

cPa DIXON, WALLER & CO., INC.

BACA COUNTY SCHOOL DISTRICT RE-5

VILAS, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2017



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DIXON, WALLER & CO., INC.

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BACA COUNTY SCHOOL DISTRICT RE-5

FINANCIAL STATEMENTS

JUNE 30, 2017

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BACA COUNTY SCHOOL DISTRICT RE-5
ROSTER OF SCHOOL OFFICIALS
June 30, 2017

BOARD OF EDUCATION

Dennis Thompson	President
Kelly Grahm	Vice-President
Bill Brooks	Secretary
John Wittler	Treasurer
Vance Alfrey	Director

SCHOOL OFFICIALS

Samantha Yocam	Superintendent
Amanda Forgey	Bookkeeper

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-5
Vilas, Colorado 81027

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-5, 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-5, as of June 30, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension trend data on pages i through vii and 33 through 38 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-5's basic financial statements. The combining and individual fund financial statements, other schedules and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Dyan, Wall & Co. PC

Trinidad, Colorado
January 29, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Baca County School District RE-5
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017**

As management of the Vilas School District RE-5, we offer readers of the Baca County School District RE-5 financial statements, this narrative overview and analysis of the financial activities of the District 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.

The MD&A is an element of reporting put forth by the Government Accounting Standards Board (GASB), in accordance with GASB Statement No. 34, *Basic Financial Statement and Management Discussion and Analysis for State and Local Governments*.

Financial Highlights

- In government-wide activities, the District's net position totaled \$1,298,132 at the end of the 2017 fiscal year.
- Government Funds revenue was \$969,095; expenditures totaled \$946,362 with an ending fund balance of \$196,479.

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 data that are more detailed. The statements are followed by a section of required supplementary information that further explains and supports the financial statements, and includes a comparison of the District's budget for the fiscal 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 District RE-5 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-5 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. In addition, Colorado does provide a 3, 4, or 5 year averaging to ameliorate spikes in enrollment.

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.

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 or funding and spending on particular programs. The Baca County School District RE-5, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's funds are divided into one category: governmental 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.
- (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 explain the relationship (or differences) between them.

Baca County School District RE-5 maintains three 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, because it is considered a major fund.

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.

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 dictated by state law.

District –wide Financial Analysis

Table 1 provides a summary of the District’s net position at June 30, 2017 with additional comparative June 30, 2016 data.

Table 1
Condensed Statement of Net Position

	Governmental Activities		Total 2016 School District	Total 2017 School District
	2016	2017		
Current & Other Assets	\$324,930	\$317,665	\$324,930	\$317,665
Capital Assets/Net of Depreciation	\$888,504	\$831,109	\$888,504	\$831,109
Total Assets	\$1,213,434	\$1,148,774	\$1,213,434	\$1,148,774
Deferred Outflows	\$241,237	\$1,229,069	\$241,237	\$1,229,069
Current Liabilities	\$156,777	\$124,152	\$156,777	\$124,152
Non-current Liabilities (including pension obligation for 2016 & 2017)	\$1,982,409	\$3,201,745	\$1,982,409	\$3,201,745
Total Liabilities	\$2,139,186	\$3,325,897	\$2,139,186	\$3,325,897
Deferred Inflows	\$234,760	\$350,078	\$234,760	\$350,078
Invested in Capital Assets/Net related debt	\$879,945	\$828,143	\$879,945	\$828,143
Restricted	\$36,304	\$53,857	\$36,304	\$53,857
Unrestricted (Deficit)	\$(1,835,524)	\$(2,180,132)	\$(1,835,524)	\$(2,180,132)
Total Net Position at June 30	\$(919,275)	\$(1,298,132)	\$(919,275)	\$(1,298,132)

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

Table 2
Changes in Net Position from Operating Results

Revenues	2016	2017
Program Revenues		
Charges for Service	\$39,826	\$52,013
Operating Grants & Contributions BOCES Grants	\$139,004	\$132,763
Investment Earnings	\$1,045	\$1,317
General Revenue		
Property Tax	\$210,372	\$203,443
State Equalization	\$578,431	\$549,073
Other	\$69,421	\$93,709
Insurance Reimbursement	\$26,844	-
Grants BOCES	-	\$50,043
Total Revenue	\$1,067,643	\$969,095
Expenses		
Instruction	\$539,525	\$395,613
Support Services		
Students	\$6,637	\$31,256
Instructional Staff	\$11,196	\$12,885
General, School, Business	\$227,789	\$212,846
Operations/Maintenance	\$146,959	\$126,186
Student Transportation	\$54,916	\$60,238
Central Support/Other	\$44,963	\$42,109
Food Service Operations	\$53,471	\$56,740
Depreciation Expenses	\$68,138	\$59,814
Interest Expenses	\$901	\$477
Debt Services	-	\$6070
Pension Expense	\$(7,426)	\$349,788
Total Expenses	\$1,147,069	\$1,347,952
Increase/Decrease	\$(82,126)	\$(378,857)

Property taxes and per pupil state formula revenue (state equalization) account for most of the District's revenue. The remainder came from fees charged for services and miscellaneous sources.

The District expenses predominately relate to instruction and support services, which include support for students and instructional staff, administration, operations and maintenance, and transportation. Given that Baca County School District RE-5 is a service organization providing educational services to

students, the majority of expenses are paid in the form of compensation (salaries and benefits) to the District's employees.

District Capital Assets

Depreciable Assets 2016:	Accumulated Depreciation 2016	Current Value 2016	Depreciable Assets 2017	Accumulated Depreciation 2017	Current Value 2017
Land					
\$31,928	-	\$31,928	\$31,928	-	\$31,928
Buildings					
\$1,517,242	\$724,507	\$792,735	\$1,517,242	\$755,605	\$761,637
Vehicles					
\$538,386	\$498,174	\$40,212	\$514,386	\$494,112	\$20,274
Equipment					
\$1,280,081	\$1,206,619	\$23,462	\$1,216,283	\$1,201,086	\$15,197
Lunch Equipment					
\$53,401	\$53,234	\$167	\$53,721	\$51,648	\$2,073
\$3,421,038	\$2,482,534	\$888,504	\$3,333,560	\$2,502,451	\$831,109

The District's total Capital Assets are \$3,333,560. This includes \$31,928 in non-depreciated assets and the current value of depreciated asset of \$831,109 as noted in the above table.

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this act, the districts receive funding for each child enrolled. The District receives about 69.7% of its funding from state equalization while the balance comes from property tax, specific ownership tax, grants and interest. The district receives about 23% from property taxes.

The statement of activities provides the cost of program services and the related charges for services and grants offsetting those costs. Table 3 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 3

Net Cost of Governmental Activities (in dollars)

	Total Cost of Services		Net Cost of Services	
	2016	2017	2016	2017
Instruction	\$539,525	\$395,613	\$409,055	\$295,134
Student Support	\$6637	\$31,256	\$6465	\$12,210
Instructional Staff	\$11,196	\$12,885	\$11,196	\$12,885
General, School, Business Support	\$227,789	\$212,846	\$227,789	\$212,846
Operations and Maintenance	\$146,959	\$126,186	\$136,123	\$106,416
Student Transportation	\$54,916	\$60,238	\$46,748	\$49,028
Central Support	\$44,963	\$42,209	\$44,963	\$42,209
Depreciation	\$68,138	\$59,814	\$68,138	\$59,814
Interest	\$901	\$477	\$901	\$477
Pension	\$(7426)	\$349,788	\$(7,426)	\$349,788
Food Service	\$44,963	\$56,740	\$44,963	\$56,740
Total	\$1,147,069	\$1,347,952	\$968,239	\$1,163,176

- The cost of all governmental activities this year was \$1,347,952
- Federal and State government subsidized certain programs with grants and contributions for \$132,763.
- District and State Taxpayers, however, financed most of the District's Costs.
- This portion of governmental activities was financed with \$203,443 in taxes and \$549,073 in state equalization based on the statewide per pupil funding formula.

Long Term Debt

Capital Lease Obligation

	Balance as of 7/1/2016	Deletions	Balance of 6/30/2017	Amount Due within 1 year
Copier	\$8,559	\$5,523	\$3,036	\$3,036
Total	\$8,559	\$5,523	\$3,036	\$3,036

The 2 Copiers leases are up in December of 2017.

Financial Analysis of the District's Funds

Information about the District's funds start on page 5. These funds are accounted for using the modified accrual basis of accounting. All governmental funds have a total revenue of \$969,095.

General Fund Budgetary Highlights

The District adopts a budget in June based on the projected enrollment for the ensuing year. The budget was based on the floor of 50 students that was created by the Colorado Department of Education.

The actual expenditures were below the budgeted amount. The District retained those funds for future use.

The Fund Balance as of June 30, 2017 (budgetary basis) was \$196,479 compared to \$171,017 as of June 30, 2016

Factors Bearing on the District's Future

At the time when 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.

- There is a steady trend of having below the 50 student floor in the District schools. On October of 2016 we had 42 students and the October count for 2017 was 43 students.
- Due to the sluggish economy, legal spending constraints and state budget constraints, we anticipate further decreases in funding making it more difficult to operate.
- The Colorado Department of Education determined that Baca County School District RE-5 is meeting the intent of the requirements, as set forth in Colorado Board of Education Rules 2202-R-0.00 through 4.02 (5), and has become fully accredited in 2017.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, 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) or Business Manager (Amanda Forgey) at Vilas School District RE-5, 202 Collingwood, P.O. Box 727, Vilas, CO 81087.

BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT RE-5
STATEMENT OF NET POSITION
June 30, 2017

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash	299,438	299,438
Property Taxes Receivable	15,074	15,074
Accounts Receivable	2,701	2,701
Inventories	452	452
<u>Total Current Assets</u>	<u>317,665</u>	<u>317,665</u>
<u>Capital Assets:</u>		
Land	31,928	31,928
Depreciable Assets	3,301,632	3,301,632
Accumulated Depreciation	(2,502,451)	(2,502,451)
<u>Capital Assets Net of Depreciation</u>	<u>831,109</u>	<u>831,109</u>
<u>TOTAL ASSETS</u>	<u>1,148,774</u>	<u>1,148,774</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Pension Outflows – Plan Level	1,185,987	1,185,987
Pension Outflows – Employer Level	-	-
District Contributions Subsequent to Pension Measurement Date	43,082	43,082
<u>Total Deferred Outflow of Resources</u>	<u>1,229,069</u>	<u>1,229,069</u>
<u>LIABILITIES</u>		
<u>Current Liabilities:</u>		
Accounts Payable	4,978	4,978
Accrued Salaries Payable	55,769	55,769
Due to Other Governments	60,439	60,439
Capital Lease-Current	2,966	2,966
<u>Total Current Liabilities</u>	<u>124,152</u>	<u>124,152</u>
<u>Non-Current Liabilities</u>		
Net Pension Liability	3,201,745	3,201,745
<u>Total Non-Current Liabilities</u>	<u>3,201,745</u>	<u>3,201,745</u>
<u>TOTAL LIABILITIES</u>	<u>3,325,897</u>	<u>3,325,897</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Pension Inflows – Plan Level	14,466	14,466
Pension Inflows – Employer Level	335,612	335,612
<u>Total Deferred Inflow of Resources</u>	<u>350,078</u>	<u>350,078</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	828,143	828,143
Restricted for:		
TABOR (Emergencies)	27,500	27,500
Preschool	12,868	12,868
Food Services	13,489	13,489
Unrestricted	(2,180,132)	(2,180,132)
<u>TOTAL NET POSITION</u>	<u>(1,298,132)</u>	<u>(1,298,132)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	General	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash	277,129	22,309	299,438
Property Taxes Receivable	15,074	-	15,074
Due From Other Funds	-	-	-
Accounts Receivable	-	2,701	2,701
Inventories	-	452	452
<u>Total Assets</u>	<u>292,203</u>	<u>25,462</u>	<u>317,665</u>
<u>LIABILITIES:</u>			
Accounts Payable	4,978	-	4,978
Intergovernmental Payable	60,439	-	60,439
Due To Other Funds	-	-	-
Unearned Grant Payments	-	-	-
Accrued Salaries Payable	55,769	-	55,769
<u>Total Liabilities</u>	<u>121,186</u>	<u>-</u>	<u>121,186</u>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>FUND BALANCES:</u>			
Nonspendable:			
Inventories	-	452	452
Restricted for:			
TABOR (Emergencies)	27,500	-	27,500
Food Services	-	13,037	13,037
Preschool	12,868	-	12,868
Assigned for:			
Pupil Activities	-	11,973	11,973
Unassigned	130,649	-	130,649
<u>Total Fund Balances</u>	<u>171,017</u>	<u>25,462</u>	<u>196,479</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>292,203</u>	<u>25,462</u>	<u>317,665</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
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:

<u>Total Fund Balance – Governmental Funds</u>	196,479
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$3,333,560 and the accumulated depreciation is \$2,502,451.	831,109
Long-Term Liabilities for capital leases are not due and payable in the current period and, therefore, not reported in the funds.	(2,966)
Net pension liability, along with associated deferred flow, are not recorded at the fund level:	
Net Pension Liability	(3,201,745)
Deferred Pension Cost – Plan	1,171,521
Deferred Pension Cost – Contributions Subsequent to Pension Measurement Date	43,082
Deferred Pension Cost – Employer	<u>(335,612)</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>(1,298,132)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2017

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:			
Taxes	203,443	-	203,443
Intergovernmental	599,509	21,074	620,583
Interest	1,292	25	1,317
Grants - BOCES	50,043	-	50,043
Other	<u>61,466</u>	<u>32,243</u>	<u>93,709</u>
<u>Total Revenues</u>	<u>915,753</u>	<u>53,342</u>	<u>969,095</u>
EXPENDITURES:			
Current:			
Instruction	395,613	-	395,613
Student Support	6,530	24,726	31,256
Instructional Staff	12,885	-	12,885
General Administration	118,556	-	118,556
School Administration	47,001	-	47,001
Business Services	41,219	-	41,219
Operations & Maintenance	126,186	-	126,186
Student Transportation	60,238	-	60,238
Central Support	48,179	-	48,179
Debt Service	6,070	-	6,070
Food Services	-	<u>59,159</u>	<u>59,159</u>
<u>Total Expenditures</u>	<u>862,477</u>	<u>83,885</u>	<u>946,362</u>
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>53,276</u>	<u>(30,543)</u>	<u>22,733</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In (Out)	<u>(33,680)</u>	<u>33,680</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(33,680)</u>	<u>33,680</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	19,596	3,137	22,733
<u>FUND BALANCES, Beginning</u>	<u>151,421</u>	<u>22,325</u>	<u>173,746</u>
<u>FUND BALANCES, Ending</u>	<u>171,017</u>	<u>25,462</u>	<u>196,479</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
 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 22,733

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 useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Lease Purchase Proceeds	-	
Capital Outlays	2,419	
Depreciation Expense	(59,814)	
Proceeds from Sale of Assets	(4,600)	
Gain on Sale of Assets	<u>4,600</u>	(57,395)

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

Capital Lease Payment		5,593
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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		(349,788)
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (378,857)

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

NOTES TO BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Baca County School District RE-5 (the District) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

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

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Baca County School District RE-5. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

A. Reporting Entity

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
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, proprietary funds and fiduciary funds, even though the latter are excluded from the District's government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
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)

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

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

Property taxes are reported as receivables and deferred 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 position.

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred 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 is 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.

F. Receivables

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

G. Inventories

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets

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

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

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

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. The District records long-term debt of governmental funds at the face value.

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.

As of June 30, 1997 the registered voters approved a ballot resolution authorizing Baca County School District RE-5 to collect, retain and expend all revenues collected in any subsequent year from any source provided that no property tax mill levy be increased or any new tax imposed without the consent of the voters.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Constitutional Amendment (continued)

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 \$27,500 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.

Except for the funding of the emergency reserves for the Charter School, management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

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. Interest Expense

All interest expense has been reported as unallocated in the Government-wide financial statements.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

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

Assigned Fund Balance Policy:

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

Order of Fund Balance Spending Policy

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Food Service</u>	<u>Student Activity Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>				
Inventories	-	452	-	452
Prepaid Expenditures	-	-	-	-
<u>Restricted:</u>				
TABOR (Emergencies)	27,500	-	-	27,500
Preschool	12,868	-	-	12,868
Food Services	-	13,037	-	13,037
<u>Assigned:</u>				
Pupil Activities	-	-	11,973	11,973
<u>Unassigned</u>	<u>130,649</u>	<u>-</u>	<u>-</u>	<u>130,649</u>
<u>Total Fund Balances</u>	<u>171,017</u>	<u>13,489</u>	<u>11,973</u>	<u>196,479</u>

O. 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.

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

The following items were eliminated:

	Transfers In	Transfers Out
<u>Governmental Activities:</u>		
General Fund	-	33,680
Food Services Fund	33,680	-
<u>Total</u>	<u>33,680</u>	<u>33,680</u>

NOTE 3 BUDGETARY INFORMATION

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

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

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 3 BUDGETARY INFORMATION (continued)

5. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Special Revenue, and Enterprise Funds.
6. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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

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

NOTE 4 CASH AND INVESTMENTS

District Deposits

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

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

	<u>Carrying Balance</u>	<u>Bank Balance</u>	<u>Certificate of Deposit</u>
Insured (FDIC)	157,434	166,472	135,449
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	-	-	-
Cash with County Treasurer	4,555	-	-
Cash on Hand	<u>2,000</u>	<u>-</u>	<u>-</u>
<u>Total Cash and Deposits</u>	<u>163,989</u>	<u>166,472</u>	<u>135,449</u>

As presented above, District deposits with a bank balance of \$-0- and a carrying balance of \$-0- 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-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
<u>DISTRICT</u>				
<u>Governmental Activities</u>				
<u>Non-Depreciable Assets:</u>				
Sites	31,928	-	-	31,928
<u>Total Non-Depreciable Assets</u>	<u>31,928</u>	<u>-</u>	<u>-</u>	<u>31,928</u>
<u>Depreciable Assets:</u>				
Buildings	1,517,242	-	-	1,517,242
Vehicles	538,386	-	24,000	514,386
Lunch Equipment	53,401	2,419	2,099	53,721
Equipment	<u>1,230,081</u>	<u>-</u>	<u>13,798</u>	<u>1,216,283</u>
<u>Total Depreciable Assets</u>	<u>3,339,110</u>	<u>2,419</u>	<u>39,897</u>	<u>3,301,632</u>
<u>Less Accumulated</u>				
<u>Depreciation for:</u>				
Buildings	724,507	31,098	-	755,605
Vehicles	498,174	19,938	24,000	494,112
Lunch Equipment	53,234	513	2,099	51,648
Equipment	<u>1,206,619</u>	<u>8,265</u>	<u>13,798</u>	<u>1,201,086</u>
<u>Total Accumulated</u>				
<u>Depreciation</u>	<u>2,482,534</u>	<u>59,814</u>	<u>39,897</u>	<u>2,502,451</u>
<u>Total Capital Assets, Net</u>	<u>888,504</u>	<u>(57,395)</u>	<u>-</u>	<u>831,109</u>

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

<u>Governmental Activities:</u>	
Unassigned	59,814
<u>Total Depreciation Expense –Governmental Activities</u>	<u>59,814</u>

NOTE 6 ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, and June 30, 2017, are estimated to be \$55,769. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

NOTE 7 COMPENSATED ABSENCES

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Baca County School District RE-5 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 RE-5 are provided with pensions through the School Division Trust Fund (SCHDTF) - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investment/pera-financial-reports.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s), under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. 24-51-602, 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 RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 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 RE-5 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 RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 8 PENSION PLAN (Continued)

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Baca County School District RE-5 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Baca County School District RE-5 were \$84,185 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 RE-5 reported a liability of \$3,201,745 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 RE-5 proportion of the net pension liability was based on Baca County School District RE-5 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 RE-5 proportion was 0.0108 percent, which was a decrease of 0.0021 percent in its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the Baca County School District RE-5 recognized pension expense of \$349,788. At June 30, 2017, the Baca County School District RE-5 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 8 PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	40,027	(28)
Changes of assumptions or other inputs	1,038,900	(14,438)
Net difference between projected and actual earnings on pension plan investments	107,060	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	(335,612)
Contributions subsequent to the measurement date	43,082	N/A
Total	1,229,069	(350,078)

\$43,082 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	289,202
2019	358,501
2020	187,137
2021	1,069
2022	-
Thereafter	-

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 8 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 RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 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 RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 8 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 RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 8

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 RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 8 PENSION PLAN (Continued)

Sensitivity of the Baca County School District RE-5 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 5.26 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.26 percent) or 1-percentage-point higher (6.26 percent) than the current rate:

	1% Decrease (4.26%)	Current Discount Rate (5.26%)	1% Increase (6.26%)
Proportionate share of the net pension liability	4,026,092	3,201,745	2,530,345

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.

Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description – Employees of the Baca County School District RE-5 that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA, Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees, PERA issues a publicly available comprehensive annual financial report for the Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2017, program members contributed \$0.

Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – The Baca County School District RE-5 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.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 PENSION PLAN (Continued)

Funding Policy – The Baca County School District RE-5 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 RE-5 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 RE-5 contributions to the HCTF were \$4,671, \$5,243 and \$6,069, respectively equal to their required contributions for each year.

NOTE 9 JOINT VENTURE

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 BOCES by-laws indicated that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rata basis determined by the BOCES Board. The joint venture summary audited financial information as of June 30, 2016, the latest year for which audited information is available, is as follows:

Assets	967,468
Deferred Outflows of Resources	408,352
Liabilities	3,593,607
Deferred Inflow of Resources	<u>193,428</u>
Fund Equity	<u>(2,411,215)</u>
Revenues	2,518,565
Expenditures	<u>2,504,933</u>
Changes in Net Position	<u>13,632</u>

The BOCES has no long term debt.

The BOCES is not included as a component unit of the District as the oversight 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.

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 10 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 fund from which they are paid.

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

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

Total Assets	48,036,383
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>

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 11 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District participates in the Colorado School District Self Insurance Pool. The Pool insures property and liability exposures through contributions made by member districts. The District does not maintain an equity interest in the self-insurance pool. The District funds its pool contributions, outside insurance purchases, deductibles, and uninsured losses through the General Fund.

The District continues to carry commercial insurance for all other risks of loss, including errors and omissions and property. Settled claims resulting from these risks have not exceeded commercial or District coverages in any of the past three years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

NOTE 12 INTERFUND BALANCES

	<u>Due From</u>	<u>Due To</u>	<u>Transfers To Other Funds</u>	<u>Transfers From Other Funds</u>
<u>Governmental Activities</u>				
General Fund	-	-	33,680	-
Pupil Activity	-	-	-	-
Food Services	-	-	-	33,680
	<u>-</u>	<u>-</u>	<u>33,680</u>	<u>33,680</u>

Interfund receivables, payables and transfers were made in the normal course of operations to support current year funding needs. Interfund accounts will be repaid within one year.

NOTE 13 LONG TERM DEBT

Changes in Long-Term Debt

	<u>Balance 7-1-2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6-30-2017</u>	<u>Due Within One Year</u>
Capital Lease Obligations:					
Copier	8,559	-	5,593	2,966	2,966

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 13 LONG TERM DEBT (continued)

On December 13, 2012, the District entered into a capital lease agreement with Great America Financial Services to acquire 2 Konica copier/printers. The lease will be paid over a 5 year period with interest paid annually at an average rate of 7.91%. A debt schedule is presented below:

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Lease Payment</u>
2018	7.91%	<u>2,966</u>	<u>70</u>	<u>3,036</u>
Total Minimum Payments		<u>2,966</u>	<u>70</u>	<u>3,036</u>
Less Amount Representing Interest				<u>(70)</u>
Net Present Value of Future Minimum Payments				<u>2,966</u>

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-5
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2017

<u>REVENUES</u>	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
<u>Local Sources</u>	<u>Original & Final</u>		
Property Taxes	175,250	183,032	7,782
Specific Ownership Taxes	22,480	20,411	(2,069)
Delinquent Taxes	1,000	810	(190)
Sports CO-OP Purchased Services	4,500	5,793	1,293
Grants from BOCES	80,701	50,043	(30,658)
Earnings on Investments	150	1,292	1,142
Sale of Small Equipment	5,300	4,600	(700)
Other Local	23,203	39,045	15,842
Insurance Claims	-	-	-
<u>Total Local Revenues</u>	<u>312,584</u>	<u>305,026</u>	<u>(7,558)</u>
<u>County Sources</u>			
Mineral Leases	15	6	(9)
Bankhead Jones	1,000	151	(849)
<u>Total County Sources</u>	<u>1,015</u>	<u>157</u>	<u>(858)</u>
<u>State Sources</u>			
Equalization	524,601	549,073	24,472
ELPA	117	-	(117)
Transportation	10,488	11,210	722
Small Rural School	-	351	351
At Risk Funding	-	9	9
Early Childhood Readiness Assessment	350	4,456	4,106
Read Act	5,929	5,930	1
Library Grant	3,500	3,500	-
<u>Total State Sources</u>	<u>544,985</u>	<u>574,529</u>	<u>29,544</u>
<u>Federal Sources</u>			
REAP	18,816	18,816	-
Title I	16,167	16,012	(155)
Consolidated Grants	1,223	1,213	(10)
<u>Total Federal Sources</u>	<u>36,206</u>	<u>36,041</u>	<u>(165)</u>
<u>TOTAL REVENUES</u>	<u>894,790</u>	<u>915,753</u>	<u>20,963</u>
<u>EXPENDITURES</u>			
<u>Instruction</u>			
Salaries	276,763	252,945	23,818
Employees Benefits	85,295	78,953	6,342
Purchased Services-Other	3,425	7,358	(3,933)
Supplies and Materials	47,580	43,001	4,579
Property	420	172	248
Other	14,163	13,184	979
<u>Total Instruction</u>	<u>427,646</u>	<u>395,613</u>	<u>32,033</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u> <u>Original & Final</u>	<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
<u>Supporting Services</u>			
<u>Students</u>			
Salaries	6,800	5,138	1,662
Employee Benefits	1,425	1,074	351
Purchased Services – Other	1,000	233	767
Supplies and Materials	200	85	115
<u>Total Student Services</u>	<u>9,425</u>	<u>6,530</u>	<u>2,895</u>
<u>Instructional Staff</u>			
Salaries	3,800	4,433	(633)
Employee Benefits	1,657	1,795	(138)
Purchased Services – Other	50	-	50
Supplies and Materials	3,650	2,554	1,096
Other Objects	4,153	4,103	50
<u>Total Instructional Staff</u>	<u>13,310</u>	<u>12,885</u>	<u>425</u>
<u>General Administration</u>			
Salaries	66,171	67,220	(1,049)
Employee Benefits	18,646	17,966	680
Purchased Services-Professional	44,451	19,544	24,907
Purchased Services – Property	2,330	1,934	396
Purchased Services – Other	3,375	4,780	(1,405)
Other Objects	3,400	7,112	(3,712)
<u>Total General Administration</u>	<u>138,373</u>	<u>118,556</u>	<u>19,817</u>
<u>School Administration</u>			
Salaries	25,800	25,342	458
Employee Benefits	9,703	9,010	693
Purchased Services – Other	800	681	119
Supplies & Materials	1,000	1,270	(270)
Other Objects	10,700	10,698	2
<u>Total School Administration</u>	<u>48,003</u>	<u>47,001</u>	<u>1,002</u>
<u>Business Services</u>			
Salaries	30,000	31,254	(1,254)
Employee Benefits	9,589	9,753	(164)
Supplies and Materials	500	212	288
<u>Total Business Services</u>	<u>40,089</u>	<u>41,219</u>	<u>(1,130)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u> <u>Original & Final</u>	<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
<u>Supporting Services (Continued)</u>			
<u>Operations and Maintenance</u>			
Salaries	36,000	35,766	234
Employees Benefits	13,987	13,253	734
Purchased Services-Property	24,300	13,060	11,240
Purchased Services-Other	27,597	28,352	(755)
Supplies and Materials	43,400	35,086	8,314
Property	1,400	369	1,031
Other Objects	<u>200</u>	<u>300</u>	<u>(100)</u>
<u>Total Operations and Maintenance</u>	<u>146,884</u>	<u>126,186</u>	<u>20,698</u>
<u>Pupil Transportation Services</u>			
Salaries	27,690	29,684	(1,994)
Employee Benefits	7,935	8,015	(80)
Purchased Services-Professional	-	145	(145)
Purchased Services-Property	8,500	10,916	(2,416)
Supplies and Materials	6,150	11,478	(5,328)
Other Objects	<u>500</u>	<u>-</u>	<u>500</u>
<u>Total Pupil Transportation Services</u>	<u>50,775</u>	<u>60,238</u>	<u>(9,463)</u>
<u>Central Support</u>			
Purchased Services - Property	100	-	100
Purchased Services - Other	40,161	37,912	2,249
Property	5,800	5,761	39
Other Objects	<u>10,000</u>	<u>4,506</u>	<u>5,494</u>
<u>Total Central Support</u>	<u>56,061</u>	<u>48,179</u>	<u>7,882</u>
<u>Food Services</u>			
Salaries	22,500	-	22,500
Benefits	<u>11,292</u>	<u>-</u>	<u>11,292</u>
<u>Total Food Services</u>	<u>33,792</u>	<u>-</u>	<u>33,792</u>
<u>Debt Service</u>			
Interest	477	477	-
Principal	<u>5,593</u>	<u>5,593</u>	<u>-</u>
<u>Total Debt Service</u>	<u>6,070</u>	<u>6,070</u>	<u>-</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u> <u>Original & Final</u>	<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
<u>Total Supporting Services</u>	<u>542,782</u>	<u>466,864</u>	<u>75,918</u>
<u>Appropriated Reserves</u>	<u>60,236</u>	<u>-</u>	<u>60,236</u>
<u>TOTAL EXPENDITURES</u>	<u>1,030,664</u>	<u>862,477</u>	<u>168,187</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(135,874)</u>	<u>53,276</u>	
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In (Out)	<u>(20,000)</u>	<u>(33,680)</u>	<u>(13,680)</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(20,000)</u>	<u>(33,680)</u>	<u>(13,680)</u>
<u>Revenues Over (Under) Other Financing Sources (Uses) and Expenditures</u>	<u>(155,874)</u>	<u>19,596</u>	
<u>FUND BALANCE, Beginning</u>	<u>155,874</u>	<u>151,421</u>	
<u>FUND BALANCE, Ending</u>	<u>-</u>	<u>171,017</u>	

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

BACA COUNTY SCHOOL DISTRICT RE-5
 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)	0.0108%	0.0129%	0.0135%	0.0161%	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$3,201,745	\$1,979,443	\$1,834,487	\$2,049,456	-	-	-	-	-	-
District's covered-employee payroll	\$457,964	\$514,004	\$595,037	\$577,738	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	699%	385%	308%	355%	-	-	-	-	-	-
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-5
 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	\$ 84,185	\$ 91,235	\$ 100,518	\$ 92,224	\$ 105,388	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (84,185)</u>	<u>\$ (91,235)</u>	<u>\$ (100,518)</u>	<u>\$ (92,224)</u>	<u>\$ (105,388)</u>	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-	-	-
District's covered-employee payroll	\$457,964	\$514,004	\$595,037	\$577,738	\$698,857	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	18.38%	17.75%	16.89%	15.96%	15.08%	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for revenues that are restricted to expenditures for specified purposes.

Student Activity Fund – This fund accounts for the transactions of student organizations and clubs.

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

BACA COUNTY SCHOOL DISTRICT RE-5
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2017

	Special Revenue Funds		Total Non-Major Governmental Funds
	Food Services	Student Activity	
<u>ASSETS</u>			
Cash	10,336	11,973	22,309
Accounts Receivable	2,701	-	2,701
Inventories	452	-	452
<u>Total Assets</u>	<u>13,489</u>	<u>11,973</u>	<u>25,462</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities</u>			
Accounts Payable	-	-	-
Due To Other Funds	-	-	-
<u>Total Liabilities</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>Fund Balances:</u>			
Nonspendable:			
Inventories	452	-	452
Restricted for:			
Food Services	13,037	-	13,037
Assigned for:			
Pupil Activities	-	11,973	11,973
Unassigned	-	-	-
<u>Total Fund Balances</u>	<u>13,489</u>	<u>11,973</u>	<u>25,462</u>
 <u>TOTAL LIABILITIES & FUND BALANCES</u>	 <u>13,489</u>	 <u>11,973</u>	 <u>25,462</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2017

	<u>Special Revenue Funds</u>		<u>Total</u>
	<u>Food</u>	<u>Student</u>	<u>Non-Major</u>
	<u>Services</u>	<u>Activity</u>	<u>Governmental</u>
			<u>Funds</u>
<u>REVENUES</u>			
Local Sources	13,197	19,046	32,243
State Sources	577	-	577
Federal Sources	20,497	-	20,497
Earnings on Investments	<u>6</u>	<u>19</u>	<u>25</u>
<u>Total Revenues</u>	<u>34,277</u>	<u>19,065</u>	<u>53,342</u>
<u>EXPENDITURES</u>			
Instructional	-	24,726	24,726
Food Services	<u>59,159</u>	<u>-</u>	<u>59,159</u>
<u>Total Expenditures</u>	<u>59,159</u>	<u>24,726</u>	<u>83,885</u>
<u>Revenues Over (Under) Expenditures</u>	(24,882)	(5,661)	(30,543)
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In (Out)	<u>33,680</u>	<u>-</u>	<u>33,680</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>OVER (UNDER) EXPENDITURES</u>	8,798	(5,661)	3,137
<u>FUND BALANCES, Beginning</u>	<u>4,691</u>	<u>17,634</u>	<u>22,325</u>
<u>FUND BALANCES, Ending</u>	<u>13,489</u>	<u>11,973</u>	<u>25,462</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
 FOOD SERVICE – SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	14,100	13,197	(903)
Interest Earnings	-	6	6
<u>Total Local Sources</u>	<u>14,100</u>	<u>13,203</u>	<u>(897)</u>
<u>State Sources</u>			
State Match	250	174	(76)
Smart Start Breakfast	340	287	(53)
PK Reduced Lunches	90	116	26
<u>Total State Sources</u>	<u>680</u>	<u>577</u>	<u>(103)</u>
<u>Federal Sources</u>			
School Lunches	17,000	18,996	1,996
Commodities	-	1,501	1,501
<u>Total Federal Sources</u>	<u>17,000</u>	<u>20,497</u>	<u>3,497</u>
<u>TOTAL REVENUES</u>	<u>31,780</u>	<u>34,277</u>	<u>2,497</u>
 <u>EXPENDITURES</u>			
Salaries	23,200	21,936	1,264
Employee Benefits	11,319	9,744	1,575
Purchased Services - Other	1,200	1,169	31
Food and Milk	22,200	22,933	(733)
Supplies and Materials	5,000	3,377	1,623
Appropriated Reserves	1,488	-	1,488
<u>TOTAL EXPENDITURES</u>	<u>64,407</u>	<u>59,159</u>	<u>5,248</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 (32,627)	 (24,882)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	28,290	33,680	5,390
<u>Total Other Financing Sources (Uses)</u>	<u>28,290</u>	<u>33,680</u>	<u>5,390</u>
 <u>REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES) AND EXPENDITURES</u>	 (4,337)	 8,798	
 <u>FUND BALANCE, Beginning</u>	 <u>4,337</u>	 <u>4,691</u>	
 <u>FUND BALANCE, Ending</u>	 <u>-</u>	 <u>13,489</u>	

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

BACA COUNTY SCHOOL DISTRICT RE-5
 STUDENT ACTIVITY – SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Variance -</u>
	<u>Original & Final</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<u>REVENUES</u>			
Local Sources	25,008	19,065	(5,943)
<u>Total Revenues</u>	<u>25,008</u>	<u>19,065</u>	<u>(5,943)</u>
<u>EXPENDITURES</u>			
Student Support	42,642	24,726	17,916
<u>Total Expenditures</u>	<u>42,642</u>	<u>24,726</u>	<u>17,916</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(17,634)	(5,661)	
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES) AND EXPENDITURES</u>	(17,634)	(5,661)	
<u>FUND BALANCES, Beginning</u>	17,634	17,634	
<u>FUND BALANCES, Ending</u>	<u>-</u>	<u>11,973</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 0260 - VILAS RE-5
 Fiscal Year 2016-17
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	-	1001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental							
10 General Fund	150,008		858,539		851,399		158,148
18 Risk Mgmt Sub-Fund of General Fund	0		0		0		0
19 Colorado Preschool Program Fund	1,413		22,533		11,078		12,868
Sub-Total	151,421		882,072		862,477		171,016
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	4,691		67,958		59,160		13,489
22 Govt Designated-Purpose Grants Fund	0		0		0		0
23 Pupil Activity Special Revenue Fund	17,634		19,065		24,777		11,973
24 Full Day Kindergarten Mill Levy Override	0		0		0		0
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	0		0		0		0
39 Certificate of Participation (COP) Debt Service Fund	0		0		0		0
41 Building Fund	0		0		0		0
42 Special Building Fund	0		0		0		0
43 Capital Reserve Capital Projects Fund	0		0		0		0
46 Supplemental Cap Const, Tech, Main Fund	0		0		0		0
Totals	173,746		968,095		946,363		196,478
Proprietary							
50 Other Enterprise Funds	0		0		0		0
64 (63) Risk-Related Activity Fund	0		0		0		0
60 65-69 Other Internal Service Funds	0		0		0		0
Totals	0		0		0		0
Fiduciary							
70 Other Trust and Agency Funds	0		0		0		0
72 Private Purpose Trust Fund	0		0		0		0
73 Agency Fund	0		0		0		0
74 Pupil Activity Agency Fund	0		0		0		0
79 GASB 34 Permanent Fund	0		0		0		0
85 Foundations	0		0		0		0
Totals	0		0		0		0
FINAL							0



Colorado Department of Education
Bolded Balance Sheet Report
 District: 0260 - VILAS RE-5
 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)	153,342	0	0	11,973	0	10,336	0	0	0	0	0	0	0	0	175,650
Cash with Fiscal Agent (8105)	123,787	0	0	0	0	0	0	0	0	0	0	0	0	0	123,787
Taxes Receivable (8121,8122)	15,074	0	0	0	0	0	0	0	0	0	0	0	0	0	15,074
Interfund Loans Receivable (8131,8132)	0	0	12,868	0	0	0	0	0	0	0	0	0	0	0	12,868
Grants Accounts Receivable (8142)	0	0	0	0	0	2,143	0	0	0	0	0	0	0	0	2,143
Other Receivables (8151-8154,8161)	0	0	0	0	0	558	0	0	0	0	0	0	0	0	558
Inventories (8171,8172,8173)	0	0	0	0	0	452	0	0	0	0	0	0	0	0	452
Prepaid Expenses 8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	292,203	0	12,868	11,973	0	13,489	0	0	0	0	0	0	0	0	330,533

Governmental

Proprietary

Fiduciary

FUND EQUITY	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			
Non-spendable Fund Balance 6710	0	0	0	0	0	452	0	0	0	0	0	0	0	0	452			
Restricted Fund Balance 6720	0	0	0	13,037	0	0	0	0	0	0	0	0	0	0	13,037			
TABOR 3% Emergency Reserve 6721	27,500	0	0	0	0	0	0	0	0	0	0	0	0	0	27,500			
TABOR Multi-Year 6722	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			
Colorado Preschool Program (CPP) Reserve 6724	0	0	12,868	0	0	0	0	0	0	0	0	0	0	0	12,868			
Full-Day Kindergarten Reserve 6725	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			
BEST Capital Reserve 6727	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	0	0	0	0	0	0	0	0			
Assigned Fund Balance 6760	0	0	0	11,973	0	0	0	0	0	0	0	0	0	0	11,973			
Unassigned Fund Balance 6770	130,648	0	0	0	0	0	0	0	0	0	0	0	0	0	130,648			
Invested in Capital Assets, Net of Related Debt 6790	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			
Unrestricted Net Assets 6792	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			
Total Fund Equity	158,148	0	12,868	11,973	0	13,489	0	0	0	0	0	0	0	0	196,478			

Total Liabilities & Fund Equity	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			
292,203	0	0	12,868	11,973	0	13,489	0	0	0	0	0	0	0	0	330,533			

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