

cPa DIXON, WALLER & CO., INC.

BACA COUNTY SCHOOL DISTRICT

NUMBER RE-3

PRITCHETT, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2017



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**DIXON, WALLER & CO., INC.**

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BACA COUNTY SCHOOL DISTRICT  
NUMBER RE-3

FINANCIAL STATEMENTS

JUNE 30, 2017

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BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
ROSTER OF SCHOOL OFFICIALS  
June 30, 2017

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BOARD OF EDUCATION

Mark Crane	President
Jerry Casebolt	Vice-President
Mark Wilson	Treasurer
Christy Eskew	Secretary
Jozy Stegman	Member

SCHOOL OFFICIALS

William Carwin	Superintendent
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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Education  
Baca County School District Number RE-3  
Pritchett, CO 81064

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District Number RE-3, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District Number RE-3, as of June 30, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension trend data on pages i through vi and 32 through 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Baca County School District Number RE-3's basic financial statements. The combining and individual fund financial statements, other schedules, and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



Trinidad, Colorado  
November 22, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Pritchett School District RE-3  
Management's Discussion and Analysis  
Fiscal Year 2016-2017**

The administration and management of the Pritchett School District offers the following overview and analysis of the financial activities within the District for the fiscal year ending June 30, 2017. We encourage readers to examine the information presented in this report to gain a better understanding of the District's financial status.

**Financial Highlights**

District revenues for 2016-2017 were primarily generated by property taxes and state equalization payments. Property taxes totaled \$395,297, remaining fairly consistent at 39.06% of all general fund revenues, while state aid payments totaled \$471,669, or 46.61%. Revenues in the form of federal aid totaled \$34,044, or 3.36%. Miscellaneous revenue totaled \$110,928 and the remaining 10.97%.

- ❖ The District presently has no outstanding long-term debt.
- ❖ The District presently has \$702,351 in cash and investments.

**Overview of the Financial Statements**

This annual report will discuss both district-wide financial statements, and specific fund financial statements. The district-wide financial statements present a general description of the District's assets and liabilities, and how they have changed during the past fiscal year. Such a statement may be used to indicate whether the financial position of the Pritchett School District is improving or deteriorating. However, financial statements are only one indicator of fiscal health. Other factors which affect the health of the school district include, but are not limited to: pupil enrollment, changes in the District's property tax base, and the overall condition of the District's facilities and equipment.

Governmental activities are those which are supported by taxes and other forms of government revenue. Almost all district services fall into this category. Governmental activities within the District include regular and special education, transportation, and administration.

The fund financial statements provide more detailed information about district funds. District revenues and expenditures are divided into specific funds to track mandated expenditures and transfers, as well as to provide clarity and tracking capability. Fund financial statements provide evidence of compliance with state and federal finance requirements. The District divides its funds into two categories: governmental funds and fiduciary funds.

Governmental funds compose the majority of all district funds. The Pritchett School District maintains the following governmental funds: the General fund, the Colorado Preschool fund, the Food Service fund and the Pupil Activity fund. Maintaining these specific funds allows the District to track revenues and expenditures more closely and ensures that all state and federal regulations are being followed.

Fiduciary funds may be thought of as stewardship funds. In a fiduciary fund, the money is being held by the district for another organization or entity. Student activity funds and scholarship funds are both examples of fiduciary funds. Pritchett school district does not have any fiduciary funds.

## District-Wide Financial Analysis

Fiscal year 2004 was the first year in which the Pritchett School District reported assets according to the guidelines set forth in GASB Statement 34. Table 1 reports the net position of the district for fiscal years 2016 and 2017.

Table 1:  
NET POSITION

	2017			2016		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
<b>ASSETS</b>						
Current and Other Assets	732,977	-	732,977	663,415	-	663,415
Capital Assets	119,274	-	119,274	122,679	-	122,679
Total Assets	852,251	-	852,251	786,094	-	786,094
Deferred Outflows	1,292,853	-	1,292,853	226,783	-	226,783
<b>LIABILITIES</b>						
Current and Other Liabilities	3,454,318	-	3,454,318	1,932,803	-	1,932,803
Long Term Liabilities	-	-	-	-	-	-
Total Liabilities	3,454,318	-	3,454,318	1,932,803	-	1,932,803
Deferred Inflows	173,719	-	173,719	200,014	-	200,014
<b>NET POSITION</b>						
Net Investment in Capital Assets	119,274	-	119,274	122,679	-	122,679
Restricted for:						
Labor Reserve	29,000	-	29,000	33,400	-	33,400
Scholarships	50,000	-	50,000	-	-	-
Food Service	11,881	-	11,881	11,368	-	11,368
Preschool	-	-	-	-	-	-
Unrestricted	(1,695,088)	-	(1,695,088)	(1,287,387)	-	(1,287,387)
	(1,484,933)	-	(1,484,933)	(1,119,940)	-	(1,119,940)

The General Fund balance increased \$79,066 from the prior year. Note that the General fund balance increased during the year, indicating an improvement in the financial condition of the District. The increase in net position is due to budget cuts that were put in place to stop the trend of consistent excess expenditures over revenue. This increase is significant in that it will allow Pritchett School to remain financially viable and stable when facing potential budget cuts at the State level.

Table 2:  
Changes in Net Position

	2017			2016		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
<b>Revenues</b>						
Charges for Services	48,618	-	48,618	89,550	-	89,550
Operating Grants and Contributions	88,172	-	88,172	106,930	-	106,930
Capital Grants and Contributions	12,518	-	12,518	-	-	-
Property taxes	392,537	-	392,537	362,317	-	362,317
Specific Ownership Taxes	41,641	-	41,641	41,255	-	41,255
Equalization	428,963	-	428,963	444,842	-	444,842
Earnings on investments	1,878	-	1,878	1,595	-	1,595
Other Revenues	76,805	-	76,805	65,986	-	65,986
	-	-	-	-	-	-
	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>1,091,132</b>	<b>-</b>	<b>1,091,132</b>	<b>1,112,475</b>	<b>-</b>	<b>1,112,475</b>
<b>Expenses</b>						
Instructional services	514,293	-	514,293	551,384	-	551,384
Students	4,443	-	4,443	1,680	-	1,680
Instructional staff	22,759	-	22,759	29,047	-	29,047
District administration	130,109	-	130,109	128,799	-	128,799
School administration	31,082	-	31,082	32,034	-	32,034
Business	58,579	-	58,579	59,152	-	59,152
Operation and maintenance of facilities	128,608	-	128,608	129,112	-	129,112
Transportation	52,992	-	52,992	67,604	-	67,604
Central	11,655	-	11,655	513	-	513
Capital outlay	-	-	-	-	-	-
Interest on Long Term Liabilities	-	-	-	-	-	-
Food Service	58,170	-	58,170	70,197	-	70,197
Pension Expense	441,435	-	441,435	5,150	-	5,150
<b>TOTAL EXPENSES</b>	<b>1,454,125</b>	<b>-</b>	<b>1,454,125</b>	<b>1,074,672</b>	<b>-</b>	<b>1,074,672</b>
<b>Increase ( Decrease in Net Position )</b>	<b>(362,993)</b>	<b>-</b>	<b>(362,993)</b>	<b>37,803</b>	<b>-</b>	<b>37,803</b>

As Table 2 reflects most of the District's revenue came from state aid and property taxes in 2017. The pupil count for 2016-2017 was 45, total FTE 37.5. State equalization is calculated on several factors including at-risk student enrollment, district size, and total school enrollment. A mill levy override was proposed for the fall of 2010 to assist the District in balancing a continued deficit budget. The mill levy override producing \$100,000 annually was supported with a positive vote by 64% of the school district voters. The state trend in reducing aid to school districts is predicted to continue into school year 2017-2018.

The table below shows the total and net cost for providing various services throughout the District. The net cost reflects the amount of money that district taxpayers contribute to provide these services. Of course, the difference between the total cost of services and the net cost of services is provided by State, Federal, and private grants.

**Table - 3 Governmental Activities by Major Function**

	2017		2016	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instructional services	514293	(406,326)	551384	(412,501)
Students	4443	(4,443)	1680	(1,680)
Instructional staff	22759	(22,759)	29047	(29,047)
District administration	130109	(130,109)	128799	(128,799)
School administration	31082	(31,082)	32034	(32,034)
Business	58579	(58,579)	59152	(59,152)
Operation and maintenance of facilities	128608	(128,608)	129112	(116,512)
Transportation	52992	(36,983)	67604	(53,825)
Central	11655	(11,655)	513	(513)
Capital outlay	-	-	-	-
Food Service	58,170	(32,838)	70,197	(38,979)
Pension Expense	441,435	(441,435)	5,150	(5,150)
Total	<u>1,454,125</u>	<u>(1,304,817)</u>	<u>1,074,672</u>	<u>(878,192)</u>

**Table 3. Governmental Activities**

Due to the small size of the District, it is likely that the Food Service fund will always require General fund support in order to operate. The cost of staff and supplies is too great to be compensated for with charges for services and operating grants and contributions.

#### **Financial Analysis of the District's Funds**

General information about the Pritchett School District's funds are included in this report. All funds are accounted for using the modified accrual basis of accounting. The General fund balance increased in the 2016-2017 school year to a total of \$599,303. Based on current enrollment and funding projections, the District will need to continue the efforts to keep expenditures down.

#### **General Fund Budgetary Highlights**

The Pritchett School District approved the budget in June 2016, based on anticipated enrollment, revenue and expenditures. In January 2017, a final revised budget was approved. A total appropriation of \$1,717,833 was approved by the Board of Education.

## Assets

At the end of the 2016-2017 fiscal year, the Pritchett School District had \$753,813 in total assets.

### Capital Assets (Net Depreciation)

Table 4: Capital Assets ( Net of Depreciation )

	Governmental	Business	Total	Governmental	Business	Total
	<u>2016-2017</u>	<u>2016-2017</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2015-2016</u>	<u>2015-2016</u>
Land & Sites	11,600	-	11,600	11,600	-	11,600
Buildings & Improvements	64,599	-	64,599	71,184	-	71,184
Equipment & Vehicles	32,483	-	32,483	39,895	-	39,895
Food Service	10,592	-	10,592	-	-	-
<b>Total Capital Assets</b>	<u>119,274</u>	<u>-</u>	<u>119,274</u>	<u>122,679</u>	<u>-</u>	<u>122,679</u>

### Long-term Debt

As previously mentioned, the Pritchett School District is free from all forms of long-term debt, which greatly contributes to the District's financial stability.

### Factors Bearing on the District's Future

There remain many factors that could dramatically affect the District's financial health and ability to provide quality services in the future.

- ❖ Enrollment trend analysis within the Pritchett School District indicates that enrollment is decreasing, resulting in a reduction in revenue from the funded pupil count.
- ❖ Economic conditions within Baca County, the State of Colorado, and the nation as a whole continue to remain in an economic downturn. The impact of this trend on small school districts cannot be underestimated. State and district general fund revenues will probably continue to decline until economic conditions improve with a significant reduction in funding for 2017-2018 and predicted continued reduction of state aide for school year 2017-2018.
- ❖ The Pritchett School District continues to receive accreditation ratings from the Colorado Dept. of Education. Based on student achievement factors considered for accreditation through the Unified Improvement Planning process, the District is still fully accredited and in good standing with the Department of Education.
- ❖ The Pritchett community did support the school district in the 2010 fall election by approving a mill levy override that will contribute an estimated \$100,000 dollars annually as the mill increase is

affected. This financial gain was intended to balance the school's budget, but with continued state budget recisions and cuts, the mill will only partly balance our budget.

### **Contacting the District's Financial Management**

The financial information in this report is designed to provide citizens with a general overview of the District's finances, and to provide accountability for the revenue the District receives. If you have any questions about the information in this report, please contact Bill Carwin, Superintendent of Schools at PO Box 7, Pritchett, Colorado, 81064.

BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
STATEMENT OF NET POSITION  
June 30, 2017

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS:</u>		
Cash and Investments	702,351	702,351
Accounts Receivable	4,309	4,309
Receivables - Other	-	-
Accrued Revenue	4,908	4,908
Property Taxes Receivable	17,300	17,300
Inventories	4,109	4,109
Capital Assets	1,510,812	1,510,812
Accumulated Depreciation	(1,391,538)	(1,391,538)
<u>Total Assets</u>	<u>852,251</u>	<u>852,251</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
District Contributions Subsequent to Pension Measurement Date	50,644	50,644
Pension Outflows – Plan Level	1,242,209	1,242,209
Pension Outflows – Employer Level	-	-
<u>Total Deferred Outflow of Resources</u>	<u>1,292,853</u>	<u>1,292,853</u>
 <u>LIABILITIES</u>		
Accounts Payable	35,025	35,025
Accrued Salaries	65,766	65,766
Compensated Absences	-	-
Unearned Revenue	-	-
Net Pension Liability	3,353,527	3,353,527
Long Term Liabilities:		
Due Within One Year	-	-
Due in More than One Year	-	-
<u>Total Liabilities</u>	<u>3,454,318</u>	<u>3,454,318</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>		
Pension Inflows – Plan Level	15,152	15,152
Pension Inflows – Employer Level	158,567	158,567
<u>Total Deferred Inflow of Resources</u>	<u>173,719</u>	<u>173,719</u>
 <u>NET POSITION</u>		
Net Investment in Capital Assets	119,274	119,274
Restricted for:		
TABOR Reserve	29,000	29,000
Scholarship	50,000	50,000
Food Service	11,881	11,881
Unrestricted	(1,693,088)	(1,693,088)
<u>TOTAL NET POSITION</u>	<u>(1,482,933)</u>	<u>(1,482,933)</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
STATEMENT OF ACTIVITIES  
For The Year Ended June 30, 2017

	Program Revenues			Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position Primary Government	
FUNCTIONS	Expenses	Charges for Services	Operating Grants & Contributions	Contributions	Governmental Activities	Total
Instructional Services	514,293	40,527	54,922	12,518	(406,326)	(406,326)
Supporting Services						
Students	4,443	-	-	-	(4,443)	(4,443)
Instructional Staff	22,759	-	-	-	(22,759)	(22,759)
District Administration	130,109	-	-	-	(130,109)	(130,109)
School Administration	31,082	-	-	-	(31,082)	(31,082)
Business	58,579	-	-	-	(58,579)	(58,579)
Operation & Maintenance of Facilities	128,608	-	-	-	(128,608)	(128,608)
Transportation	52,992	-	16,009	-	(36,983)	(36,983)
Central	11,655	-	-	-	(11,655)	(11,655)
Food Service	58,170	8,091	17,241	-	(32,838)	(32,838)
Capital Outlay	-	-	-	-	-	-
Pension Expense	441,435	-	-	-	(441,435)	(441,435)
Total Governmental Activities	1,454,125	48,618	88,172	12,518	(1,304,817)	(1,304,817)
Total School District	1,454,125	48,618	88,172	12,518	(1,304,817)	(1,304,817)
General Revenues						
Property Taxes Levied for General Purposes					392,537	392,537
Specific Ownership Taxes					41,641	41,641
Equalization					428,963	428,963
Earnings on Investments					1,878	1,878
Other Revenues					76,805	76,805
Total General Revenues					941,824	941,824
Change in Net Position					(362,993)	(362,993)
Net Position, Beginning					(1,119,940)	(1,119,940)
Net Position, Ending					(1,482,933)	(1,482,933)

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2017

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash and Investments	662,888	39,463	702,351
Accounts Receivable	410	3,899	4,309
Accrued Revenue	4,908	-	4,908
Due from Other Funds	19,541	1,295	20,836
Property Taxes Receivable	17,300	-	17,300
Inventories	-	4,109	4,109
<u>Total Assets</u>	<u>705,047</u>	<u>48,766</u>	<u>753,813</u>
<u>LIABILITIES</u>			
Accounts Payable	31,029	3,996	35,025
Accrued Salaries	62,315	3,451	65,766
Due to Other Fund	-	20,836	20,836
<u>Total Liabilities</u>	<u>93,344</u>	<u>28,283</u>	<u>121,627</u>
<u>DEFERRED INFLOW OF RESOURCES</u>			
Property Taxes	12,400	-	12,400
<u>FUND BALANCES</u>			
Nonspendable:			
Inventories	-	4,109	4,109
Restricted for:			
Emergencies	29,000	-	29,000
Preschool	-	-	-
Food Service	-	7,772	7,772
Scholarships	50,000	-	50,000
Assigned for:			
Activities	-	8,602	8,602
Unassigned	520,303	-	520,303
<u>Total Fund Balances</u>	<u>599,303</u>	<u>20,483</u>	<u>619,786</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>	<u>705,047</u>	<u>48,766</u>	<u>753,813</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF NET POSITION  
 Year Ended June 30, 2017

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

<u>TOTAL FUND BALANCE – GOVERNMENTAL FUNDS</u>	619,786
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$1,510,812 and the accumulated depreciation is \$1,391,538.	119,274
Property tax revenue is recognized when earned (claim to resources established) rather than when “available”. All of the deferred property tax is not available.	12,400
The District’s portion of the net pension liability for PERA is reported on the statement of net position, is not reported as a liability in the funds.	(3,353,527)
Deferred flows for contributions made toward the net pension liability from December 31, 2016 until June 30, 2017 is not reported in the funds.	50,644
Deferred pension flows for differences in projected and actual activity are not reported in the funds:	
Net deferred pension flows – Plan Level	1,227,057
Net deferred pension flows – Employer Level	<u>(158,567)</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>(1,482,933)</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2017

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>			
Property Taxes	395,297	-	395,297
Specific Ownership Taxes	41,641	-	41,641
Earnings on Investments	1,843	35	1,878
Other Local Sources	67,444	64,678	132,122
State Aid	471,669	456	472,125
Federal Aid	34,044	16,785	50,829
<u>Total Revenues</u>	<u>1,011,938</u>	<u>81,954</u>	<u>1,093,892</u>
 <u>EXPENDITURES</u>			
<u>Current:</u>			
Instructional Services	433,121	76,669	509,790
Supporting Services:			
Students	4,443	-	4,443
Instructional Staff	22,759	-	22,759
District Administration	130,109	-	130,109
School Administration	31,082	-	31,082
Business	58,579	-	58,579
Operation & Maintenance of Facilities	124,690	-	124,690
Transportation	47,416	-	47,416
Central	11,655	-	11,655
Food Service	12,518	56,244	68,762
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
<u>Total Expenditures</u>	<u>876,372</u>	<u>132,913</u>	<u>1,009,285</u>
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	 <u>135,566</u>	 <u>(50,959)</u>	 <u>84,607</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	(56,500)	56,500	-
<u>Total Other Financing Sources (Uses)</u>	<u>(56,500)</u>	<u>56,500</u>	<u>-</u>
 <u>NET CHANGE IN FUND BALANCES</u>	 79,066	 5,541	 84,607
 <u>FUND BALANCES – Beginning</u>	 <u>520,237</u>	 <u>14,942</u>	 <u>535,179</u>
 <u>FUND BALANCES – Ending</u>	 <u>599,303</u>	 <u>20,483</u>	 <u>619,786</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 For The Year Ended June 30, 2017

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

<u>NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS</u>	84,607
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.</p>	
Capital Outlays more than \$5,000	11,769
Depreciation Expense	(15,174)
	(3,405)
<p>Property tax revenues received prior to the year for which they are levied or are not “available” at year end are reported as deferred revenue in the governmental funds. They are, however recorded as revenues in the statement of activities. Deferred property tax revenues increased this year.</p>	
	(2,760)
<p>The statement of activities reports net pension obligation which is not reported in the fund financial statements.</p>	
Change in net pension liability	(1,533,800)
Deferred flows from net pension liability	1,092,365
<u>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</u>	<u>(362,993)</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Baca County School District Number RE-3 (District) conform with generally accepted accounting principles (GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

The District operates under an elected Board of Education with 5 members.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Baca County School District Number RE-3. The District receives funding from local, state, and federal government sources and must comply with requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

A. Reporting Entity

Governmental Accounting Standards board (GASB) Statement No. 14 (as amended by Statements No. 34, No. 39 and No. 61), "*The Financial Reporting Entity*" (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds (General Fund) and individual enterprise funds are reported as separate columns in the fund financial statements.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 1     SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

All governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end.

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

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

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

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

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

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

D.     Fund Accounting

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D.    Fund Accounting (Continued)

•    Major Governmental Funds

1.    General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.

E.    Cash and Investments

Cash represents amounts on deposit with financial institutions or held by the District. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

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

F.    Receivables

Property taxes levied in 2016 but uncollected in 2017 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2017 are recorded as deferred inflows, and are presented net of an allowance for uncollectible taxes. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

G.    Inventories

Materials and supplies inventories are stated at cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the Federal Government, are recorded at their estimated fair value at the date of receipt.

The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H.    Capital Assets

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

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

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-40 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I.    Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. The District records long-term debt of governmental funds at the face value. The District's general obligation bonds are serviced from property taxes and other revenues of the Debt Service Fund. Capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

J.    Constitutional Amendment

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

On November 4, 1997 the registered voters approved a ballot resolution authorizing Baca County School District RE-3 to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased or any new tax be imposed.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J.      Constitutional Amendment (Continued)

TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2017 the District reserved \$29,000 for this purpose.

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

K.      Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2016 property tax calendar for Baca County was as follows:

Levy Date	December 22, 2016
Lien Date	January 1, 2017
Tax Bills Mailed	January 1, 2017
First Installment Due	February 28, 2017
Second Installment Due	June 15, 2017
If Paid in Full, Due	April 30, 2017
Tax Sale – 2015 Delinquent Property Taxes	October 25, 2016

L.      Use of Estimates

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

M.      GASB Statement No. 54

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

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

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2017

**NOTE 1**    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M.    GASB Statement No. 54 (continued)

4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

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

Assigned Fund Balance Policy:

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

Order of Fund Balance Spending Policy

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

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

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Food Service</u>	<u>Pupil Activities</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>				
Inventories	-	4,109	-	4,109
<u>Restricted:</u>				
Emergencies	29,000	-	-	29,000
Preschool	-	-	-	-
Debt Service	-	-	-	-
Food Service	-	7,772	-	7,772
Scholarships	50,000	-	-	50,000
<u>Assigned:</u>				
Activities	-	-	8,602	8,602
<u>Unassigned</u>	<u>520,303</u>	<u>-</u>	<u>-</u>	<u>520,303</u>
<u>Total Fund Balances</u>	<u>599,303</u>	<u>11,881</u>	<u>8,602</u>	<u>619,786</u>

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2017

NOTE 1     SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N.     Deferred Outflows / Inflows of Resources

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

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

NOTE 2     RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

	Items Eliminated	
	Due From Other Funds	Due To Other Funds
General Fund	19,541	-
Other Governmental Funds	<u>1,295</u>	<u>20,836</u>
	<u>20,836</u>	<u>20,836</u>
	Transfers To Other Funds     Transfers From Other Funds	
General Fund	56,500	-
Student Activities – Special Revenue Fund	-	30,000
Food Service – Special Revenue Fund	-	<u>26,500</u>
	<u>56,500</u>	<u>56,500</u>

NOTE 3     BUDGETARY INFORMATION

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2017

NOTE 3 BUDGETARY INFORMATION (Continued)

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

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund and Special Revenue Funds.
6. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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

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

NOTE 4 CASH AND INVESTMENTS

Deposits

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

At June 30, 2017, the District's bank balance and corresponding carrying balance were as follows:

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	333,111	333,111
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	365,424	368,307
Cash with County Treasurer	3,416	-
Cash on Hand	400	-
<u>Total Cash and Deposits</u>	<u>702,351</u>	<u>701,418</u>

As presented above, deposits with a bank balance of \$368,307 and a carrying balance of \$365,424 as of June 30, 2017 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2017

NOTE 5    CAPITAL ASSETS

A summary of changes in capital assets is as follows:

<u>Governmental Activities</u>	<u>Balance</u> <u>July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2017</u>
<u>Capital Assets Not Being</u>				
<u>Depreciated</u>				
Land	<u>11,600</u>	<u>-</u>	<u>-</u>	<u>11,600</u>
 <u>Capital Assets Being Depreciated</u>				
Buildings & Site Improvements	881,660	-	-	881,660
Equipment & Vehicles	564,328	-	-	564,328
Food Service	<u>41,455</u>	<u>11,769</u>	<u>-</u>	<u>53,224</u>
<u>Total Capital Assets Being</u>				
<u>Depreciated</u>	<u>1,487,443</u>	<u>11,769</u>	<u>-</u>	<u>1,499,212</u>
 <u>Less Accumulated Depreciation for:</u>				
Building & Site Improvements	810,476	6,585	-	817,061
Equipment & Vehicles	524,433	7,412	-	531,845
Food Service	<u>41,455</u>	<u>1,177</u>	<u>-</u>	<u>42,632</u>
<u>Total Accumulated Depreciation</u>	<u>1,376,364</u>	<u>15,174</u>	<u>-</u>	<u>1,391,538</u>
 <u>Total Capital Assets Being</u>				
<u>Depreciated, Net</u>	<u>111,079</u>	<u>(3,405)</u>	<u>-</u>	<u>107,674</u>
 <u>Governmental Activities Capital</u>				
<u>Assets, Net</u>	<u>122,679</u>	<u>(3,405)</u>	<u>-</u>	<u>119,274</u>

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

<u>Governmental Activities:</u>	
Instruction	4,503
Student Support	-
Instructional Support	-
General Administration Support	-
School Administration Support	-
Business Support Services	-
Operations and Maintenance	3,918
Transportation	5,576
Food Service	<u>1,177</u>
<u>Total Depreciation Expense – Governmental Activities</u>	<u>15,174</u>

NOTE 6      PENSION PLAN

**Defined Benefit Pension Plan**

Summary of Significant Accounting Policies

Pensions. Baca County School District Number RE-3 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the Baca County School District Number RE-3 are provided with pensions through the School Division Trust Fund (SCHDTF) - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at [www.copera.org/investment/pera-financial-reports](http://www.copera.org/investment/pera-financial-reports).

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

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

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

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 6      PENSION PLAN (Continued)

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

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

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

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

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

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

*Contributions.* Eligible employees and Baca County School District Number RE-3 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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2017

NOTE 6      PENSION PLAN (Continued)

	For the Year Ended December 31, 2016	For the Year Ended December 31, 2017
Employer Contribution Rate	10.15 %	10.15 %
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. 24-51-208 (1) (f)	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. 24-51-411	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. 24-51-411	4.50%	5.00%
Total Employer Contribution Rate to the SCHDTF	18.13%	18.63%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Baca County School District Number RE-3 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Baca County School District Number RE-3 were \$94,270 for the year ended June 30, 2017.

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

At June 30, 2017, the Baca County School District Number RE-3 reported a liability of \$3,353,527 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The Baca County School District Number RE-3 proportion of the net pension liability was based on Baca County School District Number RE-3 contributions to the SCHDTF for the calendar year 2016 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2016, the Baca County School District Number RE-3 proportion was 0.0113 percent, which was a decrease of 0.0006 in its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the Baca County School District Number RE-3 recognized pension expense of \$441,435. At June 30, 2017, the Baca County School District Number RE-3 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2017

NOTE 6      PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	41,924	(30)
Changes of assumptions or other inputs	1,088,150	(15,122)
Net difference between projected and actual earnings on pension plan investments	112,135	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	(158,567)
Contributions subsequent to the measurement date	50,644	N/A
Total	1,292,853	(173,719)

\$50,644 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2017	
2018	394,170
2019	442,850
2020	230,351
2021	1,119
2022	-
Thereafter	-

*Actuarial assumptions.* The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2017

NOTE 6      PENSION PLAN (Continued)

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumptions were adopted by PERA's Board on November 18, 2016 and effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 9.70 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	5.26 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates used in the December 31, 2015 valuation 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. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 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.

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 6      PENSION PLAN (Continued)

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected rate of return on pension plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016. As a result of the October 28, 2016 actuarial assumptions workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed, effective December 31, 2016, as follows:

- Investment rate of return assumption decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.80 percent per year to 2.40 percent per year.
- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.90 percent per year to 3.50 percent per year.

Several factors were considered in evaluating the long-term rate of return assumption for the SCHDTF, including long-term historical data, estimates inherent in current market data, and 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 by the investment consultant 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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2017

**NOTE 6**      **PENSION PLAN (Continued)**

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
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 7.25%.

*Discount rate.* The discount rate used to measure the total pension liability was 5.26 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated economic and demographic actuarial assumptions adopted by PERA’s Board on November 18, 2016.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 6

PENSION PLAN (Continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute. AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the SCHDTF's fiduciary net position was projected to be depleted in 2041 and, as a result, the municipal bond index rate was used in the determination of the discount rate. The long-term expected rate of return of 7.25 percent on pension plan investments was applied to periods through 2041 and the municipal bond index rate, the December average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Board of Governors of the Federal Reserve System, was applied to periods on and after 2041 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.86 percent, resulting in a discount rate of 5.26 percent.

As of the prior measurement date, the projection test indicated, 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 plan investments of 7.50% was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use a municipal bond index rate. The discount rate was 7.50 percent, 2.24 percent higher compared to the current measurement date.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2017

**NOTE 6**      **PENSION PLAN (Continued)**

*Sensitivity of the Baca County School District Number RE-3 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 5.26 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.26 percent) or 1-percentage-point higher (6.26 percent) than the current rate:

	1% Decrease (4.26%)	Current Discount Rate (5.26%)	1% Increase (6.26%)
Proportionate share of the net pension liability	4,216,953	3,353,527	2,650,298

*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](http://www.copera.org/investments/pera-financial-reports).

**Defined Contribution Pension Plan**

**Voluntary Investment Program**

*Plan Description* – Employees of the Baca County School District Number RE-3 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](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2017, program members contributed \$120.

**Other Post-Employment Benefits**

**Health Care Trust Fund**

*Plan Description* – The Baca County School District Number RE-3 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](http://www.copera.org/investments/pera-financial-reports).

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 6      PENSION PLAN (Continued)

*Funding Policy* – The Baca County School District Number RE-3 is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Baca County School District Number RE-3 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, 2017, 2016 and 2015, the Baca County School District Number RE-3 contributions to the HCTF were \$5,227, \$5,073 and \$5,262, respectively equal to their required contributions for each year.

NOTE 7      RISK MANAGEMENT

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

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

NOTE 8      COLORADO SCHOOL DISTRICT SELF INSURANCE POOL

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

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NOTE 8      COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (Continued)

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

The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2017.

An audited summary of the Colorado School District's Pool financial information at December 31, 2016 (latest information available) follows:

Total Assets	<u>48,036,383</u>
Total Liabilities	<u>21,232,630</u>
Total Equity	<u>26,803,753</u>
Revenue	14,232,299
Underwriting Expenses	<u>12,497,566</u>
Underwriting Gain (Loss)	1,734,733
Net Investment Income	690,250
Other Income	<u>-</u>
Net Income (Loss) Before Dividend	2,424,983
Dividend	<u>-</u>
Net Income	2,424,983
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>53,761</u>
Capital Contributions from Members	<u>-</u>
Unassigned Surplus	<u>26,803,753</u>

NOTE 9      LITIGATION

None.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2017

NOTE 10    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. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2017, significant amounts of grant expenditures have not been audited by the grantor but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the District.

NOTE 11    JOINT VENTURES

Not reflected in the accompanying financial statements is the District's participation in the South Eastern Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per District.

The District has one member on the Board. The Board has final authority for all budgeting and financing of the joint venture. The BOCES by-laws indicate that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rate basis determined by the BOCES board. The joint venture summary audited financial information as of June 30, 2016, the latest year for which complete information is available is as follows:

Assets and Deferred Outflows	<u>1,375,820</u>
Liabilities and Deferred Inflows	3,787,035
Net Position	<u>(2,411,215)</u>
	<u>1,375,820</u>
Revenues and Other Sources	2,518,565
Expenditures and Other Uses	<u>2,504,933</u>
Excess (Deficiency)	<u>13,632</u>

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

NOTE 12    ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, at June 30, 2017, are estimated to be \$65,766. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2017

NOTE 13    COMPENSATED ABSENCES

There is no material liability for compensated absences payable at June 30, 2017.

NOTE 14    INTERFUND BALANCES AND TRANSFERS

<u>Major Governmental Fund</u>	<u>Due To</u> <u>Other Funds</u>	<u>Due From</u> <u>Other Funds</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	-	19,541	-	56,500
<u>Non Major Governmental Funds</u>				
Pupil Activity Fund	4,860	-	30,000	-
Food Service Fund	<u>15,976</u>	<u>1,295</u>	<u>26,500</u>	<u>-</u>
	<u>20,836</u>	<u>20,836</u>	<u>56,500</u>	<u>56,500</u>

Transfers were made from the General Fund for the purpose of assisting operations.

Interfund Receivables and Payables are expected to be paid within one year.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

### General Fund

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

### Pension Trend Data

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2017

<u>REVENUES</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Local Sources</u>				
Property Taxes	376,000	392,527	395,297	2,770
Specific Ownership Taxes	25,000	25,000	41,641	16,641
Earnings on Investments	1,500	1,500	1,843	343
Delinquent Taxes & Interest	800	800	827	27
Other	45,010	45,010	66,617	21,607
<u>State Sources</u>				
Equalization	434,882	422,077	428,963	6,886
Transportation	-	13,000	16,009	3,009
Vocational Education	-	12,000	19,632	7,632
Special Education	-	6,500	3,125	(3,375)
Other	29,500	3,000	3,940	940
<u>Federal Sources</u>				
Other	34,034	34,034	34,044	10
<u>TOTAL REVENUES</u>	<u>946,726</u>	<u>955,448</u>	<u>1,011,938</u>	<u>56,490</u>
 <u>EXPENDITURES</u>				
<u>Instruction</u>				
Salaries	299,431	309,431	314,936	(5,505)
Employee Benefits	83,931	87,461	78,670	8,791
Purchased Services - Professional	17,650	17,650	16,095	1,555
Purchased Services - Property	-	-	-	-
Purchased Services - Other	8,200	8,200	15,461	(7,261)
Supplies and Materials	28,176	28,176	7,207	20,969
Property	-	-	-	-
Other Objects	2,500	2,500	752	1,748
<u>Total Instruction</u>	<u>439,888</u>	<u>453,418</u>	<u>433,121</u>	<u>20,297</u>
 <u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	1,100	1,100	1,100	-
Employee Benefits	234	234	232	2
Purchased Services - Professional	100	3,212	3,111	101
Purchased Services - Property	-	-	-	-
Purchased Services - Other	-	-	-	-
Supplies and Materials	300	300	-	300
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Student Services</u>	<u>1,734</u>	<u>4,846</u>	<u>4,443</u>	<u>403</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Instructional Staff</u>				
Salaries	5,805	5,805	5,805	-
Employee Benefits	1,237	1,237	1,225	12
Purchased Services – Other	17,000	17,000	15,306	1,694
Supplies and Materials	600	600	423	177
<u>Total Instructional Staff</u>	<u>24,642</u>	<u>24,642</u>	<u>22,759</u>	<u>1,883</u>
<u>General Administration</u>				
Salaries	43,510	43,510	41,633	1,877
Employee Benefits	9,280	9,280	8,693	587
Purchased Services – Professional	20,000	23,500	23,362	138
Purchased Services – Other	40,000	36,000	38,420	(2,420)
Supplies and Materials	3,000	3,000	3,769	(769)
Property	5,000	5,000	5,409	(409)
Other Objects	7,700	8,200	8,823	(623)
<u>Total General Administration</u>	<u>128,490</u>	<u>128,490</u>	<u>130,109</u>	<u>(1,619)</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	25,705	25,705	25,705	-
Employee Benefits	5,485	5,485	5,377	108
<u>Total School Administration</u>	<u>31,190</u>	<u>31,190</u>	<u>31,082</u>	<u>108</u>
<u>Business Services</u>				
Salaries	42,400	42,400	42,751	(351)
Employee Benefits	14,115	14,115	14,016	99
Purchased Services – Professional	3,000	3,000	-	3,000
Purchased Services – Property	1,000	1,000	-	1,000
Supplies and Materials	1,500	1,500	1,812	(312)
<u>Total Business Services</u>	<u>62,015</u>	<u>62,015</u>	<u>58,579</u>	<u>3,436</u>
<u>Operations and Maintenance</u>				
Salaries	42,000	42,000	45,744	(3,744)
Employee Benefits	8,946	8,946	9,483	(537)
Purchased Services – Property	23,300	24,900	18,098	6,802
Purchased Services – Other	6,000	6,000	6,574	(574)
Supplies and Materials	47,000	45,800	44,791	1,009
Other Objects	200	200	-	200
<u>Total Operations and Maintenance</u>	<u>127,446</u>	<u>127,846</u>	<u>124,690</u>	<u>3,156</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND  
 For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance-
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Student Transportation</u>				
Salaries	21,430	21,430	23,141	(1,711)
Employee Benefits	4,567	4,567	5,372	(805)
Purchased Services - Professional	-	-	-	-
Purchased Services - Property	-	-	-	-
Purchased Services - Other	16,000	16,000	4,534	11,466
Supplies and Materials	18,000	17,500	14,369	3,131
Property	-	500	-	500
Other Objects	100	100	-	100
<u>Total Student Transportation</u>	<u>60,097</u>	<u>60,097</u>	<u>47,416</u>	<u>12,681</u>
<u>Central Support</u>				
Salaries	1,500	1,500	1,500	-
Employee Benefits	320	320	317	3
Purchased Services - Other	500	500	3,862	(3,362)
Supplies and Materials	1,000	1,000	3,910	(2,910)
Other Objects	-	-	2,066	(2,066)
<u>Total Central Support</u>	<u>3,320</u>	<u>3,320</u>	<u>11,655</u>	<u>(8,335)</u>
<u>Food Service</u>				
Purchased Services - Professional	-	12,518	749	11,769
Property	-	-	11,769	(11,769)
<u>Total Food Service</u>	<u>-</u>	<u>12,518</u>	<u>12,518</u>	<u>-</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>438,934</u>	<u>454,964</u>	<u>443,251</u>	<u>11,713</u>
<u>APPROPRIATED RESERVES</u>	<u>419,830</u>	<u>494,303</u>	<u>-</u>	<u>494,303</u>
<u>TOTAL EXPENDITURES</u>	<u>1,298,652</u>	<u>1,402,685</u>	<u>876,372</u>	<u>526,313</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(351,926)</u>	<u>(447,237)</u>	<u>135,566</u>	
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	(88,000)	(73,000)	(56,500)	16,500
<u>Total Other Financing Sources (Uses)</u>	<u>(88,000)</u>	<u>(73,000)</u>	<u>(56,500)</u>	<u>16,500</u>
<u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	<u>(439,926)</u>	<u>(520,237)</u>	<u>79,066</u>	
<u>FUND BALANCE, July 1</u>	<u>439,926</u>	<u>520,237</u>	<u>520,237</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>-</u>	<u>599,303</u>	

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 For The Last 10 Fiscal Years (As Available)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
District's proportion of the net pension liability (asset)	0.0113%	0.0119%	0.0128%	0.0143%	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$3,353,527	\$1,819,727	\$1,729,269	\$1,822,409	-	-	-	-	-	-
District's covered-employee payroll	\$512,468	\$497,334	\$515,866	\$588,189	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	654%	366%	335%	310%	-	-	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	43.13%	59.2%	62.80%	64.06%	-	-	-	-	-	-

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 SCHEDULE OF DISTRICT CONTRIBUTIONS  
 For The Last 10 Fiscal Years (As Available)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Contractually required contributions	\$ 94,270	\$ 88,309	\$ 86,520	\$ 94,057	\$ 85,965	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (94,270)</u>	<u>\$ (88,309)</u>	<u>\$ (86,520)</u>	<u>\$ (94,057)</u>	<u>\$ (85,965)</u>	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
District's covered-employee payroll	\$512,468	\$497,344	\$515,866	\$588,189	\$566,293	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	18.40%	17.66%	16.77%	15.99%	15.18%	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

## NON MAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

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

Pupil Activities Fund – This fund accounts for co-curricular activities of the District.

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2017

	<u>Food Service</u>	<u>Pupil Activity</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>			
Cash and Investments	26,914	12,549	39,463
Accounts Receivable	1,135	2,764	3,899
Accrued Revenue	-	-	-
Due from Other Funds	1,295	-	1,295
Property Taxes Receivable	-	-	-
Inventories	<u>4,109</u>	<u>-</u>	<u>4,109</u>
<u>Total Assets</u>	<u>33,453</u>	<u>15,313</u>	<u>48,766</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities</u>			
Accounts Payable	2,145	1,851	3,996
Accrued Salaries	3,451	-	3,451
Due to Other Funds	<u>15,976</u>	<u>4,860</u>	<u>20,836</u>
<u>Total Liabilities</u>	<u>21,572</u>	<u>6,711</u>	<u>28,283</u>
 <u>Fund Balances</u>			
Nonspendable:			
Inventories	4,109	-	4,109
Restricted:			
Food Service	7,772	-	7,772
Assigned:			
Student Activities	-	8,602	8,602
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Fund Balances</u>	<u>11,881</u>	<u>8,602</u>	<u>20,483</u>
 <u>TOTAL LIABILITIES &amp; FUND BALANCES</u>			
	<u>33,453</u>	<u>15,313</u>	<u>48,766</u>

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

BACA COUNTY SCHOOL DISTRICT RE-3  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2017

	<u>Food Service</u>	<u>Pupil Activity</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>			
Earnings on Investments	24	11	35
Other Local Sources	12,992	51,686	64,678
State Aid	456	-	456
Federal Aid	<u>16,785</u>	<u>-</u>	<u>16,785</u>
<u>Total Revenues</u>	<u>30,257</u>	<u>51,697</u>	<u>81,954</u>
<u>EXPENDITURES</u>			
Current:			
Instructional Services	-	76,669	76,669
Supporting Services:			
Students	-	-	-
Instructional Staff	-	-	-
District Administration	-	-	-
Business	-	-	-
Operation and Maintenance of Facilities	-	-	-
Transportation	-	-	-
Central	-	-	-
Food Service	56,244	-	56,244
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Expenditures</u>	<u>56,244</u>	<u>76,669</u>	<u>132,913</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(25,987)</u>	<u>(24,972)</u>	<u>(50,959)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>26,500</u>	<u>30,000</u>	<u>56,500</u>
<u>Total Other Financing Sources (Uses)</u>	<u>26,500</u>	<u>30,000</u>	<u>56,500</u>
<u>NET CHANGE IN FUND BALANCES</u>	513	5,028	5,541
<u>FUND BALANCE, Beginning</u>	<u>11,368</u>	<u>3,574</u>	<u>14,942</u>
<u>FUND BALANCE, Ending</u>	<u>11,881</u>	<u>8,602</u>	<u>20,483</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 PUPIL ACTIVITY FUND - SPECIAL REVENUE FUND  
 For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUES</u>			
Local Sources	80,000	51,697	(28,303)
State Sources	-	-	-
Federal Sources	-	-	-
<u>Total Revenues</u>	<u>80,000</u>	<u>51,697</u>	<u>(28,303)</u>
 <u>EXPENDITURES</u>			
Student Activities	117,000	76,669	40,331
Contingency	29,158	-	29,158
<u>Total Expenditures</u>	<u>146,158</u>	<u>76,669</u>	<u>69,489</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(66,158)</u>	<u>(24,972)</u>	
 <u>Other Financing Sources (Uses)</u>			
Transfers	30,000	30,000	-
<u>Total Other Financing Sources (Uses)</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
 <u>NET CHANGE IN FUND BALANCES</u>	<u>(36,158)</u>	5,028	
 <u>FUND BALANCE, July 1</u>	<u>36,158</u>	<u>3,574</u>	
 <u>FUND BALANCE, June 30</u>	<u>-</u>	<u>8,602</u>	

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-3  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOOD SERVICE – SPECIAL REVENUE FUND  
For the Year Ended June 30, 2017

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUES</u>				
<u>Local Sources</u>				
Food Sales	13,900	13,900	7,930	(5,970)
Earnings on Investments	8	8	24	16
Other	5,100	5,100	5,062	(38)
<u>State Sources</u>				
School Lunches	200	200	456	256
<u>Federal Sources</u>				
School Lunches	13,100	13,100	15,064	1,964
Commodities	-	-	1,721	1,721
<u>Total Revenues</u>	<u>32,308</u>	<u>32,308</u>	<u>30,257</u>	<u>(2,051)</u>
<u>EXPENDITURES</u>				
Salaries	24,100	22,100	20,733	1,367
Employee Benefits	10,183	9,771	8,367	1,404
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	-	-	-	-
Purchased Services - Other	500	-	-	-
Supplies and Materials	33,050	33,550	27,144	6,406
Capital Outlay	-	-	-	-
Other	9,000	4,000	-	4,000
Contingency	6,746	14,569	-	14,569
<u>Total Expenditures</u>	<u>83,579</u>	<u>83,990</u>	<u>56,244</u>	<u>27,746</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(51,271)	(51,682)	(25,987)	
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	43,000	43,000	26,500	(16,500)
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	(8,271)	(8,682)	513	
<u>FUND BALANCE, July 1</u>	<u>8,271</u>	<u>8,682</u>	<u>11,368</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>-</u>	<u>11,881</u>	

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

STATE REQUIRED SCHEDULES

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

**Bolded Balance Sheet**



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District 0240 - PRITCHETT RE-3  
 Fiscal Year 2016-17  
 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
<b>Governmental</b>				
10 General Fund	520,237	932,910	853,844	599,303
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	22,528	22,528	0
Sub- Total	520,237	955,438	876,371	599,303
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const. Tech. Main. Fund	0	0	0	0
21 Food Service Spec Revenue Fund	11,369	56,757	56,244	11,882
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	3,574	81,697	76,669	8,602
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	0	0	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
46 Supplemental Cap Const. Tech. Main. Fund	0	0	0	0
<b>Totals</b>	<b>535,180</b>	<b>1,033,691</b>	<b>1,003,264</b>	<b>619,787</b>
<b>Proprietary</b>				
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
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34 Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FINAL</b>				<b>0</b>



**Colorado Department of Education**  
**Bolded Balance Sheet Report**  
 District: 0240 - PRITCHETT RE-3  
 Fiscal Year 2016-17  
 Colorado School District/BOCES

ASSETS	Governmental						Proprietary						Fiduciary			
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Services Special Revenue Fund 21	Capital Projects Funds 40-45,47-49	Debt Service Funds 30-39	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals		
Cash and Investments (8100-8104,8111)	646,145	0	13,326	12,549	0	26,914	0	0	0	0	0	0	0	698,935		
Cash with Fiscal Agent (8105)	3,416	0	0	0	0	0	0	0	0	0	0	0	0	3,416		
Other Investment Accounts (8112-8115)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Taxes Receivable (8121,8122)	17,300	0	0	0	0	0	0	0	0	0	0	0	0	17,300		
Interfund Loans Receivable (8131,8132)	29,526	0	0	0	0	1,295	0	0	0	0	0	0	0	30,821		
Grants Accounts Receivable (8142)	4,908	0	0	0	0	0	0	0	0	0	0	0	0	4,908		
Other Receivables (8151-8154,8161)	411	0	0	2,764	0	1,136	0	0	0	0	0	0	0	4,310		
Inventories (8171,8172,8173)	0	0	0	0	0	4,109	0	0	0	0	0	0	0	4,109		
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
<b>Total Assets</b>	<b>701,706</b>	<b>0</b>	<b>13,326</b>	<b>15,313</b>	<b>0</b>	<b>33,455</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>763,800</b>		

	Governmental							Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	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
<b>LIABILITIES &amp; FUND EQUITY</b>															
<b>LIABILITIES</b>															
Interfund Payables (7401, 7402)	0	0	9,986	4,860	0	15,976	0	0	0	0	0	0	0	0	30,821
Other Payables (7421-7423)	31,028	0	0	1,851	0	2,145	0	0	0	0	0	0	0	0	35,025
Accrued Expenses (7461)	58,975	0	3,340	0	0	3,451	0	0	0	0	0	0	0	0	65,767
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Deferred Revenue (7482)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Inflow (7800)	12,400	0	0	0	0	0	0	0	0	0	0	0	0	0	12,400
<b>Total Liabilities</b>	<b>102,404</b>	<b>0</b>	<b>13,326</b>	<b>6,711</b>	<b>0</b>	<b>21,572</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>144,013</b>

