

cPa DIXON, WALLER & CO., INC.

LAS ANIMAS SCHOOL

DISTRICT RE-1

LAS ANIMAS, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2017



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DIXON, WALLER & CO., INC.

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FINANCIAL STATEMENTS
JUNE 30, 2017

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LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
ROSTER OF SCHOOL OFFICIALS
June 30, 2017

BOARD OF EDUCATION

Robert Bucholz	President
Sonny Smith	Vice-President
Simona Gallegos	Treasurer
Bill Deal	Member
Steven Gallegos	Member

SCHOOL OFFICIALS

Elsie Goines	Superintendent
Nichole Eastin	Business Manager

FINANCIAL SECTION

164 E. MAIN
TRINIDAD, COLORADO 81082
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INDEPENDENT AUDITOR'S REPORT

Board of Education
Las Animas School District Number RE-1
Las Animas, Colorado 81054

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Las Animas School District Number RE-1, 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 Las Animas School District Number RE-1, 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 x and 38 through 42 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 Las Animas School District Number RE-1'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 respects in relation to the basic financial statements as a whole.

Aitson, Waller & Co., Inc.

November 29, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

Las Animas School District RE-1

<h2>Management's Discussion and Analysis</h2> <p>For the Fiscal Year Ended June 30, 2017</p>
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Las Animas School District RE-1
1021 Second Street
Las Animas, CO 81054
(719) 456-0161

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Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2017

This section of the Las Animas School District RE-1's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year which ended June 30, 2017. Please read it in conjunction with District's financial statements, which follow this section.

The District has implemented GASB 68 regarding pensions. The net pension liability is \$15,618,571 at June 30, 2017. Under GASB 68 the District's proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association, is recorded as a liability of the District.

Beginning July 1, 2016 Las Animas School District RE-1 became an authorizer for two online schools, AIM Global and Art Immersion. Due to this agreement our student count increased by 651 online students. The student count increase raised our revenues by \$4,083,573 and our expenditures increased by \$3,821,029.

Las Animas School District RE-1
Fund Equity & Reserves

Fund Equity and Reserves-
All Governmental Funds

\$2,882,479

General Fund 60%
Government Grants 0%
Capital Projects 7%
Bond Fund 24%
Capital Reserve-Capital Project 9%

FINANCIAL HIGHLIGHTS

- The District's total combined net position was -\$103,543 at June 30, 2017.
- The General Fund ending balance at June 30, 2017, is \$1,739,863 for an increase of \$370,681 from last year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to Las Animas School District RE-1's basic financial statements. This annual report consists of three parts:

- Management's discussion and analysis
- Fund financial statements
- Notes to basic financial statements.

The Management's Discussion and Analysis also contains other supplemental information.

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

Government-wide Financial Statements:

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The government-wide statements relate to those activities directly related to the education of the students.

The *statement of net position* presents information on all of the District's assets and liabilities with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of changes in the financial position of the District.

The government-wide financial statements of the District are reported in one category:

- *Governmental Activities*: This category consolidates all of the following Las Animas School District RE-1 funds: (1) General Fund (2) Bond Redemption Fund (3) Food Service Fund (4) Capital Projects Funds, and (5) Government Designated Purpose Grants Fund. Most of the District's basic services are included here, such as instructional, transportation, maintenance and operations, administration, and food service.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. The District uses fund

accounting to ensure and demonstrate compliance with finance-related legal requirements. All District funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Las Animas School District RE-1 maintains five 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 (1) General Fund (2) Bond Redemption Fund (3) Food Service Fund (4) Capital Projects Fund and (5) Government Designated Purpose Grants Fund. Also included in the supplementary information section is budget-to-actual information for the debt service fund as required by law.

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the general fund is included in the fund financial statements to demonstrate compliance with the adopted budget.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government, such as the student activity fund. The District is responsible for ensuring that the assets reported in this fund are used for their intended purpose and by those to whom the assets belong. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations. The district maintains only one fiduciary fund, which is categorized as an agency fund. This is the student activity fund so there will be no statement of changes in fiduciary net assets as it is not required for agency funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 12 of this report.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Cash, investments, receivables, inventories and prepaid expenditures are current assets. These assets are available to provide resources for the near-term operations of the District. Capital assets are used in the operations of the District. These assets include land, buildings, equipment and vehicles.

Table A-1 provides a summary of the District's net position for 2017 compared to 2016.

TABLE A-1

Condensed Statement of Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>TOTAL</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current & Other Assets	\$4,530,922	\$3,099,012	\$0	\$0	\$4,530,922	\$3,099,012
Capital Assets	\$15,313,379	\$14,181,702	\$0	\$0	\$15,313,379	\$14,181,702
Accumulated Depreciation	-\$7,003,978	-\$6,592,349	\$0	\$0	-\$7,003,978	-\$6,592,349
Bond Issue Cost	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL ASSETS	\$12,840,323	\$10,688,365	\$0	\$0	\$12,840,323	\$10,688,365
Deferred Outflows	\$6,020,670	\$1,059,213			\$6,020,670	\$1,059,213
Other Liabilities	\$1,619,628	\$542,510	\$0	\$0	\$1,619,628	\$542,510
Long Term Debt and NPO	\$16,736,383	\$9,783,666			\$16,736,383	\$9,783,666
TOTAL LIABILITIES	\$18,358,011	\$10,326,176	\$0	\$0	\$18,358,011	\$10,326,176
Deferred Inflows	\$606,525	\$510,842			\$606,525	\$510,842
Net Assets Invested in Capital Assets, Net of Related Debt	\$7,285,512	\$6,393,549	\$0	\$0	\$7,285,512	\$6,393,549
Restricted	\$1,033,486	\$864,020			\$1,033,486	\$864,020
Unrestricted	-\$8,422,541	-\$6,347,009	\$0	\$0	-\$8,422,541	-\$6,347,009
TOTAL NET POSITION	-\$103,543	\$910,560	\$0	\$0	-\$103,543	\$910,560

Changes in Net Position:

Total *net* position of the Las Animas School District decreased by \$1,014,103.

Statement of Revenues, Expenditures, and Change in Net Position:

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	<u>2016-2017</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2015-2016</u>
REVENUES:						
Property Taxes	\$1,355,678	\$1,322,746			\$1,355,678	\$1,322,746
Ownership Taxes	\$114,156	\$119,154			\$114,156	\$119,154
Earnings on Investments	\$10,496	\$5,537	\$0	\$0	\$10,496	\$5,537
Equalization	\$7,032,909	\$2,683,825			\$7,032,909	\$2,683,825
Charges for Services	\$59,586	\$75,733	\$0	\$0	\$59,586	\$75,733
Operating and Capital Grants	\$1,616,813	\$923,017	\$0	\$0	\$1,616,813	\$923,017
Other Local Sources	\$19,176	\$14,482	\$0	\$0	\$19,176	\$14,482
Transfers	<u>0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0	\$0
TOTAL REVENUES	\$10,208,814	\$5,144,494	\$0	\$0	\$10,208,814	\$5,144,494
EXPENDITURES:						
Instructional Services	\$6,575,697	\$2,724,439	\$0		\$6,575,697	\$2,724,439
Supporting Services:						
Students	\$301,469	\$212,171	\$0		\$301,469	\$212,171
Instructional Staff	\$268,433	\$174,411	\$0		\$268,433	\$174,411
District Admin.	\$165,188	\$156,985	\$0		\$165,188	\$156,985
School Admin.	\$347,299	\$360,783	\$0		\$347,299	\$360,783
Business	\$137,092	\$129,376	\$0		\$137,092	\$129,376
Operation/Maint.	\$561,382	\$635,832	\$0		\$561,382	\$635,832
Transportation	\$168,236	\$136,283	\$0		\$168,236	\$136,283
Central Svcs.	\$62,142	\$54,204	\$0		\$62,142	\$54,204
Pension Cost	\$2,280,567	\$45,110	\$0		\$2,280,567	\$45,110
Debt Service	\$0	\$0	\$0		\$0	\$0
Principal	\$0	\$0	\$0		\$0	\$0
Interest	\$24,107	\$60,840	\$0		\$24,107	\$60,840
Capital Outlay	\$19,857	\$67,313	\$0		\$19,857	\$67,313
Food Service	<u>\$311,449</u>	<u>\$312,207</u>	<u>\$0</u>	<u>\$0</u>	\$311,449	\$312,207
TOTAL EXPENDITURES	\$11,222,917	\$5,277,152	\$0	\$0	\$11,222,917	\$5,277,152
NET CHANGE	(\$1,014,103)	(\$702,957)	0	0	(\$1,014,103)	(\$702,957)
BEGINNING NET POSITION	\$910,560	\$1,850,307	\$0	\$0	\$1,147,349	\$1,850,307
PRIOR PERIOD ADJUSTMENT						
ENDING NET POSITION	(\$103,543)	\$1,147,349	\$0	\$10,584	(\$103,543)	\$1,147,349

The District's General Fund revenues totaled \$8,596,213 with General Fund expenditures totaling \$7,996,982. Chart A-2 and A-3 give percentages of revenue sources and expenditures by program.

CHART A-2
Revenues

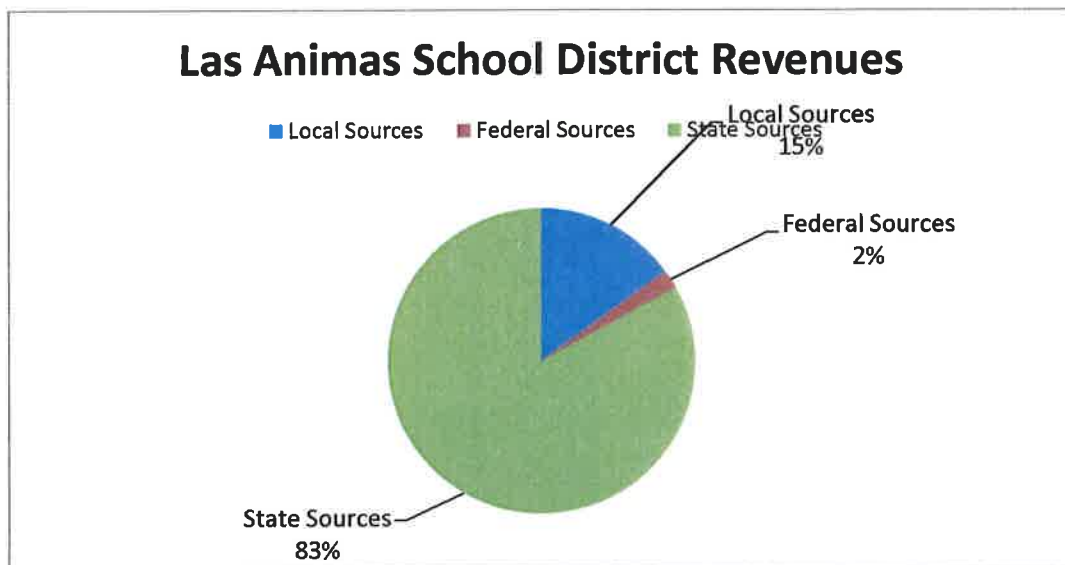
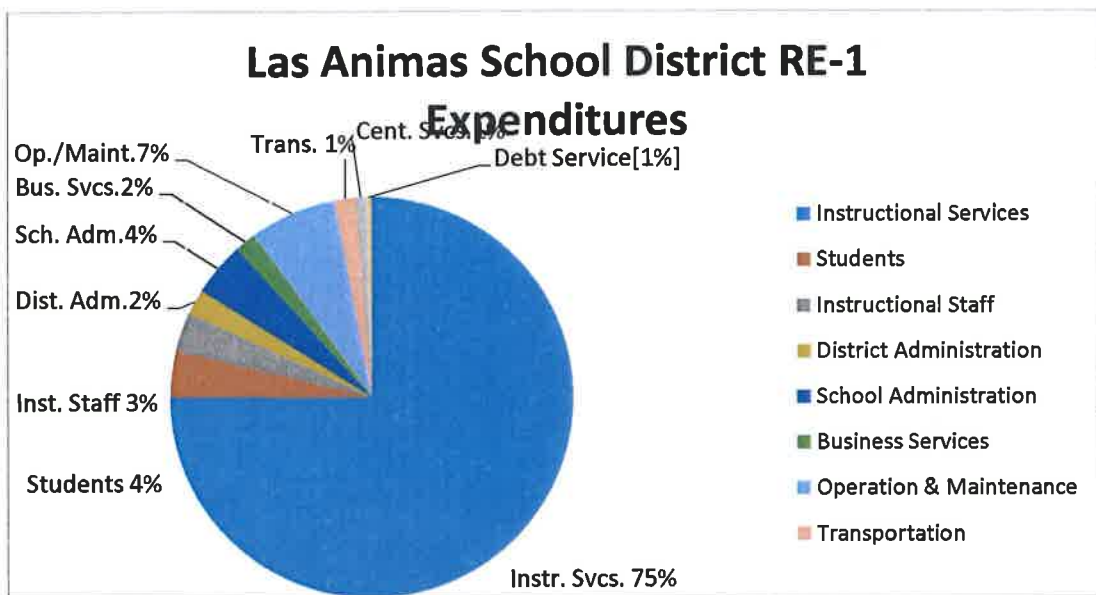


CHART A-3 Expenditures



Governmental Activities:

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this act, the District received \$8,318.75 per brick and mortar funded student and \$6,794.63 per online funded student. In fiscal year 2016 - 2017, the brick and mortar **funded** pupil count was 509.4 students and the online **funded** pupil count was 601 students. Funding for the School Finance Act comes from property taxes, specific ownership taxes and state equalization.

Governmental funds include the General, Consolidated Grant Program, Capital Projects, Colorado Preschool Program, Student Activity, Bond Redemption and Food Service Funds.

Financial Analysis of the District's Funds:

General Fund:

The General Fund is the major operating fund of the District, providing the majority of the resources for the educational and support programs. The School Board approves a budget in June based on enrollment projections for the following school year. In January of 2017, the School Board approved a final issuance of the budget.

The \$1,738,383 General Fund balance as of June 30, 2017, includes \$281,000 reserved for TABOR.

The budgetary basis differs from generally accepted accounting principles (GAAP) in the treatment of accrued salaries, benefits and related liabilities. According to state statutes, the accrued salaries and related benefits do not need to be "funded" and, therefore, are not subtracted from budgetary basis fund balance.

Bond Redemption Fund/Long Term Debt:

At year-end, the District had total general obligation debt outstanding of \$935,000. The mill levy is set each year to provide property tax revenue sufficient to pay principal and interest as required by the bond amortization schedule.

Grant Fund – Special Revenue:

The District uses this fund to account for the proceeds of the specific revenue sources that are legally restricted to expenditures for specified purposes. Revenues from designated purpose grants amounted to \$261,202 in the year ended June 30, 2017.

Capital Projects Fund:

A new Capital Projects fund was established in 2010 for purposes of capital expenditures such as school and activity buses or major construction repairs or projects. Although not a requirement, the district intends to transfer \$100,000 to this fund each year as a reserve account for capital expenditures.

Food Service Fund -- Special Revenue:

The Food Service Fund reported an ending fund balance of \$62,303. The district subsidized the food program by \$28,550 during the 2016 - 2017 fiscal year. The food service fund receives no support from tax revenue.

CAPITAL ASSET ADMINISTRATION

At the end of 2017, the District had invested \$15,313,379 in a broad range of capital assets, including land, equipment, buildings, and vehicles.

Las Animas School District RE-1 CAPITAL ASSETS	
Land, Buildings, Site Improvements	\$14,407,865
Vehicles	\$ 537,615
Equipment	\$ 367,899
TOTAL FUNDS CAPITAL ASSETS	\$15,313,379

Accumulated depreciation on the above governmental fixed assets amounted to \$7,003,978 at June 30, 2017 for a net value of \$8,309,401.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

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

Information from the 2016 - 2017 student enrollments “October Count” shows that Las Animas School District RE-1 had 9 brick and mortar students less than last year. The District’s enrollment for the last five years has been as follows:

	Actual 16 – 17 FY	Actual 15 – 16 FY	Actual 14 – 15 FY	Actual 13 – 14 FY	Actual 12- 13 FY
Total October 1 Certified Pupil Count	524 Brick/Mortar 651 Online	533	501	492	485
Total Funded Pupil Count	509.4 Brick/Mortar 601 Online	499.6	482.5	503.3	520.3

Based on historical trends, our projections for student enrollment are expected to slightly decline.

Each year, the United States and the State of Colorado experience slowing economic conditions. One impact of this economic slowing is the reduction in the State of Colorado’s General Fund revenues, which continue to decline.

Because educational expenditures represent a significant portion of the State of Colorado’s total expenditures, the District anticipates its revenues may be adversely impacted.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's financials and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Nichole Eastin, Finance Director, Las Animas School District RE-1, 1021 Second Street, Las Animas, Colorado 81054.

Respectfully Submitted,
Nichole Eastin
Finance Director

BASIC FINANCIAL STATEMENTS

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF NET POSITION
June 30, 2017

	Governmental Activities	Total
<u>ASSETS</u>		
Cash and Equivalents	3,624,763	3,624,763
Accounts Receivable	719,126	719,126
Accrued Revenue	128,921	128,921
Property Taxes Receivable	49,000	49,000
Inventories	9,112	9,112
Capital Assets	15,313,379	15,313,379
Accumulated Depreciation	(7,003,978)	(7,003,978)
Other	-	-
<u>Total Assets</u>	<u>12,840,323</u>	<u>12,840,323</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Deferred Refunding – Debt	9,295	9,295
Deferred Pension Cost – Plan	5,785,409	5,785,409
Deferred Pension Cost – Contributions Subsequent to Pension Measurement Date	225,966	225,966
<u>Total Deferred Outflows</u>	<u>6,020,670</u>	<u>6,020,670</u>
<u>LIABILITIES</u>		
Accounts Payable	861,511	861,511
Accrued Salaries and Benefits	381,290	381,290
Grant Amounts Received in Advance	375,332	375,332
Accrued Interest Payable	3,495	3,495
Noncurrent Liabilities:		
Bond Payments Due Within One Year	140,000	140,000
Capital Leases Due Within One Year	33,961	33,961
Bond Due in More Than One Year	795,000	795,000
Capital Leases Due in More Than One Year	54,928	54,928
Unamortized Bond Premium	42,838	42,838
Compensated Absences	51,085	51,085
Net Pension Liability	15,618,571	15,618,571
<u>Total Liabilities</u>	<u>18,358,011</u>	<u>18,358,011</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Deferred Pension – Plan	70,569	70,569
Deferred Pension - Entity	535,956	535,956
<u>Total Deferred Inflows</u>	<u>606,525</u>	<u>606,525</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	7,285,512	7,285,512
Restricted:		
TABOR Reserve	281,000	281,000
Preschool	1,479	1,479
Food Service	53,191	53,191
Debt Service	697,816	697,816
Unrestricted	(8,422,541)	(8,422,541)
<u>TOTAL NET POSITION</u>	<u>(103,543)</u>	<u>(103,543)</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017

	Net (Expenses) Revenue and Changes in Net Position			
	Program Revenues		Primary Government	
	Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS				Total
Instructional Services	6,575,697	418,484	-	(6,143,333)
Supporting Services:				
Students	301,468	-	-	(301,468)
Instructional Staff	268,433	60,162	-	(208,271)
District Administration	165,188	-	-	(165,188)
School Administration	347,299	-	-	(347,299)
Business	137,092	-	-	(137,092)
Operation & Maintenance of Facilities	561,382	-	-	(561,382)
Transportation	168,236	26,473	-	(141,763)
Central Support	62,142	-	-	(62,142)
Food Service	311,449	266,127	-	384
Other	-	-	-	-
Capital Outlay	19,857	-	845,567	825,710
Interest on Long-Term Debt	24,107	-	-	(24,107)
Pension Cost	2,280,567	-	-	(2,280,567)
Total Governmental Activities	<u>59,586</u>	<u>771,246</u>	<u>845,567</u>	<u>(2,280,567)</u>
Total School District	<u>11,222,917</u>	<u>771,246</u>	<u>845,567</u>	<u>(9,546,518)</u>
General Revenues				
Property Taxes Levied for General Purposes				1,355,678
Specific Ownership Taxes				114,156
Equalization				7,032,909
Earnings on Investments				10,496
Other Revenues				19,176
Total General Revenues				<u>8,532,415</u>
Change in Net Position				<u>(1,014,103)</u>
Net Position, Beginning				910,560
Net Position, Ending				<u>(103,543)</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>
<u>ASSETS</u>			
Cash	2,339,879	370,113	695,810
Investments	-	-	-
Accounts Receivable	6,785	659,441	-
Accrued Revenue	116,295	-	-
Due From Other Funds	-	-	-
Property Taxes Receivable	43,000	-	6,000
Inventories	-	-	-
<u>Total Assets</u>	<u>2,505,959</u>	<u>1,029,554</u>	<u>701,810</u>
<u>LIABILITIES</u>			
Accounts Payable	33,815	827,696	-
Accrued Salaries and Benefits	330,633	-	-
Due To Other Funds	-	-	-
Other Payables	-	-	-
Grant Amounts Received in Advance	<u>375,332</u>	-	-
<u>Total Liabilities</u>	<u>739,780</u>	<u>827,696</u>	<u>-</u>
<u>DEFERRED INFLOW OF RESOURCES</u>			
Property Tax	<u>26,316</u>	-	<u>3,994</u>
<u>FUND BALANCES:</u>			
Nonspendable:			
Inventories	-	-	-
Restricted:			
Emergency Reserve	281,000	-	-
Debt Service	-	-	697,816
Preschool	1,479	-	-
Capital Outlay	-	-	-
Food Service	-	-	-
Committed:			
Capital Outlay	-	201,858	-
Assigned:			
Grant Expenditures	-	-	-
Unassigned:			
<u>Total Fund Balances</u>	<u>1,457,384</u>	<u>-</u>	<u>-</u>
	<u>1,739,863</u>	<u>201,858</u>	<u>697,816</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>			
	<u>2,505,959</u>	<u>1,029,554</u>	<u>701,810</u>

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

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
218,961	3,624,763
-	-
52,900	719,126
12,626	128,921
-	-
-	49,000
<u>9,112</u>	<u>9,112</u>
<u>293,599</u>	<u>4,530,922</u>
-	861,511
50,657	381,290
-	-
-	-
-	<u>375,332</u>
<u>50,657</u>	<u>1,618,133</u>
-	<u>30,310</u>
9,112	9,112
-	281,000
-	697,816
-	1,479
-	-
53,191	53,191
180,442	382,300
197	197
-	<u>1,457,384</u>
<u>242,942</u>	<u>2,882,479</u>
<u>293,599</u>	<u>4,530,922</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE 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>	2,882,479
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$15,313,379 and the accumulated depreciation is \$7,003,978.	8,309,401
Property tax revenue is recognized when earned (claim to resources established) rather than when “available” in the entity-wide financial statements.	30,310
Interest is recognized when paid in the funds. This is accrued interest payable to year end.	(3,495)
Long-term liabilities, including capital leases and general obligation bonds are not due and payable in the current period and therefore are not reported in the funds. Deferrals due to refundings and bond premiums are recorded at the entity-wide level only.	
Capital Lease	(88,889)
G.O. Bonds	(935,000)
Deferred Refunding	9,295
Bond Premium	<u>(42,838)</u>
	(1,057,432)
The liability for compensated absences is not recorded in the funds.	(51,085)
Net pension liability, along with associated deferred flow, are not recorded at the fund level:	
Net Pension Liability	(15,618,571)
Deferred Pension Cost – Outflow	(606,525)
Deferred Pension Cost – Inflows	<u>6,011,375</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>(103,543)</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2017

	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>
<u>REVENUES:</u>			
Property Taxes	1,183,356	-	168,721
Specific Ownership Taxes	99,087	-	15,069
Earnings on Investments	4,726	-	4,619
Other Local Sources	48,886	-	838
State Aid	7,113,678	845,567	-
Federal Aid	146,480	-	-
<u>Total Revenues</u>	<u>8,596,213</u>	<u>845,567</u>	<u>189,247</u>
<u>EXPENDITURES</u>			
Current:			
Instructional Services	5,988,961	-	-
Supporting Services:			
Students	301,468	-	-
Instructional Staff	246,429	-	-
District Administration	165,188	-	-
School Administration	347,299	-	-
Business	137,092	-	-
Operation & Maintenance of Facilities	557,826	-	-
Transportation	137,729	-	-
Central	61,342	-	800
Food Service	-	-	-
Debt Service:			
Principal	31,915	-	140,000
Interest	5,065	-	31,650
Capital Outlay	16,668	1,056,960	-
<u>Total Expenditures</u>	<u>7,996,982</u>	<u>1,056,960</u>	<u>172,450</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>			
	<u>599,231</u>	<u>(211,393)</u>	<u>16,797</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	(228,550)	400,000	-
<u>Total Other Financing Sources (Uses)</u>	<u>(228,550)</u>	<u>400,000</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>			
	370,681	188,607	16,797
<u>FUND BALANCES – BEGINNING</u>	<u>1,369,182</u>	<u>13,251</u>	<u>681,019</u>
<u>FUND BALANCES – ENDING</u>	<u>1,739,863</u>	<u>201,858</u>	<u>697,816</u>

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

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
-	1,352,077
-	114,156
1,151	10,496
45,706	95,430
5,297	7,964,542
<u>522,032</u>	<u>668,512</u>
<u>574,186</u>	<u>10,205,213</u>
239,198	6,228,159
-	301,468
22,004	268,433
-	165,188
-	347,299
-	137,092
-	557,826
-	137,729
-	62,142
303,935	303,935
-	171,915
-	36,715
<u>65,216</u>	<u>1,138,844</u>
<u>630,353</u>	<u>9,856,745</u>
<u>(56,167)</u>	<u>348,468</u>
(171,450)	-
(171,450)	-
(227,617)	348,468
<u>470,559</u>	<u>2,534,011</u>
<u>242,942</u>	<u>2,882,479</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 348,468

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more the \$5,000 are capitalized and the cost is allocated over their estimated used lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

	1,149,767	
Capital Outlays more than \$5,000		
Depreciation Expense	<u>(429,719)</u>	720,048

Property tax revenues are not recognized for amounts levied and due but not “available” at year end and are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. 3,601

The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. The effect of discounts 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:

	171,915	
Repayment of Debt Principal		
Interest Expense	<u>12,608</u>	184,523

Compensated absnccs arc not rcognized as a liability in the funds. This is the current year change. 9,824

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:

		(2,280,567)
Pension Cost		

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (1,014,103)

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
June 30, 2017

	<u>Student Activities Fund</u>
<u>ASSETS</u>	
Cash	84,877
Investments	-
Deposits Held by Others	-
<u>Total Assets</u>	<u>84,877</u>
<u>LIABILITIES</u>	
Due to Student Groups	84,877
Accounts Payable	-
<u>Total Liabilities</u>	<u>84,877</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Las Animas School District Number RE-1 (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 Las Animas School District Number RE-1. 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds (General Fund, Bond Redemption Debt Service Fund and Capital Project Fund) and individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

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

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 and automotive ownership taxes are reported as receivables and deferred inflows when levied and as revenues when due for collection in the following year and determined to be available.

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

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

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 statements of net position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

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

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 inflows/outflows, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

- Major Governmental Funds
 1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
 2. Bond Redemption Debt Service Fund – used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.
 3. Capital Project Fund – used to account for bond proceeds, grants and other sources for capital expenditures on a designated project.

Additionally, the District reports the following fund type: Agency

The Student Activity Fund – this fund is used to account for the activities of student clubs and organizations held in a fiduciary capacity by the District.

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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Receivables

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

G. Inventories

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

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

H. Capital Assets

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

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

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

I. 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 governmental 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Obligations

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

K. 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.

In November of 1997 the registered voters approved a ballot resolution authorizing Las Animas School District Number RE-1 to collect, retain and expend (during 1995 and beyond) all revenues from any source provided that no property tax mill levy be increased or any new tax imposed without the consent of the voters.

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 \$281,000 for this purpose.

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. 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 Las Animas 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
Tax Sale – 2015 Delinquent Property Taxes	October 25, 2016

M. COMPENSATED ABSENCES

The District has policies regarding vacation and sick pay benefits and the payment of accumulated amounts at separation from service. After 10 years of service and termination for reasons other than retirement, payment will be made for unused leave up to 12 days based on the average daily rate paid to the employee during their last 5 years. Employees eligible for retirement will be paid ¼ of unused leave not to exceed 30 days at the average daily rate paid them during their last 5 years.

A summary of changes in compensated absences is as follows:

<u>Balance</u>			<u>Balance</u>
<u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2017</u>
<u>60,909</u>	<u> -</u>	<u> 9,824</u>	<u> 51,085</u>

N. 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.

O. Interest Expense

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. GASB Statement No. 54

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

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

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. GASB Statement No. 54 (Continued)

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Capital Projects Capital Projects Fund</u>	<u>Designated Purpose Grants Fund</u>	<u>Food Service Fund</u>	<u>Debt Service Fund</u>	<u>Capital Reserve Capital Project Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>							
Inventories	-	-	-	9,112	-	-	9,112
<u>Restricted:</u>							
Emergencies	281,000	-	-	-	-	-	281,000
Debt Service	-	-	-	-	697,816	-	697,816
Preschool	1,479	-	-	-	-	-	1,479
Capital Outlay	-	-	-	-	-	-	-
Food Service	-	-	-	53,191	-	-	53,191
<u>Committed:</u>							
Capital Outlay	-	201,858	-	-	-	180,442	382,300
<u>Assigned:</u>							
Grant							
Expenditures	-	-	197	-	-	-	197
<u>Unassigned</u>	<u>1,457,384</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,457,384</u>
<u>Total Fund Balances</u>	<u>1,739,863</u>	<u>201,858</u>	<u>197</u>	<u>62,303</u>	<u>697,816</u>	<u>180,442</u>	<u>2,882,479</u>

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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

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

The following transactions between funds have been eliminated in the government-wide statements:

Transfers:	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
Food Service Fund	28,550	-
General Fund	-	228,550
Capital Reserve-Capital Project Fund	-	200,000
Capital Project-Capital Project Fund	<u>400,000</u>	-
	<u>428,550</u>	<u>428,550</u>

Interfund Balances:

None

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.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 3 BUDGETARY INFORMATION (Continued)

6. Budgets for the General, Special Revenue, Capital Projects and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets have been adopted for Trust and Agency Funds.

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

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

NOTE 4 CASH AND INVESTMENTS

Deposits

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

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

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	250,000	250,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	2,751,576	2,960,240
Cash Equivalents	694,185	694,185
Cash with County Treasurer	13,004	-
Cash on Hand	875	-
<u>Total Cash and Deposits</u>	<u>3,709,640</u>	<u>3,904,425</u>

As presented above, deposits with a bank balance of \$2,960,240 and a carrying balance of \$2,751,576 as of June 30, 2017 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	Balance July 1, 2016	Additions	Deletions	Adjustments	Balance June 30, 2017
<u>Non-Depreciable Assets:</u>					
Land	77,029	-	-	-	77,029
Construction in Progress	-	-	-	-	-
<u>Total Non-Depreciable Assets</u>	<u>77,029</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,029</u>
<u>Depreciable Assets:</u>					
Buildings	12,780,485	1,118,987	-	-	13,899,472
Site Improvements	431,364	-	-	-	431,364
Vehicles	555,705	-	18,090	-	537,615
Equipment	245,341	30,780	-	-	276,121
Food Service Equipment	91,778	-	-	-	91,778
<u>Total Depreciable Assets</u>	<u>14,104,673</u>	<u>1,149,767</u>	<u>18,090</u>	<u>-</u>	<u>15,236,350</u>
<u>Less Accumulated</u>					
<u>Depreciation for:</u>					
Building	5,500,937	373,747	-	-	5,874,684
Site Improvements	324,524	11,459	-	-	335,983
Vehicles	504,991	30,507	18,090	-	517,408
Equipment	192,651	6,492	-	-	199,143
Food Service Equipment	69,246	7,514	-	-	76,760
<u>Total Accumulated Depreciation</u>	<u>6,592,349</u>	<u>429,719</u>	<u>18,090</u>	<u>-</u>	<u>7,003,978</u>
<u>Total Capital Assets, Net</u>	<u>7,589,353</u>	<u>720,048</u>	<u>-</u>	<u>-</u>	<u>8,309,401</u>

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

Governmental Activities:

Instruction	388,142
Operation & Maintenance	3,556
Transportation	30,507
Food Service	7,514
<u>Total Depreciation Expense –Governmental Activities</u>	<u>429,719</u>

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 6 INTERFUND TRANSACTIONS

<u>Due From</u> <u>Other Funds</u>	<u>Due To</u> <u>Other Funds</u>
None	None

All interfund due to/from amounts were accumulated in the normal course of operations and represent amounts paid or settled between the General Fund and other operating funds of the District. All are expected to be repaid in the upcoming period.

	<u>Transfers To</u> <u>Other Funds</u>	<u>Transfers From</u> <u>Other Funds</u>
General	228,550	-
Capital Reserve – Capital Projects	200,000	-
Food Service Fund	-	28,550
Capital Project – Capital Project Fund	-	<u>400,000</u>
	<u>428,550</u>	<u>428,550</u>

Transfers were made in the normal course of operations to support funding needs.

NOTE 7 ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, at June 30, 2017, are estimated to be \$381,290 and have been budgeted for payment during the following fiscal year. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 8

PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 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:

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 PENSION PLAN (Continued)

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

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

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

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

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

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

Contributions. Eligible employees and Las Animas School District Number RE-1 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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 Las Animas School District Number RE-1 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Las Animas School District Number RE-1 were \$437,931 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 Las Animas School District Number RE-1 reported a liability of \$15,618,571 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 Las Animas School District Number RE-1 proportion of the net pension liability was based on Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 proportion was 0.0525 percent, which was 0.0029 percent less than its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the Las Animas School District Number RE-1 recognized pension expense of \$2,280,567. At June 30, 2017, the Las Animas School District Number RE-1 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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	195,256	(137)
Changes of assumptions or other inputs	5,067,901	(70,432)
Net difference between projected and actual earnings on pension plan investments	522,252	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	(535,956)
Contributions subsequent to the measurement date	225,966	N/A
Total	6,011,375	(606,525)

\$225,966 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2017	
2018	2,006,834
2019	2,093,176
2020	1,073,665
2021	5,209
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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 8 **PENSION PLAN (Continued)**

Sensitivity of the Las Animas School District Number RE-1 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	19,639,851	15,618,571	12,343,384

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 Las Animas School District Number RE-1 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 \$9,960.

Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – The Las Animas School District Number RE-1 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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 8 PENSION PLAN (Continued)

Funding Policy – The Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 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 Las Animas School District Number RE-1 contributions to the HCTF were \$24,300, \$23,969 and \$25,065, respectively equal to their required contributions for each year.

NOTE 9 JOINT VENTURES

Not reflected in the accompanying financial statements is the District's participation in the Santa Fe Trail 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 indicate that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rata basis determined by the BOCES board. The joint venture summary audited financial information for the year ended June 30, 2016, is as follows:

Assets and Deferred Outflows	1,453,439
Liabilities and Deferred Inflows	<u>4,960,218</u>
Net Position	<u>(3,506,779)</u>
Revenues	2,759,270
Expenses	<u>2,941,446</u>
Changes in Net Position	<u>(182,176)</u>

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

NOTE 10 LONG-TERM DEBT

The District had changes in its long-term obligations as follows:

	<u>Balance</u> <u>7-1-2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6-30-2017</u>	<u>Current</u> <u>Portion</u>
Lighting Lease	120,804	-	31,915	88,889	33,961
General Obligation Bonds 2015	1,075,000	-	140,000	935,000	140,000
Deferred Refunding	<u>(12,589)</u>	-	<u>(3,294)</u>	<u>(9,295)</u>	(2,856)
<u>Total</u>	<u>1,183,215</u>	<u>-</u>	<u>168,621</u>	<u>1,014,594</u>	

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 10 LONG-TERM DEBT (Continued)

Lighting Lease

The District entered into a capital Lease arrangement to improve the lighting in District Buildings during the year ended June 30, 2010. The original balance was \$325,375 and called for quarterly payments of \$8,459 to \$9,575. The interest rate is 4.65%. Minimum future payments follow:

<u>Year</u>	<u>Payments</u>	<u>Principal</u>	<u>Interest</u>
2018	37,508	33,961	3,547
2019	38,038	36,106	1,932
2020	<u>19,150</u>	18,822	328
	94,696		
Less Amounts Representing Interest	<u>5,807</u>		
Present Value of Future Minimum Payments	<u>88,889</u>		

General Obligation Refunding Series 2015

On September 2, 2015, the District issued \$1,075,000 in General Obligation Refunding Bonds with an average interest rate of 3.1% to advance refund \$1,090,000 of outstanding 2002 General Obligation Bonds bearing interest rates ranging from 3.00% to 4.75%. Refunding proceeds of \$1,105,018 were deposited with an escrow agent to provide debt service payments of \$1,090,000 in principal and \$183,908 in interest on the 2002 Series Bonds. As a result, that portion of 2002 Bonds is considered to be defeased and the liability for the issue has been removed from the financial statements.

The District completed the advance refunding to reduce the total debt service payments over the next 7 years by \$77,933 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$99,348.

As a result of the difference between the reacquisition price and the carrying amount of the old debt, a deferred refunding was recorded in the amount of \$15,018. It will be amortized against interest costs of the refunding issue.

Below is a schedule of debt service requirements to maturity:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2018	140,000	29,550
2019	150,000	25,350
2020	155,000	19,350
2021	155,000	14,700
2022	165,000	10,050
2023	<u>170,000</u>	<u>5,100</u>
<u>Total</u>	<u>935,000</u>	<u>104,100</u>

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 11 COLORADO SCHOOL DISTRICTS SELF-INSURANCE POOL

The District belongs to the Colorado School Districts 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 coverages. 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 not 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 were 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	<u>48,036,383</u>
Total Liabilities	<u>21,232,630</u>
Total Equity	<u>26,803,753</u>
Revenue	14,232,299
Underwriting Expenses	<u>12,497,566</u>
Underwriting Gain (Loss)	1,734,733
Net Investment Income	690,250
Other Income	-
Net Income (Loss) Before Dividend	<u>2,424,983</u>
Dividend	-
Net Income (Loss)	<u>2,424,983</u>
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>53,761</u>
Return of Capital Contributions from Members	-
Unassigned Surplus	<u>26,803,753</u>

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 12 RISK MANAGEMENT

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

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

NOTE 13 COMPLIANCE WITH BUDGET LAW

During the year ended June 30, 2017, expenditures in the following fund exceeded amounts budgeted:

Capital Project – Capital Project Fund	\$232,752
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REQUIRED SUPPLEMENTARY INFORMATION

BUDGET COMPARISONS

PENSION TREND DATA

BUDGET COMPARISONS

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.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
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 Amounts</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Local Sources</u>				
Property Taxes	1,248,439	1,182,509	1,183,356	847
Specific Ownership Taxes	100,133	102,713	99,087	(3,626)
Earnings on Investments	2,560	2,560	4,726	2,166
Delinquent Taxes & Interest	3,000	4,200	5,107	907
Other	18,000	420,236	43,779	(376,457)
<u>State Sources</u>				
Equalization	2,612,200	7,036,580	7,032,909	(3,671)
Transportation	18,200	26,226	26,473	247
Vocational Education	20,000	20,000	27,141	7,141
Other	27,426	21,895	27,155	5,260
<u>Federal Sources</u>				
Designated Purpose Grants	152,568	140,492	146,480	5,988
Other	-	-	-	-
TOTAL REVENUES	<u>4,202,526</u>	<u>8,957,411</u>	<u>8,596,213</u>	<u>(361,198)</u>
 <u>EXPENDITURES</u>				
<u>Instruction</u>				
<u>Regular Programs</u>				
Salaries	1,464,803	1,464,803	1,419,601	45,202
Employee Benefits	546,298	546,298	501,941	44,357
Purchased Services - Professional	1,000	3,760,030	3,765,872	(5,842)
Purchased Services – Property	3,600	3,600	460	3,140
Purchased Services – Other	158,391	158,391	168,358	(9,967)
Supplies and Materials	126,567	126,567	106,318	20,249
Property	35,778	35,778	25,251	10,527
Other Objects	1,160	1,160	1,160	-
<u>Total Instruction</u>	<u>2,337,597</u>	<u>6,096,627</u>	<u>5,988,961</u>	<u>107,666</u>
 <u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	80,685	80,685	80,580	105
Employee Benefits	29,074	29,074	26,574	2,500
Purchased Services – Professional	36,375	36,375	35,869	506
Purchased Services – Property	-	-	-	-
Purchased Services – Other	120,500	120,500	146,294	(25,794)
Supplies and Materials	14,037	14,037	12,151	1,886
Property	-	-	-	-
Other Objects	5,890	5,890	-	5,890
<u>Total Student Supporting Services</u>	<u>286,561</u>	<u>286,561</u>	<u>301,468</u>	<u>(14,907)</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2017

<u>SUPPORTING SERVICES (Continued)</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance -
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Instructional Staff</u>				
Salaries	80,314	80,314	78,967	1,347
Benefits	85,319	85,319	83,092	2,227
Purchased Services – Professional	81,803	81,803	80,914	889
Purchased Services – Property	-	-	-	-
Purchased Services – Other	-	-	-	-
Supplies and Materials	5,000	5,000	3,456	1,544
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Instructional Staff</u>	<u>252,436</u>	<u>252,436</u>	<u>246,429</u>	<u>6,007</u>
<u>General Administration</u>				
Salaries	94,000	94,000	93,740	260
Employee Benefits	26,957	26,957	26,036	921
Purchased Services – Professional	23,900	23,900	25,534	(1,634)
Purchased Services – Other	9,000	9,000	7,026	1,974
Supplies and Materials	6,800	6,800	4,078	2,722
Property	-	-	-	-
Other Objects	9,100	9,100	8,774	326
<u>Total General Administration</u>	<u>169,757</u>	<u>169,757</u>	<u>165,188</u>	<u>4,569</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	239,089	239,089	236,141	2,948
Employee Benefits	81,515	81,515	77,783	3,732
Purchased Services – Professional	22,200	22,200	22,298	(98)
Purchased Services – Property	-	-	-	-
Purchased Services – Other	2,300	2,300	982	1,318
Supplies and Materials	6,510	6,510	5,109	1,401
Property	4,210	4,210	3,771	439
Other Objects	1,515	1,515	1,215	300
<u>Total School Administration</u>	<u>357,339</u>	<u>357,339</u>	<u>347,299</u>	<u>10,040</u>
<u>Business Services</u>				
Salaries	84,043	84,043	85,043	(1,000)
Employee Benefits	24,071	24,071	22,336	1,735
Purchased Services – Professional	17,000	17,000	17,000	-
Purchased Services – Property	3,000	3,000	1,886	1,114
Purchased Services – Other	600	600	-	600
Supplies and Materials	19,800	19,800	10,827	8,973
Property	-	-	-	-
Other Objects	300	300	-	300
<u>Total Business Services</u>	<u>148,814</u>	<u>148,814</u>	<u>137,092</u>	<u>11,722</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
GENERAL 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>Actual Amounts</u>	Variance - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>SUPPORTING SERVICES (Continued)</u>				
<u>Operations and Maintenance</u>				
Salaries	163,492	163,492	166,159	(2,667)
Employee Benefits	52,572	52,572	52,572	-
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	64,510	64,510	54,604	9,906
Purchased Services – Other	50,055	50,055	45,856	4,199
Supplies and Materials	255,300	255,300	238,127	17,173
Property	1,200	1,200	508	692
Other Objects	-	-	-	-
<u>Total Operations and Maintenance</u>	<u>587,129</u>	<u>587,129</u>	<u>557,826</u>	<u>29,303</u>
<u>Student Transportation</u>				
Salaries	65,000	65,000	70,713	(5,713)
Employee Benefits	13,618	13,618	14,772	(1,154)
Purchased Services – Professional	1,700	1,700	1,340	360
Purchased Services – Property	25,000	25,000	23,270	1,730
Purchased Services – Other	11,800	11,800	11,372	428
Supplies and Materials	24,200	24,200	16,262	7,938
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Student Transportation</u>	<u>141,318</u>	<u>141,318</u>	<u>137,729</u>	<u>3,589</u>
<u>Central Support</u>				
Purchased Services – Professional	750	750	770	(20)
Purchased Services – Other	84,900	84,900	60,572	24,328
<u>Total Central Support</u>	<u>85,650</u>	<u>85,650</u>	<u>61,342</u>	<u>24,308</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>2,029,004</u>	<u>2,029,004</u>	<u>1,954,373</u>	<u>74,631</u>
Capital Outlay – Facilities	-	392,000	16,668	375,332
Debt Service	36,980	36,980	36,980	-
Appropriated Reserves	830,015	1,543,435	-	1,543,435
<u>TOTAL EXPENDITURES</u>	<u>5,233,596</u>	<u>10,098,046</u>	<u>7,996,982</u>	<u>2,101,064</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(1,031,070)</u>	<u>(1,140,635)</u>	<u>599,231</u>	
<u>Other Financing Sources (Uses)</u>				
Transfers	(199,050)	(228,550)	(228,550)	-
<u>Total Other Financing Sources (Uses)</u>	<u>(199,050)</u>	<u>(228,550)</u>	<u>(228,550)</u>	<u>-</u>
<u>Revenues and Other Financing Sources Over</u>				
<u>(Under) Expenditures and Other Uses</u>	<u>(1,230,120)</u>	<u>(1,369,185)</u>	<u>370,681</u>	
<u>FUND BALANCE, July 1</u>	<u>1,230,120</u>	<u>1,369,185</u>	<u>1,369,182</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>-</u>	<u>1,739,863</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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)	0.0524%	0.0554%	0.0582%	0.0602%	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$15,618,571	\$8,468,936	\$7,884,069	\$7,671,728	-	-	-	-	-	-
District's covered-employee payroll	\$2,382,277	\$2,349,848	\$2,457,376	\$2,423,132	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	655%	360%	321%	317%	-	-	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	43.13%	59.16%	62.80%	64.06%	-	-	-	-	-	-

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 For The Last 10 Fiscal Years (As Available)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contributions	\$ 437,931	\$ 416,702	\$ 414,975	\$ 389,021	\$ 371,082	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (437,931)</u>	<u>\$ (416,702)</u>	<u>\$ (414,975)</u>	<u>\$ (389,021)</u>	<u>\$ (371,082)</u>	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
District's covered-employee payroll	\$2,382,277	\$2,349,848	\$2,457,376	\$2,433,132	\$2,449,484	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	18.38%	17.73%	16.89%	16.05%	15.15%	-	-	-	-	-

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

COMBINING FUND FINANCIAL STATEMENTS
AND INDIVIDUAL FUND BUDGET SCHEDULES

Capital Project Funds

Capital Project – Capital Project Fund - This fund accounts for a capital project funded through dedicated revenues from bonds, grants or other sources.

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

Bond Redemption Debt Service Fund

Bond Redemption Debt Service Fund – Used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.

Food Service Fund

This fund accounts for all the financial activities associated with the District's school breakfast and lunch program.

Designated Purpose Grants Fund

This fund is provided to maintain a separate accounting for federal and state grant funded programs which normally have a different fiscal period than that of the District.

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2017

	<u>Special Revenue Funds</u>		Capital Project Fund	Total Nonmajor Governmental Funds
	<u>Food Service</u>	<u>Designated Purpose Grants</u>	Reserve Capital Project	
<u>Assets</u>				
Cash and Equivalents	17,546	20,973	180,442	218,961
Investments	-	-	-	-
Accounts Receivable	52,900	-	-	52,900
Accrued Revenue	-	12,626	-	12,626
Due From Other Funds	-	-	-	-
Inventories	<u>9,112</u>	<u>-</u>	<u>-</u>	<u>9,112</u>
<u>Total Assets</u>	<u>79,558</u>	<u>33,599</u>	<u>180,442</u>	<u>293,599</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	-	-	-	-
Accrued Salaries	17,255	33,402	-	50,657
Due To Other Funds	-	-	-	-
<u>Total Liabilities</u>	<u>17,255</u>	<u>33,402</u>	<u>-</u>	<u>50,657</u>
<u>Fund Balances:</u>				
Nonspendable:				
Inventories	9,112	-	-	9,112
Restricted:				
Food Service	53,191	-	-	53,191
Committed:				
Capital Outlay	-	-	180,442	180,442
Assigned:				
Grant Expenditures	-	197	-	197
Unassigned:				
<u>Total Fund Balances</u>	<u>62,303</u>	<u>197</u>	<u>180,442</u>	<u>242,942</u>
<u>Total Liabilities & Fund Balances</u>	<u>79,558</u>	<u>33,599</u>	<u>180,442</u>	<u>293,599</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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>		Capital Project Fund	
	<u>Food Service</u>	<u>Designated Purpose Grants</u>	Capital Reserve Capital Project	Total Other Governmental Funds
<u>Revenues</u>				
Local Sources:				
Earnings on Investments	210	-	941	1,151
Fees and Charges	45,706	-	-	45,706
State Sources	5,297	-	-	5,297
Federal Sources	<u>260,830</u>	<u>261,202</u>	-	<u>522,032</u>
<u>Total Revenues</u>	<u>312,043</u>	<u>261,202</u>	<u>941</u>	<u>574,186</u>
<u>Expenditures</u>				
Current:				
Instructional Services	-	239,198	-	239,198
Supporting Services				
Instructional Staff	-	22,004	-	22,004
Food Service	303,935	-	-	303,935
Capital Outlay	-	-	65,216	65,216
<u>Total Expenditures</u>	<u>303,935</u>	<u>261,202</u>	<u>65,216</u>	<u>630,353</u>
<u>Excess (Deficiency) of Revenues Over (Under) Expenditures</u>	8,108	-	(64,275)	(56,167)
<u>Other Financing Sources (Uses)</u>				
Transfers	<u>28,550</u>	-	(200,000)	(171,450)
<u>Net Change in Fund Balances</u>	36,658	-	(264,275)	(227,617)
<u>Fund Balances – Beginning</u>	<u>25,645</u>	<u>197</u>	<u>444,717</u>	<u>470,559</u>
<u>Fund Balances – Ending</u>	<u>62,303</u>	<u>197</u>	<u>180,442</u>	<u>242,942</u>

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 CAPITAL PROJECT - CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	Variance - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
State Grants	<u>1,603,159</u>	<u>668,693</u>	<u>845,567</u>	<u>176,874</u>
<u>Total Revenues</u>	<u>1,603,159</u>	<u>668,693</u>	<u>845,567</u>	<u>176,874</u>
<u>Expenditures</u>				
Capital Outlay Buildings	<u>2,001,487</u>	<u>824,208</u>	<u>1,056,960</u>	<u>(232,752)</u>
<u>Total Expenditures</u>	<u>2,001,487</u>	<u>824,208</u>	<u>1,056,960</u>	<u>(232,752)</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(398,328)</u>	<u>(155,515)</u>	<u>(211,393)</u>	
<u>Other Financing Sources (Uses)</u>				
Transfers	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
<u>Revenues and Sources Over (Under) Expenditures and Uses</u>	<u>1,672</u>	<u>244,485</u>	<u>188,607</u>	
<u>FUND BALANCES, July 1</u>	<u>665</u>	<u>13,251</u>	<u>13,251</u>	
<u>FUND BALANCES, June 30</u>	<u>2,337</u>	<u>257,736</u>	<u>201,858</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 CAPITAL RESERVE - CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	Variance - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Local	-	-	-	-
Earnings on Investments	900	900	941	41
State Grants	-	-	-	-
Federal Grants	-	-	-	-
<u>Total Revenues</u>	<u>900</u>	<u>900</u>	<u>941</u>	<u>41</u>
<u>Expenditures</u>				
Capital Outlay	20,000	220,000	65,216	154,784
Appropriated Reserves	<u>6,265</u>	<u>25,617</u>	-	<u>25,617</u>
<u>Total Expenditures</u>	<u>26,265</u>	<u>245,617</u>	<u>65,216</u>	<u>180,401</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(25,365)</u>	<u>(244,717)</u>	<u>(64,275)</u>	
<u>Other Financing Sources (Uses)</u>				
Transfers	<u>(250,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	-
<u>Total Other Financing Sources (Uses)</u>	<u>(250,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	-
<u>Revenues and Sources Over (Under) Expenditures and Uses</u>	<u>(275,365)</u>	<u>(444,717)</u>	<u>(264,275)</u>	
<u>FUND BALANCES, July 1</u>	<u>275,365</u>	<u>444,717</u>	<u>444,717</u>	
<u>FUND BALANCES, June 30</u>	<u>-</u>	<u>-</u>	<u>180,442</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 BOND REDEMPTION DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2017

	Budget Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Property Tax	185,000	185,000	168,721	(16,279)
Specific Ownership Tax	15,000	15,000	15,069	69
Earnings on Investments	600	600	4,619	4,019
Other Local	600	600	838	238
<u>Total Revenues</u>	<u>201,200</u>	<u>201,200</u>	<u>189,247</u>	<u>(11,953)</u>
<u>EXPENDITURES</u>				
Debt Service:				
Principal	140,000	140,000	140,000	-
Interest	31,650	31,650	31,650	-
Other	1,200	1,200	800	400
Appropriated Reserves	665,591	745,641	-	745,641
<u>Total Expenditures</u>	<u>838,441</u>	<u>918,491</u>	<u>172,450</u>	<u>746,041</u>
<u>REVENUES OVER (UNDER)</u>				
<u>EXPENDITURES</u>	(637,241)	(717,291)	16,797	
<u>FUND BALANCES, July 1</u>	<u>637,241</u>	<u>717,291</u>	<u>681,019</u>	
<u>FUND BALANCES, June 30</u>	<u>-</u>	<u>-</u>	<u>697,816</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 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>Budgeted Amounts</u>		<u>Actual</u>	Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Budget</u>		
<u>REVENUES</u>				
<u>Local Sources</u>				
Food Sales	31,350	40,220	45,706	5,486
Earnings on Investments	135	135	210	75
Other	-	-	-	-
<u>State Sources</u>				
School Lunches and Breakfast	3,900	4,800	5,297	497
<u>Federal Sources</u>				
School Lunches and Breakfast	190,500	255,000	243,393	(11,607)
Commodities	<u>8,000</u>	<u>8,000</u>	<u>17,437</u>	<u>9,437</u>
<u>Total Revenues</u>	<u>233,885</u>	<u>308,155</u>	<u>312,043</u>	<u>3,888</u>
 <u>EXPENDITURES</u>				
Salaries	92,006	97,711	88,613	9,098
Employee Benefits	43,643	41,826	38,244	3,582
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	500	500	268	232
Purchased Services - Other	100	5,750	1,551	4,199
Food Purchases	128,500	156,100	144,022	12,078
Capital Outlay	-	-	1,991	(1,991)
Commodities	9,000	9,000	17,437	(8,437)
Non-Food Supplies	12,880	13,529	11,809	1,720
Other	-	-	-	-
Appropriated Reserves	-	<u>38,304</u>	-	<u>38,304</u>
<u>Total Expenditures</u>	<u>286,629</u>	<u>362,720</u>	<u>303,935</u>	<u>58,785</u>
 <u>REVENUES OVER (UNDER)</u>				
<u>EXPENDITURES</u>	(52,744)	(54,565)	8,108	
 <u>OTHER FINANCING SOURCES</u>				
<u>(USES)</u>				
Transfers	<u>49,050</u>	<u>28,550</u>	<u>28,550</u>	-
 <u>REVENUES AND SOURCES OVER</u>				
<u>(UNDER) EXPENDITURES AND USES</u>	(3,694)	(26,015)	36,658	
 <u>FUND BALANCE, July 1</u>				
	<u>3,694</u>	<u>26,015</u>	<u>25,645</u>	
<u>FUND BALANCE, June 30</u>				
	<u>-</u>	<u>-</u>	<u>62,303</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
DESIGNATED PURPOSE GRANT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
For the Year Ended June 30, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	<u>311,179</u>	<u>274,708</u>	<u>261,202</u>	<u>(13,506)</u>
<u>Total Revenues</u>	<u>311,179</u>	<u>274,708</u>	<u>261,202</u>	<u>(13,506)</u>
<u>Expenditures</u>				
Instruction	275,469	243,358	239,198	4,160
Support Services	35,710	31,547	22,004	9,543
Other	<u>197</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Expenditures</u>	<u>311,376</u>	<u>274,905</u>	<u>261,202</u>	<u>13,703</u>
<u>Revenues Over (Under) Expenditures</u>	(197)	(197)	-	
<u>Other Financing Sources (Uses)</u>				
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Revenues and Sources Over (Under)</u>				
<u>Expenditures and Uses</u>	(197)	(197)	-	
<u>Fund Balance, July 1</u>	<u>197</u>	<u>197</u>	<u>197</u>	
<u>Fund Balance, June 30</u>	<u>-</u>	<u>-</u>	<u>197</u>	

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

LAS ANIMAS SCHOOL DISTRICT NUMBER RE-1
 STUDENT ACTIVITY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES –
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>RECEIPTS</u>			
Other Local	273,436	165,621	(107,815)
<u>Total Receipts</u>	<u>273,436</u>	<u>165,621</u>	<u>(107,815)</u>
 <u>EXPENDITURES</u>			
Pupil Activities	273,436	174,680	<u>98,756</u>
 Net Increase (Decrease) in Deposits Held	-	(9,059)	
Deposits Held – Beginning of Year	<u>-</u>	<u>93,936</u>	
Deposits Held – End of Year	<u>-</u>	<u>84,877</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: 0290 - LAS ANIMAS RE-1
 Fiscal Year 2016-17
 Colorado School District/BOCES

Fund Type & Number	Beg Fund Balance & Prior Per Adj. (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental				
10 General Fund	1,341,826	8,191,494	7,794,876	1,738,364
18 Riv. Mgmt. Sub-Fund of General Fund	0	0	0	0
19 Colorado Prichool Program Fund	27,356	176,229	202,106	1,479
Sub-Total	1,369,182	8,367,723	7,996,982	1,739,843
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	35,645	340,593	303,935	62,303
22 Govt Designated-Purpose Grants Fund	197	261,202	261,202	197
33 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	681,019	189,247	172,450	687,816
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	13,251	1,245,567	1,056,960	201,858
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	444,717	-199,059	55,277	180,442
46 Supplemental Cap Const. Tech. Main Fund	0	0	0	0
Totals	1,369,182	9,862,838	9,253,667	2,420,209
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (E3) RA-Related Activity Fund	0	0	0	0
69.55-69 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	91,936	165,621	174,630	64,877
79 GASB 34 Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	91,936	165,621	174,630	64,877
FINAL	2,760,054	10,028,459	9,428,300	2,485,086



Colorado Department of Education
Bolded Balance Sheet Report
 District: 0290 - LAS ANIMAS RE-1
 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)	2,287,551	0	40,948	20,973	0	17,546	694,185	550,555	0	0	0	0	84,877	0	3,696,636
Cash with Fiscal Agent (8105)	11,379	0	0	0	0	0	1,625	0	0	0	0	0	0	0	13,004
Taxes Receivable (8121,8122)	43,000	0	0	0	0	0	6,000	0	0	0	0	0	0	0	49,000
Interfund Loans Receivable (8131,8132)	19,534	0	0	0	0	0	0	0	0	0	0	0	0	0	19,534
Grants, Accounts Receivable (8142)	116,295	0	0	12,626	0	52,900	0	659,442	0	0	0	0	0	0	841,262
Other Receivables (8151-8154,8161)	6,785	0	0	0	0	0	0	0	0	0	0	0	0	0	6,785
Inventories (8171,8172,8173)	0	0	0	0	0	9,112	0	0	0	0	0	0	0	0	9,112
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	2,484,545	0	40,948	33,599	0	79,558	701,810	1,209,997	0	0	0	0	84,877	0	4,635,334

	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
LIABILITIES & FUND EQUITY															
LIABILITIES															
Interfund Payables (7401,7402)	0	0	19,534	0	0	0	0	0	0	0	0	0	0	0	19,534
Intergovernmental Payables (7411)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Payables (7421-7423)	33,809	0	0	0	0	0	0	766,846	0	0	0	0	0	0	800,655
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	60,850	0	0	0	0	0	0	60,850
Accrued Expenses (7461)	310,698	0	19,935	33,402	0	17,255	0	0	0	0	0	0	0	0	381,290
Payroll Ded. and Withholdings (7471-7473)	6	0	0	0	0	0	0	0	0	0	0	0	0	0	6
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Deferred Revenue (7482)	375,332	0	0	0	0	0	0	0	0	0	0	0	0	0	375,332
Deferred Inflow (7800)	26,316	0	0	0	0	0	3,994	0	0	0	0	0	0	0	30,310
Total Liabilities	746,161	0	39,469	33,402	0	17,255	3,994	827,696	0	0	0	0	0	0	1,667,978

Fiduciary

Proprietary

Governmental

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	9,112	0	0	0	0	0	0	0	0	9,112			
Restricted Fund Balance 6720	0	0	0	0	0	53,191	697,816	0	0	0	0	0	0	0	751,007			
TABOR 3% Emergency Reserve 6721	281,000	0	0	0	0	0	0	0	0	0	0	0	0	0	281,000			
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	1,479	0	0	0	0	0	0	0	0	0	0	0	1,479			
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	382,300	0	0	0	0	0	0	382,300			
Assigned Fund Balance 6760	0	0	0	197	0	0	0	0	0	0	0	0	84,877	85,074				
Unassigned Fund Balance 6770	1,457,384	0	0	0	0	0	0	0	0	0	0	0	0	1,457,384				
Invested in Capital Assets, Net of Related Debt 6790	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				
Unrestricted Net Assets 6792	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				
Total Fund Equity	1,738,384	0	1,479	197	0	62,303	697,816	382,300	0	0	0	0	84,877	0	2,967,356			

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			
General Funds 10,12-18	2,484,545	0	40,948	33,599	0	79,558	701,810	1,209,996	0	0	0	0	84,877	0	4,635,334			
Charter School Fund 11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Preschool Fund 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Special Revenue Funds 20, 22-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Supplemental Cap Const Fund 06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Food Service Special Revenue Fund 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Debt Service Funds 30-39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Capital Projects Funds 40-45, 47-49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Supplemental Cap Const Fund 46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Other Enterprise Funds 50, 52-59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Risk-Related Activity Funds 63-64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Other Internal Service Funds 60	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Trust & Agency Funds 70-79	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Foundations Fund 85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total Liabilities & Fund Equity	2,484,545	0	40,948	33,599	0	79,558	701,810	1,209,996	0	0	0	0	84,877	0	4,635,334			

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			
General Funds 10,12-18	2,484,545	0	40,948	33,599	0	79,558	701,810	1,209,996	0	0	0	0	84,877	0	4,635,334			
Charter School Fund 11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Preschool Fund 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Special Revenue Funds 20, 22-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Supplemental Cap Const Fund 06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Food Service Special Revenue Fund 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Debt Service Funds 30-39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Capital Projects Funds 40-45, 47-49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Supplemental Cap Const Fund 46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Other Enterprise Funds 50, 52-59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Risk-Related Activity Funds 63-64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Other Internal Service Funds 60	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Trust & Agency Funds 70-79	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Foundations Fund 85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			

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

Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes