901	0	0	0	0	0	0	0	0	8,901		
Grants Accounts Receivable (8142)	0	0	0	0	0	0	0	0	0	0	0	0		
Inventories (8171,8172,8173)	0	0	0	5,541	0	0	0	0	0	0	0	5,541		
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0		
Total Assets	3,412,205	0	8,901	61,476	0	456,521	53,366	0	0	126,270	0	4,118,738		

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	5,541	0	0	0	0	0	0	0	0	5,541
Restricted Fund Balance 6720	0	0	0	0	0	0	0	0	0	0	0	0	0
TABOR 3% Emergency Reserve 6721	93,000	0	0	0	0	0	0	0	0	0	0	0	93,000
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	0	0	0	0	0	0	0	0	0	0	0
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	89,400	0	0	0	0	0	0	0	0	0	0	0	89,400
Committed Fund Balance 6750	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	0	0	0
Unassigned Fund Balance 6770	2,803,499	0	8,901	43,810	0	445,826	53,366	0	0	0	126,270	0	3,481,672
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	2,985,899	0	8,901	49,351	0	445,826	53,366	0	0	0	126,270	0	3,669,613

Total Liabilities & Fund Equity	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
	3,412,205	0	8,901	61,476	0	456,521	53,366	0	0	0	126,270	0	4,118,738

Do Assets=Liability+Fund Equity	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk related activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85
For Each Fund Type:	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes