

cPa DIXON, WALLER & CO., INC.

BACA COUNTY

SCHOOL DISTRICT RE-6

CAMPO, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2017

**E**

**RECEIVED**

*By the Office of the State Auditor at 4:10 pm, Jan 03, 2018*

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

**TABLE OF CONTENTS**

**BACA COUNTY SCHOOL DISTRICT RE-6**

**FINANCIAL STATEMENTS**

**JUNE 30, 2017**

|   | <u>Page</u> |
|---|-------------|
| Title Page  |             |
| Table of Contents   |             |
| Roster of Officials   |             |
| <b><u>FINANCIAL SECTION</u></b>   |             |
| Independent Auditor's Report .....  | 1-2         |
| Management's Discussion and Analysis.....   | i-vii       |
| <b>BASIC FINANCIAL STATEMENTS:</b>  |             |
| <b>Government Wide Financial Statements:</b>  |             |
| Statement of Net Position.....  | 3           |
| Statement of Activities.....  | 4           |
| <b>Fund Financial Statements:</b>   |             |
| Balance Sheet – Governmental Funds .....  | 5           |
| Reconciliation of Governmental Funds Balance Sheet<br>to Statement of Net Position .....  | 6           |
| Statement of Revenues, Expenditures and Changes in<br>Fund Balances – Governmental Funds.....   | 7           |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in<br>Fund Balances of Governmental Funds to the<br>Statement of Activities ..... | 8           |

|   |             |
|---|-------------|
| <b>Fund Financial Statements (Continued):</b> | <u>Page</u> |
| Notes to Basic Financial Statements .....     | 9-33        |

**REQUIRED SUPPLEMENTAL INFORMATION:**

|  |       |
|--|-------|
| <b>Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual:</b> |       |
| General Fund .....   | 34-35 |
| <b>Pension Trend Data:</b>   |       |
| Schedule of Proportionate Share of Net Pension Liability.....  | 36    |
| Schedule of District Contributions.....  | 37    |

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES:**

|   |    |
|---|----|
| <b>Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual:</b>      |    |
| Combining Balance Sheet – Nonmajor Governmental Funds.....  | 38 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds..... | 39 |
| <b>Schedule of Revenues, Expenditures and Changes in Fund Balances Budget (GAAP Basis) and Actual:</b>        |    |
| Capital Reserve – Capital Projects Fund.....  | 40 |
| Food Service – Special Revenue Fund.....  | 41 |
| Pupil Activity – Special Revenue Fund.....  | 42 |

**STATE REQUIRED SCHEDULES**

|  |       |
|--|-------|
| Auditor’s Integrity Report (Revenues, Expenditures, and Fund Balance by Fund)..... | 43    |
| Bolded Balance Sheet.....  | 44-46 |

**BACA COUNTY SCHOOL DISTRICT RE-6  
ROSTER OF SCHOOL OFFICIALS  
June 30, 2017**

---

**BOARD OF EDUCATION**

|                       |                       |
|-----------------------|-----------------------|
| <b>D'Ann Hebbard</b>  | <b>President</b>      |
| <b>Tim Chick</b>      | <b>Vice-President</b> |
| <b>Royce Bursch</b>   | <b>Secretary</b>      |
| <b>Jason Franklin</b> | <b>Treasurer</b>      |
| <b>Bob Lenning</b>    | <b>Member</b>         |

**SCHOOL OFFICIALS**

|                        |                         |
|------------------------|-------------------------|
| <b>Nikki Johnson</b>   | <b>Superintendent</b>   |
| <b>Kim Jenkins</b>     | <b>Principal</b>        |
| <b>Coantha Johnson</b> | <b>Business Manager</b> |

**FINANCIAL SECTION**

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

**INDEPENDENT AUDITOR'S REPORT**

**Board of Education  
Baca County School District RE-6  
Campo, Colorado 81146**

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 RE-6, 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 RE-6, 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, and pension trend data on pages i through vii and 34 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Baca County School District RE-6's basic financial statements. The combining and individual fund financial statements, other schedules and the 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 the state required schedules, are fairly stated, in all material respect, in relation to the basic financial statements as a whole.

*Dyer, Waller & Co., PC.*

Trinidad, Colorado  
November 30, 2017

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Baca County School District RE-6 (Campo)  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017**

As management of the Baca County School District RE-6, we offer readers of the Baca County School District RE-6's financial statements this narrative overview and analysis of the financial activities of the Baca County School District RE-6 for the year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the District's financial statements, which follow this section.

**Financial Highlights**

- The District's financial status declined over the course of the 2017 fiscal year. Total net position decreased \$625,715, 89.31%. This significant decrease is due to the increase in the net pension liability and related flows.
- General revenues, primarily property taxes and state equalization payments, account for \$1,078,045 or approximately 90% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions, accounted for \$120,686 or 10% of total revenues of \$1,198,731.
- The District had \$1,824,522 in expenses related to governmental activities; \$120,686 of these expenses was offset by program specific charges for services, grants and contributions for a net difference of \$ 1,703,836. General revenues of \$1,078,045 helped to provide for these programs.
- No outlays for capital assets were made in the 2016-2017 year.

**Overview of the Financial Statements**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as instruction were financed in the short term as well as what remains for future spending.

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

## **District-wide Financial Statements**

The district-wide financial statements are designed to provide readers a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Baca County School District RE-6's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Baca County School District RE-6 is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Both of the district-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Included in governmental activities are most of the District's basic services such as regular and special education, transportation, and administration. The only services accounted for as business-type activities are the District's food services.

The district-wide financial statements can be found on pages iii & iv of this report.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to track specific sources of funding and spending on particular programs. The Baca County School District RE-6, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's funds are divided into two categories: governmental funds and proprietary funds.

*Governmental Funds:* Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the district-wide statements, additional information in the reconciliation of the governmental funds statements explains the relationship (or differences) between them.

Baca County School District RE-6 maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the Food Services Special Revenue Fund because they are considered major funds.

*Special Revenue funds:* The Baca County School District RE-6 maintains one type of special revenue fund. Baca County School District RE-6 uses special revenue funds to account for its nutrition services.

## Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 9-33 of this report.

### Other information

In addition to the basic financial statements and accompanying notes, this report also presents supplementary information. Supplementary information includes combining statements mentioned earlier in connection with non-major governmental funds as well as budget-to-actual information for all funds as dictated by state law.

### FINANCIAL HIGHLIGHTS

The District was required to implement GASB 68 resulting in a net pension liability of \$3,620,184. Under GASB 68 the District's proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association, is recorded as a liability of the District. At implementation beginning equity is restated and deferred inflows, outflows and the net pension liability are reported. Beginning net position of governmental activities decreased as a result of this change.

### District-wide Financial Analysis

Table 1 provides a summary of the district's net assets at June 30, 2017 with comparative June 30, 2016.

|  | <b>Governmental<br/>Activities</b> | <b>Total 2017<br/>School District</b> | <b>Total 2016<br/>School District</b> |
|--|------------------------------------|---------------------------------------|---------------------------------------|
| Current and other assets                       | 1,213,677                          | 1,213,677                             | 1,229,258                             |
| Capital assets, net                            | 1,309,652                          | 1,309,652                             | 1,362,379                             |
| <b>Total assets</b>                            | <b>2,523,329</b>                   | <b>2,523,329</b>                      | <b>2,591,637</b>                      |
| Deferred Outflows                              | 1,395,107                          | 1,395,107                             | 245,160                               |
| Current liabilities                            | 115,147                            | 115,147                               | 117,454                               |
| Noncurrent liabilities                         | 3,635,529                          | 3,635,529                             | 1,943,069                             |
| <b>Total liabilities</b>                       | <b>3,750,676</b>                   | <b>3,750,676</b>                      | <b>2,060,523</b>                      |
| Deferred Inflows                               | 92,836                             | 92,836                                | 75,559                                |
| Net position                                   |                                    |                                       |                                       |
| Net Investment in Capital<br>Assets            | 1,309,652                          | 1,309,652                             | 1,362,379                             |
| Restricted                                     | 106,600                            | 106,600                               | 98,321                                |
| Unrestricted (Deficit)                         | (1,341,328)                        | (1,341,328)                           | (759,985)                             |
| <b>Total net position at June 30,<br/>2017</b> | <b>74,924</b>                      | <b>74,924</b>                         | <b>700,715</b>                        |

Table 2 provides a summary of the changes in net assets. Following Table 2 is a specific discussion related to overall revenues and expenses.

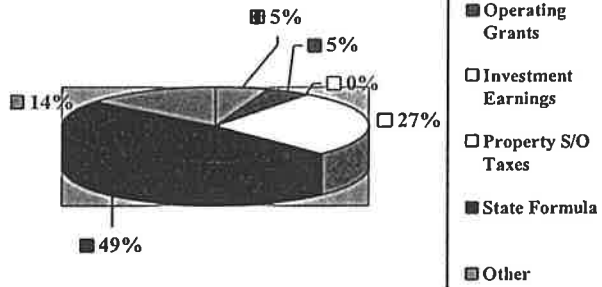
|                                     | <b>Governmental<br/>Activities</b> | <b>Total 2017<br/>School District</b> | <b>Total 2016<br/>School District</b> |
|-------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
| <b>Revenues</b>                     |                                    |                                       |                                       |
| <b>Program Revenues</b>             |                                    |                                       |                                       |
| Charges for Services                | 65,432                             | 65,432                                | 80,259                                |
| Operating grants and contributions  | 55,254                             | 55,254                                | 84,820                                |
| Capital grants/restricted           |                                    |                                       |                                       |
| Investment earnings                 | 2,860                              | 2,860                                 | 1,957                                 |
| <b>General revenues</b>             |                                    |                                       |                                       |
| Property taxes                      | 328,645                            | 328,645                               | 325,186                               |
| State formula revenue               | 576,326                            | 576,326                               | 574,150                               |
| Other (Insurance Proceeds           | 170,214                            | 170,214                               | 4,763                                 |
| Federal Revenue                     |                                    |                                       |                                       |
| <b>Transfers</b>                    |                                    |                                       |                                       |
| <b>Total Revenues</b>               | <b>1,198,731</b>                   | <b>1,198,731</b>                      | <b>1,071,135</b>                      |
|                                     |                                    |                                       |                                       |
| <b>Expenses</b>                     |                                    |                                       |                                       |
| Instruction                         | 582,124                            | 582,124                               | 701,846                               |
| <b>Support Services:</b>            |                                    |                                       |                                       |
| Students                            | 57,896                             | 57,896                                |                                       |
| Instructional staff                 | 11,504                             | 11,504                                | 11,364                                |
| General administration              | 175,700                            | 175,700                               | 172,621                               |
| Operations and maintenance          | 277,934                            | 277,934                               | 103,805                               |
| Student transportation              | 67,993                             | 67,993                                | 66,390                                |
| Central                             | 11,504                             | 11,504                                | 10,951                                |
| Food service operations             | 44,404                             | 44,404                                | 44,712                                |
| Community Services                  | 32,883                             | 32,883                                | 20,164                                |
| Capital Outlay                      |                                    |                                       |                                       |
| Pension Amortization                | 562,580                            | 562,580                               | 66,382                                |
| <b>Total Expenses</b>               | <b>1,824,522</b>                   | <b>1,824,522</b>                      | <b>1,198,235</b>                      |
|                                     |                                    |                                       |                                       |
| Increase (decrease) in net position | (625,791)                          | (625,791)                             | (127,100)                             |

Property taxes and per pupil state formula revenue (state equalization) account for most of the District's revenue, contributing about 27 cents and 49 cents respectively for every dollar raised (see Table 3). The remainder of revenue comes from fees charged for services and miscellaneous sources.

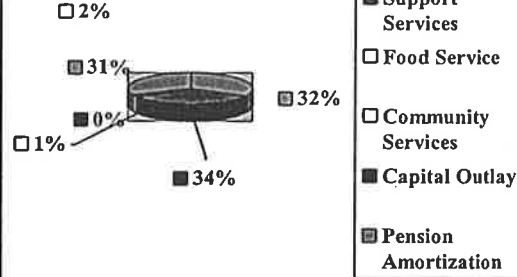
The District expenses predominantly relate to instruction and support services, which includes support for students and instructional staff, administration, operations and maintenance, and transportation. Given that Baca County School District RE-6 is a service organization providing education services to students, the majority of expenses are paid in the form of compensation (salaries and benefits) to the District's employees.

Detailed below in Tables 3 and 4 are charts displaying revenues by source and expenses by program for the total school district.

**Table 3 Sources of Revenue for Fiscal Year 2017**



**Table 4 Expenses for Fiscal Year 2017**



### Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this act, the district should have received \$16,618 per funded student but with a negative factor totaling \$95,693, the amount was reduced to \$14,704 per funded student. In fiscal year 2016-2017, the district had a funded pupil count (FTE) of 39, but the district received floor funding for 50. Funding for the school finance act comes from property taxes, specific ownership taxes and state equalization. The district receives approximately 49% of this funding from state equalization while the remaining amounts come from property taxes and specific ownership tax, grants, and interest. The district receives approximately 27% of funding from property tax.

The statement of activities provides the cost of program services and the related charges for services and grants offsetting those costs. Table 5 reflects each program's net cost (total cost less fees generated by the programs and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these programs.

| Table 5<br>Net Cost of Governmental Activities (in dollars) |                           |                         |
|---|---------------------------|-------------------------|
|   | Total Cost<br>of Services | Net Cost<br>of Services |
| Instruction   | 582,124                   | (509,215)               |
| Students  | 57,896                    | (57,896)                |
| Instructional Staff   | 11,504                    | (11,504)                |
| General Administration                                      | 175,700                   | (175,700)               |
| Operations and Maintenance                                  | 277,934                   | (268,687)               |
| Student Transportation                                      | 67,993                    | (57,130)                |
| Central   | 11,504                    | (11,504)                |
| Food Services   | 44,404                    | (25,213)                |
| Community Services  | 32,883                    | (24,407)                |
| Capital Outlay  |                           |                         |
| Pension Amortization  | 562,580                   | (562,580)               |
|   |                           |                         |
| <b>Total</b>  | <b>1,824,522</b>          | <b>(1,703,836)</b>      |

- The cost of all governmental activities this year was \$1,824,522.
- Federal and State government subsidized certain programs with grants and contributions amounting to \$55,254.
- Most of the District's costs \$1,703,836, however, were financed by District and State taxpayers.
- This portion of governmental activities was financed with \$328,645 in property taxes, \$576,326 in state aid (equalization) based on the statewide formula for per pupil funding, and \$2,860 in investment earnings and other miscellaneous revenues, \$170,214 consisting of insurance proceeds.

### Financial Analysis of the District's Funds

Information about the District's funds starts on page v. These funds are accounted for using the modified accrual basis of accounting. All governmental funds have total revenues of \$1,198,731 and expenditures of \$1,212,005. The net change in fund balance for the general fund was a decrease of \$13,274. Expenditures were greater due to an increase in the base amount of the salary schedule, thus resulting in a higher wage increase for all teaching staff.

### General Fund Budgetary Highlights

The District adopts a budget in June based on enrollment projections for the following school year.

The actual expenditures were \$899,148 below budget, primarily because the District budgeted \$1,042,233 from fund balance for unplanned expenditures (contingency). Due to the decrease in revenue from the state, the District did have to use part of that contingency.

The fund balance as of June 30, 2017 (budgetary basis) was \$1,043,348 compared to \$1,056,684 (actual) as of June 30, 2016, including \$33,300, \$47,250, and \$9,878 respectively, for TABOR Amendment emergency reserves, Scholarships, and Preschool Reserves.

### Capital Assets

By the end of the fiscal year 2017, the District had invested \$3,069,454 in a broad range of capital assets, including land, buildings, site improvements, vehicles, and other equipment. (See Table 6.)

|                      | Governmental Activities |           | Total     |           |
|----------------------|-------------------------|-----------|-----------|-----------|
|                      | 2017                    | 2016      | 2017      | 2016      |
| Land                 | 13,930                  | 13,930    | 13,930    | 13,930    |
| Building             | 2,150,523               | 2,150,523 | 2,150,523 | 2,150,523 |
| Equipment & Vehicles | 871,598                 | 871,598   | 871,598   | 871,598   |
| Equipment Lunch Fund | 33,403                  | 33,403    | 33,403    | 33,403    |
| Total                | 3,069,454               | 3,069,454 | 3,069,454 | 3,069,454 |

## **Factors Bearing on the District's Future**

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

- Based on historical trends, our projections for student enrollment for fall 2017 will show District enrollment stable. Enrollment projections for the fall of 2017 show more preschool students than high school students.
- The United States and the State of Colorado are finally experiencing economic recovery with Colorado showing a stronger than average rate. Because of this growth, the State of Colorado reached its TABOR limits which impact funding to education as legislators try to balance the State budget while dealing with mandatory taxpayer rebates. If the District revenues are reduced from the State, the District will be required to reduce its future expenditures.
- The Colorado Department of Education determined that the Baca County School District RE-6 is meeting the intent of the requirements, as set forth in Colorado State Board of Education Rules 2202-R-0.00 through 4.02 (5), and continues to be fully accredited.
- With floor funding set at 50, the district is able to plan budgets for the upcoming school years, anticipating the legislators will reduce the negative factor as the Colorado economy continues to improve, resulting in increased revenue for the district. This district administration will remain actively engaged in conversations at the state level to help communicate the funding needs of small districts.

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

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Superintendent, Baca County School District RE-6, 480 Maple Street, Campo, CO 81029.

**BASIC FINANCIAL STATEMENTS**

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**STATEMENT OF NET POSITION**  
**June 30, 2017**

|  | <u>Governmental<br/>Activities</u> | <u>Total</u>            |
|--|------------------------------------|-------------------------|
| <b><u>ASSETS</u></b>   |                                    |                         |
| Cash and Investments   | 1,201,349                          | 1,201,349               |
| Accounts Receivable - Net  | 208                                | 208                     |
| Accrued Revenue  | -                                  | -                       |
| Property Taxes Receivable  | 9,557                              | 9,557                   |
| Grants Receivable  | 858                                | 858                     |
| Inventories  | 1,705                              | 1,705                   |
| Capital Assets   | 3,069,454                          | 3,069,454               |
| Accumulated Depreciation   | <u>(1,759,802)</u>                 | <u>(1,759,802)</u>      |
| <b><u>TOTAL ASSETS</u></b>                                       | <b><u>2,523,329</u></b>            | <b><u>2,523,329</u></b> |
| <b><u>DEFERRED OUTFLOW OF RESOURCES</u></b>                      |                                    |                         |
| District Contributions Subsequent<br>to Pension Measurement Date | 51,608                             | 51,608                  |
| Pension Outflows – Plan Level                                    | 1,340,984                          | 1,340,984               |
| Pension Outflows – Employer Level                                | <u>2,515</u>                       | <u>2,515</u>            |
| <b><u>Total Deferred Outflow of Resources</u></b>                | <b><u>1,395,107</u></b>            | <b><u>1,395,107</u></b> |
| <b><u>LIABILITIES</u></b>  |                                    |                         |
| Accounts Payable   | 12,711                             | 12,711                  |
| Accrued Salaries   | 101,928                            | 101,928                 |
| Accrued Interest Payable   | -                                  | -                       |
| Compensated Absences   | 15,345                             | 15,345                  |
| Deferred Revenues  | 448                                | 448                     |
| Other Current Liabilities  | 60                                 | 60                      |
| Net Pension Liability  | <u>3,620,184</u>                   | <u>3,620,184</u>        |
| <b><u>TOTAL LIABILITIES</u></b>                                  | <b><u>3,750,676</u></b>            | <b><u>3,750,676</u></b> |
| <b><u>DEFERRED INFLOW OF RESOURCES</u></b>                       |                                    |                         |
| Pension Inflows – Plan Level                                     | 16,357                             | 16,357                  |
| Pension Inflows – Employer level                                 | <u>76,479</u>                      | <u>76,479</u>           |
| <b><u>Total Deferred Inflow of Resources</u></b>                 | <b><u>92,836</u></b>               | <b><u>92,836</u></b>    |
| <b><u>NET POSITION</u></b>                                       |                                    |                         |
| Net Investment in Capital Assets                                 | 1,309,652                          | 1,309,652               |
| Restricted for:  |                                    |                         |
| TABOR Reserve  | 33,300                             | 33,300                  |
| Scholarship  | 47,250                             | 47,250                  |
| Preschool  | 9,878                              | 9,878                   |
| Food Service   | 16,172                             | 16,172                  |
| Unrestricted   | <u>(1,341,328)</u>                 | <u>(1,341,328)</u>      |
| <b><u>TOTAL NET POSITION</u></b>                                 | <b><u>74,924</u></b>               | <b><u>74,924</u></b>    |

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
STATEMENT OF ACTIVITIES  
For The Year Ended June 30, 2017**

| <u>FUNCTIONS/PROGRAMS</u>                  | <u>Program Revenues</u> |                             |   | <u>Net (Expenses) Revenue and Changes in Net Position</u> |                           |                    |
|--|-------------------------|-----------------------------|---|---|---------------------------|--------------------|
|  | <u>Expenses</u>         | <u>Charges for Services</u> | <u>Operating Grants &amp; Contributions</u> | <u>Capital Grants and Contributions</u>                   | <u>Primary Government</u> | <u>Total</u>       |
| <u>Primary Government:</u>                 |                         |                             |   |   |                           |                    |
| <u>Governmental Activities</u>             |                         |                             |   |   |                           |                    |
| Instruction                                | 582,124                 | 42,570                      | 30,339                                      | -   | (509,215)                 | (509,215)          |
| Pupil                                      | 57,896                  | -                           | -   | -   | (57,896)                  | (57,896)           |
| Instructional Staff                        | 11,504                  | -                           | -   | -   | (11,504)                  | (11,504)           |
| General Administration                     | 175,700                 | -                           | -   | -   | (175,700)                 | (175,700)          |
| Operation & Maintenance                    | 277,934                 | 9,247                       | -   | -   | (268,687)                 | (268,687)          |
| Student Transportation                     | 67,993                  | -                           | 10,863                                      | -   | (57,130)                  | (57,130)           |
| Central Support                            | 11,504                  | -                           | -   | -   | (11,504)                  | (11,504)           |
| Food Services                              | 44,404                  | 5,139                       | 14,052                                      | -   | (25,213)                  | (25,213)           |
| Community Services                         | 32,883                  | 8,476                       | -   | -   | (24,407)                  | (24,407)           |
| Capital Outlay                             | -                       | -                           | -   | -   | -                         | -                  |
| Pension Expense                            | 562,580                 | -                           | -   | -   | (562,580)                 | (562,580)          |
| <u>Total Governmental Activities</u>       | <u>1,824,522</u>        | <u>65,432</u>               | <u>55,254</u>                               | <u>-</u>  | <u>(1,703,836)</u>        | <u>(1,703,836)</u> |
| <u>Total Primary Government</u>            | <u>1,824,522</u>        | <u>65,432</u>               | <u>55,254</u>                               | <u>-</u>  | <u>(1,703,836)</u>        | <u>(1,703,836)</u> |
| <u>General Revenues</u>                    |                         |                             |   |   |                           |                    |
| Property Taxes Levied for General Purposes |                         |                             |   | 296,275   | 296,275                   |                    |
| Specific Ownership Taxes                   |                         |                             |   | 32,370  | 32,370                    |                    |
| Equalization                               |                         |                             |   | 576,326   | 576,326                   |                    |
| Earnings on Investments                    |                         |                             |   | 2,860   | 2,860                     |                    |
| Other Revenues                             |                         |                             |   | -   | -                         |                    |
| Insurance Proceeds                         |                         |                             |   | 170,214   | 170,214                   |                    |
| <u>Total General Revenues</u>              |                         |                             |   | <u>1,078,045</u>  | <u>1,078,045</u>          |                    |
| <u>Changes in Net Position</u>             |                         |                             |   | <u>(625,791)</u>  | <u>(625,791)</u>          |                    |
| <u>Net Position, Beginning</u>             |                         |                             |   | <u>700,715</u>  | <u>700,715</u>            |                    |
| <u>Net Position, Ending</u>                |                         |                             |   | <u>74,924</u>   | <u>74,924</u>             |                    |

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2017**

|   | <u>General</u>   | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---|------------------|---|---|
| <b><u>ASSETS:</u></b>                                 |                  |   |   |
| Cash  | 681,498          | 47,272                                  | 728,770                                 |
| Investments   | 456,537          | 16,042                                  | 472,579                                 |
| Accounts Receivable                                   | 63               | 145                                     | 208                                     |
| Property Taxes Receivable                             | 9,557            | -                                       | 9,557                                   |
| Inventories   | -                | 1,705                                   | 1,705                                   |
| Grants Receivable                                     | 57               | 801                                     | 858                                     |
| Due From Other Funds                                  | <u>5,600</u>     | <u>-</u>                                | <u>5,600</u>                            |
| <u>Total Assets</u>                                   | <u>1,153,312</u> | <u>65,965</u>                           | <u>1,219,277</u>                        |
| <b><u>LIABILITIES:</u></b>                            |                  |   |   |
| Accounts Payable                                      | 12,258           | 453                                     | 12,711                                  |
| Unearned Grant Payments                               | 448              | -                                       | 448                                     |
| Accrued Salaries Payable                              | 97,258           | 4,670                                   | 101,928                                 |
| Other Current Liabilities                             | -                | 60                                      | 60                                      |
| Due To Other Funds                                    | <u>-</u>         | <u>5,600</u>                            | <u>5,600</u>                            |
| <u>Total Liabilities</u>                              | <u>109,964</u>   | <u>10,783</u>                           | <u>120,747</u>                          |
| <b><u>FUND BALANCES:</u></b>                          |                  |   |   |
| Nonspendable:   |                  |   |   |
| Inventories   | -                | 1,705                                   | 1,705                                   |
| Restricted for:                                       |                  |   |   |
| TABOR (Emergencies)                                   | 33,300           | -                                       | 33,300                                  |
| Preschool   | 9,878            | -                                       | 9,878                                   |
| Scholarships  | 47,250           | -                                       | 47,250                                  |
| Food Service  | -                | 14,467                                  | 14,467                                  |
| Committed for:  |                  |   |   |
| Capital Outlay  | -                | 17,878                                  | 17,878                                  |
| Assigned for:   |                  |   |   |
| Pupil Activities                                      | -                | 21,132                                  | 21,132                                  |
| Unassigned  | <u>952,920</u>   | <u>-</u>                                | <u>952,920</u>                          |
| <u>Total Fund Balances</u>                            | <u>1,043,348</u> | <u>55,182</u>                           | <u>1,098,530</u>                        |
| <b><u>TOTAL LIABILITIES AND FUND<br/>BALANCES</u></b> | <u>1,153,312</u> | <u>65,965</u>                           | <u>1,219,277</u>                        |

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO STATEMENT OF NET POSITION  
June 30, 2017**

---

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

|  |                      |
|--|----------------------|
| <b><u>TOTAL FUND BALANCE - GOVERNMENTAL FUNDS</u></b>  | <b>1,098,530</b>     |
| Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$3,069,454 and the accumulated depreciation is \$1,759,802. | 1,309,652            |
| Compensated absences are not due and payable in the current period and, therefore, not reported in the governmental funds.   | (15,345)             |
| Net pension liability, along with associated deferred flow, are not recorded at the fund level:  |                      |
| Net Pension Liability  | (3,620,184)          |
| Deferred Pension Cost – Plan   | 1,324,627            |
| Deferred Pension Cost – Contributions Subsequent to Pension Measurement Date   | 51,608               |
| Deferred Pension Cost – Employer   | <u>(73,964)</u>      |
| <b><u>TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES</u></b>   | <b><u>74,924</u></b> |

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

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**For The Year Ended June 30, 2017**

|   | <u>General</u>          | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---|-------------------------|---|---|
| <b><u>REVENUES:</u></b>                         |                         |   |   |
| Taxes   | 328,645                 | -                                       | 328,645                                 |
| Intergovernmental                               | 617,731                 | 5,138                                   | 622,869                                 |
| Interest  | 2,678                   | 182                                     | 2,860                                   |
| Other   | <u>27,693</u>           | <u>46,450</u>                           | <u>74,143</u>                           |
| <u>Total Revenues</u>                           | <u>976,747</u>          | <u>51,770</u>                           | <u>1,028,517</u>                        |
| <b><u>EXPENDITURES:</u></b>                     |                         |   |   |
| Current:  |                         |   |   |
| Instructional Services                          | 540,315                 | -                                       | 540,315                                 |
| Supporting:                                     |                         |   |   |
| Pupil   | 2,237                   | 55,659                                  | 57,896                                  |
| Instructional Staff                             | 11,504                  | -                                       | 11,504                                  |
| District Administration                         | 175,700                 | -                                       | 175,700                                 |
| School Administration                           | -                       | -                                       | -                                       |
| Operations & Maintenance                        | 277,934                 | -                                       | 277,934                                 |
| Transportation                                  | 60,753                  | -                                       | 60,753                                  |
| Central Support                                 | 11,504                  | -                                       | 11,504                                  |
| Food Services                                   | -                       | 43,516                                  | 43,516                                  |
| Community Service                               | <u>32,883</u>           | <u>-</u>                                | <u>32,883</u>                           |
| <u>Total Expenditures</u>                       | <u>1,112,830</u>        | <u>99,175</u>                           | <u>1,212,005</u>                        |
| <b><u>REVENUES OVER (UNDER)</u></b>             |                         |   |   |
| <b><u>EXPENDITURES</u></b>                      | <b><u>(136,083)</u></b> | <b><u>(47,405)</u></b>                  | <b><u>(183,488)</u></b>                 |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>    |                         |   |   |
| Transfers                                       | (47,467)                | 47,467                                  | -                                       |
| Insurance Proceeds                              | <u>170,214</u>          | <u>-</u>                                | <u>170,214</u>                          |
| <u>Total Other Financing<br/>Sources (Uses)</u> | <u>122,747</u>          | <u>47,467</u>                           | <u>170,214</u>                          |
| <b><u>NET CHANGE IN FUND BALANCES</u></b>       | <b><u>(13,336)</u></b>  | <b><u>62</u></b>                        | <b><u>(13,274)</u></b>                  |
| <b><u>FUND BALANCES, Beginning</u></b>          | <b><u>1,056,684</u></b> | <b><u>55,120</u></b>                    | <b><u>1,111,804</u></b>                 |
| <b><u>FUND BALANCES, Ending</u></b>             | <b><u>1,043,348</u></b> | <b><u>55,182</u></b>                    | <b><u>1,098,530</u></b>                 |

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

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**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**

---

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

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** **(13,274)**

Governmental funds report capital outlays 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 used lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

|                                   |                 |                 |
|-----------------------------------|-----------------|-----------------|
| Capital Outlays more than \$5,000 | -               |                 |
| Depreciation Expense              | <u>(52,727)</u> | <b>(52,727)</b> |

|   |              |
|---|--------------|
| Long-Term debt for compensated absences does not use current financial resources and are not reported on the governmental fund financial statements but are recognized on the government-wide financial statements. | <b>2,790</b> |
|---|--------------|

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

|  |                         |
|--|-------------------------|
| Change in net pension liability and related deferred flows | <b><u>(562,580)</u></b> |
|--|-------------------------|

|   |                         |
|---|-------------------------|
| <b><u>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</u></b> | <b><u>(625,791)</u></b> |
|---|-------------------------|

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2017**

---

**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Baca County School District RE-6 of Baca County was reorganized by a vote of qualified electorate in 1959, under the provisions of the Colorado School Organization Act of 1957.

The District operates under an elected Board of Education with five members and provides educational services to approximately 40 students.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Baca County School District RE-6. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

**A.    Reporting Entity**

Governmental Accounting Standards board (GASB) Statement No. 14 (as amended by Statement 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 reporting entity of the District.

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

**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 fund (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.

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

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

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

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.

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 to collect within 60 days after year-end.

Property taxes are reported as receivables and unearned revenue 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.

BACA COUNTY SCHOOL DISTRICT RE-6  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017

---

**NOTE 1**

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

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

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 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:

- **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.

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

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

**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 unearned revenue in the fund financial statements, and are presented net of an allowance for uncollectible taxes. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

**G.    Inventories**

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

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

**H.    Capital Assets**

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

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

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (7-50 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition and any remaining depreciation is recorded in the year of disposition.

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

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

**I.      Liabilities**

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. Capital leases are serviced from property taxes and other revenues of the General Fund and Capital Reserve Capital Projects Fund.

**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 5, 1996 the registered voters approved a ballot resolution authorizing Baca County School District RE-6 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. 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 \$33,300 for this purpose.

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

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

**NOTE 1**

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

**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 15, 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    |

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

**BACA COUNTY SCHOOL DISTRICT NUMBER RE-6**  
**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 are intended to be used by the government for specific purposes but 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, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-6  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2017

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

**M.**    **GASB Statement No. 54 (continued)**

**Fund Balance Classification by Fund:**

|                                   | <u>General<br/>Fund</u> | <u>Capital<br/>Projects<br/>Funds<br/>Capital<br/>Reserve</u> | <u>Special Revenue Funds</u> |                             | <u>Total<br/>Governmental<br/>Funds</u> |
|-----------------------------------|-------------------------|---|------------------------------|-----------------------------|---|
|                                   |                         |   | <u>Food<br/>Service</u>      | <u>Student<br/>Activity</u> |   |
| <b><u>Nonspendable:</u></b>       |                         |   |                              |                             |   |
| Inventories                       | -                       | -   | 1,705                        | -                           | 1,705                                   |
| <b><u>Restricted:</u></b>         |                         |   |                              |                             |   |
| Emergencies                       | 33,300                  | -   | -                            | -                           | 33,300                                  |
| Scholarship                       | 47,250                  | -   | -                            | -                           | 47,250                                  |
| Preschool                         | 9,878                   | -   | -                            | -                           | 9,878                                   |
| Food Service                      | -                       | -   | 14,467                       | -                           | 14,467                                  |
| <b><u>Committed:</u></b>          |                         |   |                              |                             |   |
| Capital Outlay                    | -                       | 17,878  | -                            | -                           | 17,878                                  |
| <b><u>Assigned:</u></b>           |                         |   |                              |                             |   |
| Pupil Activities                  | -                       | -   | -                            | 21,132                      | 21,132                                  |
| <b><u>Unassigned:</u></b>         | <u>952,920</u>          | <u>-</u>  | <u>-</u>                     | <u>-</u>                    | <u>952,920</u>                          |
| <b><u>Total Fund Balances</u></b> | <u>1,043,348</u>        | <u>17,878</u>   | <u>16,172</u>                | <u>21,132</u>               | <u>1,098,530</u>                        |

**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 government funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

**BACA COUNTY SCHOOL DISTRICT RE-6  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017**

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

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. The items which were eliminated are as follows:

| <u>Items Eliminated:</u>              | <u>Transfers<br/>In (Out)</u> | <u>Interfund<br/>Receivables (Payables)</u> |
|---------------------------------------|-------------------------------|---|
| General Fund                          | (47,467)                      | 5,600                                       |
| Student Activity Fund                 | 15,000                        | -   |
| Capital Reserve Capital Projects Fund | 10,000                        | -   |
| Food Service Fund                     | 22,467                        | (5,600)                                     |

**NOTE 3      BUDGETARY INFORMATION**

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

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

1. Prior to June 1, the Superintendent 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.
2. Prior to June 30, the budget is legally enacted through passage of a resolution.
3. The Superintendent 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.
4. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Special Revenue Funds and Capital Projects Fund.
6. Budgets for the General, Special Revenue and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**BACA COUNTY SCHOOL DISTRICT RE-6  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017**

---

**NOTE 3      BUDGETARY INFORMATION (continued)**

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**

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<br/>Balance</u> | <u>Bank<br/>Balance</u> |
|--|-----------------------------|-------------------------|
| Insured (FDIC)   | 250,000                     | 250,000                 |
| Uninsured, Collateralized under the<br>Public Deposit Protection Act<br>of the State of Colorado | 947,659                     | 957,807                 |
| Cash on Hand   | 175                         | -                       |
| Cash with County Treasurer   | <u>3,515</u>                | <u>-</u>                |
| <u>Total Cash and Deposits</u>   | <u>1,201,349</u>            | <u>1,207,807</u>        |

|                                      |                  |
|--------------------------------------|------------------|
| <u>Recap</u>                         |                  |
| Cash                                 | 728,770          |
| Investment (Certificates of Deposit) | <u>472,579</u>   |
| <u>Total Carrying Balance</u>        | <u>1,201,349</u> |

Deposits and Certificates of Deposit with bank balances of \$957,807 and a carrying balance of \$947,659 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 RE-6**  
**NOTES TO BASIC 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><br><u>July 1, 2016</u> | <u>Additions</u>       | <u>Deletions</u> | <u>Balance</u><br><u>June 30, 2017</u> |
|--|---------------------------------------|------------------------|------------------|--|
| <b><u>Capital Assets Not Being</u></b> |                                       |                        |                  |  |
| <b><u>Depreciated:</u></b>             |                                       |                        |                  |  |
| Land                                   | 13,930                                | -                      | -                | 13,930                                 |
| Construction in Progress               | -                                     | -                      | -                | -                                      |
| <b>Total Assets Not Being</b>          |                                       |                        |                  |  |
| <b><u>Depreciated</u></b>              | <b><u>13,930</u></b>                  | <b><u>-</u></b>        | <b><u>-</u></b>  | <b><u>13,930</u></b>                   |
| <b><u>Capital Assets Being</u></b>     |                                       |                        |                  |  |
| <b><u>Depreciated:</u></b>             |                                       |                        |                  |  |
| <b>Buildings &amp;</b>                 |                                       |                        |                  |  |
| Site Improvements                      | 2,150,523                             | -                      | -                | 2,150,523                              |
| Equipment & Vehicles                   | 871,598                               | -                      | -                | 871,598                                |
| Food Service Equipment                 | 33,403                                | -                      | -                | 33,403                                 |
| <b>Total Capital Assets Being</b>      |                                       |                        |                  |  |
| <b><u>Depreciated</u></b>              | <b><u>3,055,524</u></b>               | <b><u>-</u></b>        | <b><u>-</u></b>  | <b><u>3,055,524</u></b>                |
| <b><u>Less Accumulated</u></b>         |                                       |                        |                  |  |
| <b><u>Depreciation for:</u></b>        |                                       |                        |                  |  |
| <b>Building &amp;</b>                  |                                       |                        |                  |  |
| Site Improvements                      | 843,604                               | 43,883                 | -                | 887,487                                |
| Equipment & Vehicles                   | 835,398                               | 7,956                  | -                | 843,354                                |
| Food Service Equipment                 | 28,073                                | 888                    | -                | 28,961                                 |
| <b>Total Accumulated</b>               |                                       |                        |                  |  |
| <b><u>Depreciation</u></b>             | <b><u>1,707,075</u></b>               | <b><u>52,727</u></b>   | <b><u>-</u></b>  | <b><u>1,759,802</u></b>                |
| <b>Total Capital Assets, Net</b>       | <b><u>1,362,379</u></b>               | <b><u>(52,727)</u></b> | <b><u>-</u></b>  | <b><u>1,309,652</u></b>                |

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

|  |                      |
|--|----------------------|
| <b><u>Governmental Activities:</u></b>                     |                      |
| Instruction  | 44,599               |
| Transportation   | 7,240                |
| Food Service   | 888                  |
| <b>Total Depreciation Expense –Governmental Activities</b> | <b><u>52,727</u></b> |

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

**NOTE 6**      **COMPENSATED ABSENCES PAYABLE**

Staff members will receive 7 days of leave per year and may accumulate up to 40 days. For employees who have been employed by the District for 5 years and have accumulated over 30 days may have the district buy back up to 5 days. Staff will be paid \$30 or ½ of the member’s pay whichever is lower when they leave the District. Staff members leaving prior to the five years are not eligible for the buy back plan. Staff members will also be given the opportunity to donate their days to individuals that are over the amount of days for leave that are allowed. At June 30, 2017, the District has a liability for compensated absences payable of \$15,345.

A summary of changes in compensated absences is as follows:

|                        | <u>Balance</u><br><u>July 1, 2016</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u><br><u>June 30, 2017</u> |
|------------------------|---------------------------------------|------------------|------------------|--|
| Accumulated Sick Leave | <u>18,135</u>                         | <u>-</u>         | <u>2,790</u>     | <u>15,345</u>                          |

**BACA COUNTY SCHOOL DISTRICT RE-6  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017**

---

**NOTE 7      PENSION PLAN**

**Defined Benefit Pension Plan**

**Summary of Significant Accounting Policies**

**Pensions.** Baca County School District Number RE-6 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-6 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:

**BACA COUNTY SCHOOL DISTRICT NUMBER RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

**NOTE 7**      **PENSION PLAN (Continued)**

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

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

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

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

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

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

*Contributions.* Eligible employees and Baca County School District Number RE-6 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-6  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017**

**NOTE 7      PENSION PLAN (Continued)**

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

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-6 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Baca County School District Number RE-6 were \$100,110 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-6 reported a liability of \$3,620,184 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-6 proportion of the net pension liability was based on Baca County School District Number RE-6 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-6 proportion was 0.0122 percent, which was a .0004 decrease from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the Baca County School District Number RE-6 recognized pension expense of \$562,580. At June 30, 2017, the Baca County School District Number RE-6 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**BACA COUNTY SCHOOL DISTRICT NUMBER RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 7**      **PENSION PLAN (Continued)**

|   | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|---|--------------------------------------|----------------------------------|
| Difference between expected and actual experience   | 45,259                               | (32)                             |
| Changes of assumptions or other inputs  | 1,174,674                            | (16,325)                         |
| Net difference between projected and actual earnings on pension plan investments                                | 121,051                              | 0                                |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 2,515                                | (76,479)                         |
| Contributions subsequent to the measurement date  | 51,608                               | N/A                              |
| <b>Total</b>  | <b>1,395,107</b>                     | <b>(92,836)</b>                  |

\$51,608 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, |         |
|---------------------|---------|
| 2018                | 495,552 |
| 2019                | 499,887 |
| 2020                | 254,016 |
| 2021                | 1,208   |
| 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;<br>and DPS Benefit Structure (automatic)                  | 2.00 percent                               |
| PERA Benefit Structure hired after 12/31/06<br>(ad hoc, substantively automatic)                        | Financed by the<br>Annual Increase Reserve |

**BACA COUNTY SCHOOL DISTRICT NUMBER RE-6  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017**

**NOTE 7      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-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

**NOTE 7**      **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-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 7**      **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:

| Asset Class                       | Target Allocation | 30 Year Expected Geometric Real Rate of Return |
|-----------------------------------|-------------------|--|
| 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-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

**NOTE 7**      **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-6  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017**

**NOTE 7      PENSION PLAN (Continued)**

*Sensitivity of the Baca County School District Number RE-6 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<br>(4.26%) | Current Discount<br>Rate (5.26%) | 1% Increase<br>(6.26%) |
|--|------------------------|----------------------------------|------------------------|
| Proportionate share of the net pension liability | 4,552,265              | 3,620,184                        | 2,861,038              |

*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-6 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 \$677.

**Other Post-Employment Benefits**

**Health Care Trust Fund**

*Plan Description* – The Baca County School District Number RE-6 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-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

---

**NOTE 7**      **PENSION PLAN (Continued)**

*Funding Policy* – The Baca County School District Number RE-6 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-6 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-6 contributions to the HCTF were \$5,554, \$5,586 and \$5,508, respectively equal to their required contributions for each year.

**NOTE 8**      **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 9**      **COLORADO SCHOOL DISTRICT SELF INSURANCE POOL**

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

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

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2017**

**NOTE 9      COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (continued)**

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                       | -                 |
| Net Income (Loss) Before Dividend  | <u>2,424,983</u>  |
| Dividend                           | -                 |
| Net Income                         | <u>2,424,983</u>  |
| Transfer of Capital Contributions  | -                 |
| Change in Non Admitted Assets      | <u>53,761</u>     |
| Capital Contributions from Members | -                 |
| Unassigned Surplus                 | <u>26,803,753</u> |

**NOTE 10      LITIGATION**

None.

**NOTE 11      SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES**

**Claims and Judgments -** The District participates in a number of federal, state and county programs that are fully or partially funded by grants received from other governmental units. 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.

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2017**

**NOTE 12    JOINT VENTURES**

**Southeastern Board of Cooperative Educational Services**

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

The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is not determinable at June 30, 2017. The joint venture summary audited financial information as of June 30, 2016 is as follows:

|                         |                    |
|-------------------------|--------------------|
| Assets                  | 967,468            |
| Deferred Outflows       | 408,352            |
| Liabilities             | 3,593,607          |
| Deferred Inflows        | <u>193,428</u>     |
| Net Position            | <u>(2,411,215)</u> |
|                         |                    |
| Revenues                | 2,518,565          |
| Expenses                | <u>2,504,933</u>   |
| Changes in Net Position | <u>13,632</u>      |

The BOCES has no long term debt.

The equity interest of each member District is not known, nor is the change in such interest. The equity interest will be determined only at the disbanding of the B.O.C.E.S.

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.

**NOTE 13    INTERFUND ACTIVITY**

Transfers and interfund receivables and payables were to support operational requirements and were made in the following amounts:

| Fund                             | Interfund   |          | Transfers<br>In (Out) |
|----------------------------------|-------------|----------|-----------------------|
|                                  | Receivables | Payables |                       |
| General                          | 5,600       | -        | (47,647)              |
| Food Service                     | -           | 5,600    | 22,467                |
| Pupil Activity                   | -           | -        | 15,000                |
| Capital Reserve Capital Projects | -           | -        | 10,000                |

Interfund receivables and payables are expected to be repaid within the subsequent year.

Transfers were made for operational purposes.

**REQUIRED SUPPLEMENTARY INFORMATION**

**BUDGETARY COMPARISONS**

**PENSION TREND DATA**

## **MAJOR GOVERNMENTAL FUNDS**

### **General Fund**

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2017**

|                                     | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>         | <u>Variance with</u><br><u>Final Budget-</u><br><u>Favorable</u><br><u>(Unfavorable)</u> |
|-------------------------------------|--|-----------------------|--|
| <b><u>REVENUES</u></b>              |  |                       |  |
| <b><u>Local Revenues</u></b>        |  |                       |  |
| Property Taxes                      | 291,286  | 296,275               | 4,989  |
| Specific Ownership Taxes            | 36,000   | 32,370                | (3,630)  |
| Delinquent Taxes                    | 1,000  | 525                   | (475)  |
| Local Grants                        | 2,250  | 7,463                 | 5,213  |
| Day Care                            | 8,200  | 8,476                 | 276  |
| Earnings on Investments             | 1,900  | 2,678                 | 778  |
| Other Local                         | <u>20,950</u>  | <u>10,560</u>         | <u>(10,390)</u>  |
| <u>Total Local Revenue</u>          | <u>361,586</u>   | <u>358,347</u>        | <u>(3,239)</u>   |
| <b><u>County Sources</u></b>        |  |                       |  |
| Mineral Leases                      | 10   | 4                     | (6)  |
| Other                               | <u>1,525</u>   | <u>665</u>            | <u>(860)</u>   |
| <u>Total County Sources</u>         | <u>1,535</u>   | <u>669</u>            | <u>(866)</u>   |
| <b><u>State Sources</u></b>         |  |                       |  |
| Equalization                        | 584,129  | 576,326               | (7,803)  |
| Hold Harmless Full Day Kindergarten | 5,900  | 6,176                 | 276  |
| READ Act                            | 4,018  | 3,570                 | (448)  |
| Library Grant                       | 3,500  | 3,500                 | -  |
| ELPA                                | -  | -                     | -  |
| Transportation                      | 10,719   | 10,863                | 144  |
| CPR & AED Training Grant            | -  | -                     | -  |
| Small Rural Schools Funding         | -  | -                     | -  |
| At Risk Funding                     | -  | 203                   | 203  |
| BOCES Reimbursed Grants             | 3,600  | 3,402                 | (198)  |
| Other State                         | <u>750</u>   | <u>-</u>              | <u>(750)</u>   |
| <u>Total State Sources</u>          | <u>612,616</u>   | <u>604,040</u>        | <u>(8,576)</u>   |
| <b><u>Federal Sources</u></b>       |  |                       |  |
| Title I                             | -  | -                     | -  |
| Title II A Teacher Quality          | 2,220  | 1,750                 | (470)  |
| REAP                                | 24,195   | 11,884                | (12,311)   |
| RTTT Early Childhood Assessment     | 36   | 57                    | 21   |
| Other                               | <u>100</u>   | <u>-</u>              | <u>(100)</u>   |
| <u>Total Federal Sources</u>        | <u>26,551</u>  | <u>13,691</u>         | <u>(12,860)</u>  |
| <b><u>TOTAL REVENUES</u></b>        | <b><u>1,002,288</u></b>                                | <b><u>976,747</u></b> | <b><u>(25,541)</u></b>   |

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2017**

|  | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u>        | <u>Variance with</u><br><u>Final Budget-</u><br><u>Favorable</u><br><u>(Unfavorable)</u> |
|--|--|----------------------|--|
| <b><u>EXPENDITURES</u></b>   |  |                      |  |
| <b>Instruction</b>   | <u>553,734</u>   | <u>540,315</u>       | <u>13,419</u>  |
| <b>Supporting Services:</b>  |  |                      |  |
| <b>Pupil</b>   | 1,600  | 2,237                | (637)  |
| <b>Instructional Staff</b>   | 14,526   | 11,504               | 3,022  |
| <b>General Administration</b>  | 173,964  | 175,700              | (1,736)  |
| <b>Operations and Maintenance</b>  | 125,196  | 277,934              | (152,738)  |
| <b>Student Transportation</b>  | 62,107   | 60,753               | 1,354  |
| <b>Central Support</b>   | 15,114   | 11,504               | 3,610  |
| <b>Community Services</b>  | <u>23,504</u>  | <u>32,883</u>        | <u>(9,379)</u>   |
| <b><u>Total Supporting Services</u></b>  | <u>416,011</u>   | <u>572,515</u>       | <u>(156,504)</u>   |
| <br><b><u>Appropriated Reserve</u></b>   | <br><u>1,042,233</u>                                   | <br><u>-</u>         | <br><u>1,042,233</u>   |
| <br><b><u>TOTAL EXPENDITURES</u></b>   | <br><u>2,011,978</u>                                   | <br><u>1,112,830</u> | <br><u>899,148</u>   |
| <br><b><u>Revenues Over (Under) Expenditures</u></b>   | <br><u>(1,009,690)</u>                                 | <br><u>(136,083)</u> |  |
| <br><b><u>Other Financing Sources (Uses)</u></b>   |  |                      |  |
| <b>Operating Transfers In (Out)</b>  | (46,994)   | (47,467)             | (473)  |
| <b>Insurance Proceeds</b>  | -  | 170,214              | 170,214  |
| <b><u>Total Other Financing Sources (Uses)</u></b>   | <u>(46,994)</u>  | <u>122,747</u>       | <u>169,741</u>   |
| <br><b><u>Revenues Over (Under) Other Financing</u></b><br><b><u>Sources (Uses) and Expenditures</u></b> | <br><u>(1,056,684)</u>                                 | <br><u>(13,336)</u>  |  |
| <br><b><u>Fund Balance, Beginning</u></b>  | <br><u>1,056,684</u>                                   | <br><u>1,056,684</u> |  |
| <br><b><u>Fund Balance, Ending</u></b>   | <br><u>-</u>   | <br><u>1,043,348</u> |  |

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

**BACA COUNTY SCHOOL DISTRICT RE-6**  
**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)  | 0.0122%     | 0.0126%     | 0.0131%     | 0.0130%     | -           | -           | -           | -           | -           | -           |
| District's proportionate share of the net pension liability (asset)   | \$3,620,184 | \$1,924,934 | \$1,772,383 | \$1,654,685 | -           | -           | -           | -           | -           | -           |
| District's covered-employee payroll   | \$544,534   | \$547,799   | \$542,862   | \$547,520   | -           | -           | -           | -           | -           | -           |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 665%        | 351%        | 326%        | 302%        | -           | -           | -           | -           | -           | -           |
| 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 RE-6  
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                                  | \$ 100,110         | \$ 97,138         | \$ 91,705         | \$ 87,586         | \$ 73,374         | -           | -           | -           | -           | -           |
| Contributions in relation to the contractually required contributions | <u>\$(100,110)</u> | <u>\$(97,138)</u> | <u>\$(91,705)</u> | <u>\$(87,586)</u> | <u>\$(73,374)</u> | -           | -           | -           | -           | -           |
| Contribution deficiency (excess)                                      | \$ -               | \$ -              | \$ -              | \$ -              | \$ -              | -           | -           | -           | -           | -           |
| District's covered-employee payroll                                   | \$544,534          | \$547,799         | \$542,862         | \$547,520         | \$487,559         | -           | -           | -           | -           | -           |
| Contributions as a percentage of covered-employee payroll             | 18.38%             | 17.73%            | 16.89%            | 16.00%            | 15.05%            | -           | -           | -           | -           | -           |

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES**

## NON MAJOR GOVERNMENTAL FUNDS

### Capital Projects Funds

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

### Special Revenue Funds

**Special Revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.**

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

**Student Activity Fund – This fund accounts for transactions involving student clubs, classes and activities.**

**BACA COUNTY SCHOOL DISTRICT RE-6  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2017**

|   | <b>Special Revenue Fund</b> |                          | <b>Capital<br/>Projects<br/>Fund</b> | <b>Total<br/>Non-Major<br/>Governmental<br/>Funds</b> |
|---|-----------------------------|--------------------------|--------------------------------------|---|
|   | <b>Pupil<br/>Activity</b>   | <b>Food<br/>Services</b> | <b>Capital<br/>Reserve</b>           |   |
| <b><u>ASSETS</u></b>                                    |                             |                          |                                      |   |
| Cash  | 5,543                       | 23,851                   | 17,878                               | 47,272  |
| Investments   | 16,042                      | -                        | -                                    | 16,042  |
| Accounts Receivable                                     | -                           | 145                      | -                                    | 145   |
| Property Taxes Receivable                               | -                           | -                        | -                                    | -   |
| Inventories   | -                           | 1,705                    | -                                    | 1,705   |
| Grants Receivable                                       | -                           | 801                      | -                                    | 801   |
| Due From Other Funds                                    | -                           | -                        | -                                    | -   |
| <b><u>Total Assets</u></b>                              | <b><u>21,585</u></b>        | <b><u>26,502</u></b>     | <b><u>17,878</u></b>                 | <b><u>65,965</u></b>                                  |
| <b><u>LIABILITIES</u></b>                               |                             |                          |                                      |   |
| Accounts Payable  | 453                         | -                        | -                                    | 453   |
| Unearned Grant Payments                                 | -                           | -                        | -                                    | -   |
| Accrued Salaries Payable                                | -                           | 4,670                    | -                                    | 4,670   |
| Other Current Liabilities                               | -                           | 60                       | -                                    | 60  |
| Due to Other Funds                                      | -                           | 5,600                    | -                                    | 5,600   |
| <b><u>Total Liabilities</u></b>                         | <b><u>453</u></b>           | <b><u>10,330</u></b>     | <b><u>-</u></b>                      | <b><u>10,783</u></b>                                  |
| <b><u>FUND BALANCES</u></b>                             |                             |                          |                                      |   |
| <b>Nonspendable:</b>                                    |                             |                          |                                      |   |
| Inventories   | -                           | 1,705                    | -                                    | 1,705   |
| <b>Restricted for:</b>                                  |                             |                          |                                      |   |
| Food Services   | -                           | 14,467                   | -                                    | 14,467  |
| <b>Committed for:</b>                                   |                             |                          |                                      |   |
| Capital Outlay  | -                           | -                        | 17,878                               | 17,878  |
| <b>Assigned for:</b>                                    |                             |                          |                                      |   |
| Pupil Activity  | 21,132                      | -                        | -                                    | 21,132  |
| Unrestricted  | -                           | -                        | -                                    | -   |
| <b><u>Total Fund Balances</u></b>                       | <b><u>21,132</u></b>        | <b><u>16,172</u></b>     | <b><u>17,878</u></b>                 | <b><u>55,182</u></b>                                  |
| <b><u>TOTAL LIABILITIES<br/>&amp; FUND BALANCES</u></b> |                             |                          |                                      |   |
|   | <b><u>21,585</u></b>        | <b><u>26,502</u></b>     | <b><u>17,878</u></b>                 | <b><u>65,965</u></b>                                  |

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2017**

|   | <u>Special Revenue Fund</u> |                          | <u>Capital<br/>Projects<br/>Fund</u> | <u>Total<br/>Non-Major<br/>Governmental<br/>Funds</u> |
|---|-----------------------------|--------------------------|--------------------------------------|---|
|   | <u>Pupil<br/>Activity</u>   | <u>Food<br/>Services</u> | <u>Capital<br/>Reserve</u>           |   |
| <b>REVENUES:</b>                                |                             |                          |                                      |   |
| Intergovernmental                               | -                           | 14,053                   | -                                    | 14,053  |
| Interest  | 150                         | 22                       | 10                                   | 182   |
| Other   | <u>32,397</u>               | <u>5,138</u>             | -                                    | <u>37,535</u>   |
| <u>Total Revenues</u>                           | <u>32,547</u>               | <u>19,213</u>            | <u>10</u>                            | <u>51,770</u>   |
| <b>EXPENDITURES:</b>                            |                             |                          |                                      |   |
| Supporting Services:                            |                             |                          |                                      |   |
| Students  | 55,659                      | -                        | -                                    | 55,659  |
| Food Service                                    | -                           | <u>43,516</u>            | -                                    | <u>43,516</u>   |
| <u>Total Expenditures</u>                       | <u>55,659</u>               | <u>43,516</u>            | -                                    | <u>99,175</u>   |
| <b>REVENUES OVER (UNDER)<br/>EXPENDITURES</b>   |                             |                          |                                      |   |
|   | <b>(23,112)</b>             | <b>(24,303)</b>          | <b>10</b>                            | <b>(47,405)</b>                                       |
| <b>OTHER FINANCING SOURCES<br/>(USES)</b>       |                             |                          |                                      |   |
| Transfers In (Out)                              | <u>15,000</u>               | <u>22,467</u>            | <u>10,000</u>                        | <u>47,467</u>   |
| <u>Total Other Financing<br/>Sources (Uses)</u> | <u>15,000</u>               | <u>22,467</u>            | <u>10,000</u>                        | <u>47,467</u>   |
| <b>NET CHANGE IN FUND BALANCES</b>              |                             |                          |                                      |   |
|   | <b>(8,112)</b>              | <b>(1,836)</b>           | <b>10,010</b>                        | <b>62</b>   |
| <b>FUND BALANCES, Beginning</b>                 |                             |                          |                                      |   |
|   | <u>29,244</u>               | <u>18,008</u>            | <u>7,868</u>                         | <u>55,120</u>   |
| <b>FUND BALANCES, Ending</b>                    |                             |                          |                                      |   |
|   | <u>21,132</u>               | <u>16,172</u>            | <u>17,878</u>                        | <u>55,182</u>   |

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
CAPITAL RESERVE – CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2017**

|  | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u> | <u>Variance with</u><br><u>Final Budget-</u><br><u>Favorable</u><br><u>(Unfavorable)</u> |
|--|--|---------------|--|
| <b><u>REVENUES</u></b>   |  |               |  |
| Earnings on Investments  | 12   | 10            | (2)  |
| <u>Total Revenues</u>  | <u>12</u>  | <u>10</u>     | <u>(2)</u>   |
| <b><u>EXPENDITURES</u></b>   |  |               |  |
| Building Renovation  | 12,330   | -             | 12,330   |
| Reserve  | 5,550  | -             | 5,550  |
| <u>Total Expenditures</u>  | <u>17,880</u>  | <u>-</u>      | <u>17,880</u>  |
| <u>Revenues Over (Under) Expenditures</u>  | (17,868)   | 10            |  |
| <b><u>Other Financing Sources (Uses)</u></b>   |  |               |  |
| Transfers In   | 10,000   | 10,000        | -  |
| <u>Total Other Financing Sources (Uses)</u>  | <u>10,000</u>  | <u>10,000</u> | <u>-</u>   |
| <u>Revenues Over (Under) Other Financing</u><br><u>Sources (Uses) and Expenditures</u> | (7,868)  | 10,010        |  |
| <u>FUND BALANCE, Beginning</u>   | <u>7,868</u>   | <u>7,868</u>  |  |
| <u>FUND BALANCE, Ending</u>  | <u>-</u>   | <u>17,878</u> |  |

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
FOOD SERVICE – SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For The Year Ended June 30, 2017**

|   | <u>Budgeted Amounts</u>   | <u>Actual</u>          | <u>Variance-<br/>Favorable<br/>(Unfavorable)</u> |
|---|---------------------------|------------------------|--|
|   | <u>Original and Final</u> |                        |  |
| <b><u>REVENUES</u></b>  |                           |                        |  |
| <b><u>Local Sources</u></b>   |                           |                        |  |
| Food Sales  | 6,800                     | 5,138                  | (1,662)  |
| Interest Earnings   | <u>25</u>                 | <u>22</u>              | <u>(3)</u>                                       |
| <b><u>Total Local Sources</u></b>   | <b><u>6,825</u></b>       | <b><u>5,160</u></b>    | <b><u>(1,665)</u></b>                            |
| <b><u>State Sources</u></b>   |                           |                        |  |
| State Match   | 200                       | 159                    | (41)   |
| Smart Start   | 225                       | 221                    | (4)  |
| PK-2 Reduced Breakfast  | <u>250</u>                | <u>228</u>             | <u>(22)</u>                                      |
| <b><u>Total State Sources</u></b>   | <b><u>675</u></b>         | <b><u>608</u></b>      | <b><u>(67)</u></b>                               |
| <b><u>Federal Sources</u></b>   |                           |                        |  |
| School Lunches  | 14,400                    | 11,651                 | (2,749)  |
| Equipment Grant   | -                         | -                      | -  |
| Commodities   | <u>3,490</u>              | <u>1,794</u>           | <u>(1,696)</u>                                   |
| <b><u>Total Federal Sources</u></b>   | <b><u>17,890</u></b>      | <b><u>13,445</u></b>   | <b><u>(4,445)</u></b>                            |
| <b><u>TOTAL REVENUES</u></b>  | <b><u>25,390</u></b>      | <b><u>19,213</u></b>   | <b><u>(6,177)</u></b>                            |
| <b><u>EXPENDITURES</u></b>  |                           |                        |  |
| <b><u>Food Service</u></b>  |                           |                        |  |
| Salaries  | 23,500                    | 23,505                 | (5)  |
| Employee Benefits   | 4,904                     | 4,760                  | 144  |
| Purchased Services - Other  | 10                        | 65                     | (55)   |
| Food and Milk   | 14,035                    | 14,523                 | (488)  |
| Supplies and Materials  | 10                        | 600                    | (590)  |
| Other   | -                         | 63                     | (63)   |
| <b><u>Appropriated Reserves</u></b>   | <b><u>22,933</u></b>      | <b><u>-</u></b>        | <b><u>22,933</u></b>                             |
| <b><u>TOTAL EXPENDITURES</u></b>  | <b><u>65,392</u></b>      | <b><u>43,516</u></b>   | <b><u>21,876</u></b>                             |
| <b><u>REVENUES OVER (UNDER) EXPENDITURES</u></b>  | <b><u>(40,002)</u></b>    | <b><u>(24,303)</u></b> |  |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>  |                           |                        |  |
| Operating Transfers In  | <u>21,994</u>             | <u>22,467</u>          | <u>473</u>                                       |
| <b><u>REVENUES OVER (UNDER) OTHER FINANCING<br/>SOURCES (USES) AND EXPENDITURES</u></b> | <b><u>(18,008)</u></b>    | <b><u>(1,836)</u></b>  |  |
| <b><u>FUND BALANCE, Beginning</u></b>   | <b><u>18,008</u></b>      | <b><u>18,008</u></b>   |  |
| <b><u>FUND BALANCE, Ending</u></b>  | <b><u>-</u></b>           | <b><u>16,172</u></b>   |  |

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

**BACA COUNTY SCHOOL DISTRICT RE-6  
PUPIL ACTIVITY - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2017**

|  | <u>Budgeted Amounts</u><br><u>Original &amp; Final</u> | <u>Actual</u> | <u>Variance with</u><br><u>Final Budget-</u><br><u>Favorable</u><br><u>(Unfavorable)</u> |
|--|--|---------------|--|
| <b><u>REVENUES</u></b>   |  |               |  |
| Earnings on Investments  | 165  | 150           | (15)   |
| Activity Revenues  | <u>48,000</u>  | <u>32,397</u> | <u>(15,603)</u>  |
| <u>Total Revenues</u>  | <u>48,165</u>  | <u>32,547</u> | <u>(15,618)</u>  |
| <b><u>EXPENDITURES</u></b>   |  |               |  |
| <b><u>Instruction</u></b>  |  |               |  |
| Purchased Services Professional  | 16,482   | 21,372        | (4,890)  |
| Purchased Services Other   | 21,250   | 20,092        | 1,158  |
| Supplies and Materials   | 8,700  | 10,118        | (1,418)  |
| Other  | 7,700  | 4,077         | 3,623  |
| Operating Reserve  | <u>38,277</u>  | <u>-</u>      | <u>38,277</u>  |
| <u>Total Expenditures</u>  | <u>92,409</u>  | <u>55,659</u> | <u>36,750</u>  |
| <u>Revenues Over (Under) Expenditures</u>  | (44,244)   | (23,112)      |  |
| <b><u>Other Financing Sources (Uses)</u></b>   |  |               |  |
| Operating Transfers  | <u>15,000</u>  | <u>15,000</u> | <u>-</u>   |
| <u>Revenues Over (Under) Other Financing</u><br><u>Sources (Uses) and Expenditures</u> | (29,244)   | (8,112)       |  |
| <u>FUND BALANCE, Beginning</u>   | <u>29,244</u>  | <u>29,244</u> |  |
| <u>FUND BALANCE, Ending</u>  | <u>-</u>   | <u>21,132</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: 0270 - CAMPO RE-6  
 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 - 5599 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   | 1,056,684                                |   | 1,099,495                                  | 1,112,832                                 |   | 1,043,348   |
| 18 Risk Mgmt Sub-Fund of General Fund                   | 0  |   | 0  | 0   |   | 0   |
| 19 Colorado Preschool Program Fund                      | 0  |   | 0  | 0   |   | 0   |
| <b>Sub- Total</b>                                       | <b>1,056,684</b>                         |   | <b>1,099,495</b>                           | <b>1,112,832</b>                          |   | <b>1,043,348</b>                                      |
| 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                      | 18,008                                   |   | 41,682                                     | 43,517                                    |   | 16,172  |
| 22 Govt Designated-Purpose Grants Fund                  | 0  |   | 0  | 0   |   | 0   |
| 23 Pupil Activity Special Revenue Fund                  | 29,244                                   |   | 47,547                                     | 55,659                                    |   | 21,132  |
| 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                | 7,868                                    |   | 10,010                                     | 0   |   | 17,878  |
| 46 Supplemental Cap Const. Tech. Main Fund              | 0  |   | 0  | 0   |   | 0   |
| <b>Totals</b>   | <b>1,111,804</b>                         |   | <b>1,198,734</b>                           | <b>1,212,007</b>                          |   | <b>1,098,531</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>  |  |   |  |   |   |   |



**Colorado Department of Education**

**Bolded Balance Sheet Report**

District: 0270 - CAMPO RE-6

Fiscal Year 2016-17

Colorado School District/BOCES

| ASSETS                                   | Governmental           |                        |                   |                                 |                                |                                      |                          | Proprietary                         |                                |                                  |                                   |                                 | Fiduciary                  |                     |          | Totals           |
|--|------------------------|------------------------|-------------------|---------------------------------|--------------------------------|--------------------------------------|--------------------------|-------------------------------------|--------------------------------|----------------------------------|-----------------------------------|---------------------------------|----------------------------|---------------------|----------|------------------|
|  | 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 |          |                  |
| Cash and Investments (8100-8104,8111)    | 1,134,520              | 0                      | 0                 | 21,585                          | 0                              | 23,851                               | 0                        | 17,878                              | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 1,197,835        |
| Cash with Fiscal Agent (8105)            | 3,515                  | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 3,515            |
| Taxes Receivable (8121,8122)             | 9,557                  | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 9,557            |
| Interfund Loans Receivable (8131,8132)   | 5,600                  | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 5,600            |
| Intergovernmental Accounts Rec (8141)    | 63                     | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 63               |
| Grants Accounts Receivable (8142)        | 57                     | 0                      | 0                 | 0                               | 0                              | 801                                  | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 857              |
| Other Receivables (8151-8154,8161)       | 0                      | 0                      | 0                 | 0                               | 0                              | 146                                  | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 146              |
| Inventories (8171,8172,8173)             | 0                      | 0                      | 0                 | 0                               | 0                              | 1,705                                | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 1,705            |
| Machinery and Equipment (8241,8242,8251) | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |
| <b>Total Assets</b>                      | <b>1,153,312</b>       | <b>0</b>               | <b>0</b>          | <b>21,585</b>                   | <b>0</b>                       | <b>26,502</b>                        | <b>0</b>                 | <b>17,878</b>                       | <b>0</b>                       | <b>0</b>                         | <b>0</b>                          | <b>0</b>                        | <b>0</b>                   | <b>0</b>            | <b>0</b> | <b>1,219,278</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                      | 0                 | 0                               | 0                              | 5,600                                | 0                        | 0                                   | 0                              | 0                               | 0                                 | 0                               | 0                          | 0                   | 5,600          |
| Other Payables (7421-7423)                 | 12,257                 | 0                      | 0                 | 453                             | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                               | 0                                 | 0                               | 0                          | 0                   | 12,710         |
| Accrued Expenses (7461)                    | 97,259                 | 0                      | 0                 | 0                               | 0                              | 4,670                                | 0                        | 0                                   | 0                              | 0                               | 0                                 | 0                               | 0                          | 0                   | 101,930        |
| Grants Deferred Revenue (7482)             | 448                    | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                               | 0                                 | 0                               | 0                          | 0                   | 448            |
| Other Current Liabilities (7491,7492,7499) | 0                      | 0                      | 0                 | 0                               | 0                              | 60                                   | 0                        | 0                                   | 0                              | 0                               | 0                                 | 0                               | 0                          | 0                   | 60             |
| <b>Total Liabilities</b>                   | <b>109,954</b>         | <b>0</b>               | <b>0</b>          | <b>453</b>                      | <b>0</b>                       | <b>10,330</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>120,747</b> |

Governmental

Proprietary

Fiduciary

| FUND EQUITY   | Governmental           |                        |                   |                                 |                                |                                      |                          |                                     |                                |                                  | Proprietary                       |                                 |                            |                     |          | Fiduciary        |  |  | Totals |
|---|------------------------|------------------------|-------------------|---------------------------------|--------------------------------|--------------------------------------|--------------------------|-------------------------------------|--------------------------------|----------------------------------|-----------------------------------|---------------------------------|----------------------------|---------------------|----------|------------------|--|--|--------|
|   | 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 |          |                  |  |  |        |
| Non-spendable Fund Balance 6710                                   | 0                      | 0                      | 0                 | 0                               | 0                              | 1,705                                | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 1,705            |  |  |        |
| Restricted Fund Balance 6720                                      | 47,250                 | 0                      | 0                 | 0                               | 0                              | 14,467                               | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 61,717           |  |  |        |
| TABOR 3% Emergency Reserve 6721                                   | 33,300                 | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 33,300           |  |  |        |
| TABOR Multi-Year 6722   | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| District Emergency Reserve (letter of credit or real estate) 6723 | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| Colorado Preschool Program (CPP) Reserve 6724                     | 9,878                  | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 9,878            |  |  |        |
| Full-Day Kindergarten Reserve 6725                                | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| Risk-Related / Restricted Capital Reserve 6726                    | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| BEST Capital Reserve 6727   | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| Committed Fund Balance 6750                                       | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 17,878                              | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 17,878           |  |  |        |
| Assigned Fund Balance 6760  | 0                      | 0                      | 0                 | 21,132                          | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 21,132           |  |  |        |
| Unassigned Fund Balance 6770                                      | 952,920                | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 952,920          |  |  |        |
| Invested in Capital Assets, Net of Related Debt 6790              | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| Restricted Net Assets 6791  | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| Unrestricted Net Assets 6792                                      | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| Prior Period Adjustment 6880                                      | 0                      | 0                      | 0                 | 0                               | 0                              | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                               | 0                          | 0                   | 0        | 0                |  |  |        |
| <b>Total Fund Equity</b>  | <b>1,043,348</b>       | <b>0</b>               | <b>0</b>          | <b>21,132</b>                   | <b>0</b>                       | <b>16,172</b>                        | <b>0</b>                 | <b>17,878</b>                       | <b>0</b>                       | <b>0</b>                         | <b>0</b>                          | <b>0</b>                        | <b>0</b>                   | <b>0</b>            | <b>0</b> | <b>1,098,531</b> |  |  |        |

| FUND EQUITY                                | Governmental           |                        |                   |                                 |                                |                                      |                          |                                     |                                |                                  | Proprietary                       |                                 |                            |                     |          | Fiduciary        |  |  | Totals |
|--|------------------------|------------------------|-------------------|---------------------------------|--------------------------------|--------------------------------------|--------------------------|-------------------------------------|--------------------------------|----------------------------------|-----------------------------------|---------------------------------|----------------------------|---------------------|----------|------------------|--|--|--------|
|  | 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 |          |                  |  |  |        |
| <b>Total Liabilities &amp; Fund Equity</b> | <b>1,153,312</b>       | <b>0</b>               | <b>0</b>          | <b>21,585</b>                   | <b>0</b>                       | <b>26,502</b>                        | <b>0</b>                 | <b>17,878</b>                       | <b>0</b>                       | <b>0</b>                         | <b>0</b>                          | <b>0</b>                        | <b>0</b>                   | <b>0</b>            | <b>0</b> | <b>1,219,278</b> |  |  |        |

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

| Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |