

cPa DIXON, WALLER & CO., INC.

BRANSON SCHOOL DISTRICT RE-82

BRANSON, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2017



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DIXON, WALLER & CO., INC.

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BRANSON SCHOOL DISTRICT RE-82

FINANCIAL STATEMENTS

JUNE 30, 2017

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BRANSON SCHOOL DISTRICT NUMBER RE-82
ROSTER OF SCHOOL OFFICIALS
June 30, 2017

BOARD OF EDUCATION

Jerry Winford	President
Carlyn Pickard	Vice-President
Allen Winford	Secretary
Dick Loudon	Treasurer
Brian Brown	Director

SCHOOL OFFICIALS

Dr. Brad Caldwell	Superintendent
Marlene Brown	Business Manager

FINANCIAL SECTION

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

INDEPENDENT AUDITOR'S REPORT

Board of Education
Branson School District Number RE-82
Branson, Colorado 81027

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Branson School District Number RE-82, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Branson School District Number RE-82, 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 and budgetary comparison information, and pension trend data on pages i through x and 34 through 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Branson School District Number RE-82's basic financial statements. The combining and individual fund financial statements, other schedules, and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Dixon, Waller & Co., P.C.

Trinidad, Colorado
November 15, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

Branson School District RE-82
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2017

This section of the Branson School District RE-82's annual financial report offers readers of the District's financial statements its discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information furnished in the District's financial statements, which immediately follow this section.

Financial Highlights

The District's financial position increased over the course of the 2017 fiscal year. The assets of the District were less than its liabilities at the close of the fiscal year by \$5,538,159. The district decreased the ending net position by \$1,539,594.

State equalization payments account for 83% of all revenue. Local property taxes, specific ownership taxes, investments and other local and federal sources account for 17%.

The District had \$5,167,947 in expenses related to governmental activities; only \$196,437 of these expenses was offset by program specific charges for services, grants and contributions. General revenues of \$3,431,916 were adequate to provide for these programs.

The general fund had \$3,530,648 in revenues and \$3,304,153 in expenditures and transfers. The fund balance increased by \$226,495 from July 1, 2016 to June 30, 2017.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to Branson School District RE-82's basic financial statements. The basic financial statements consist of three parts – management's discussion and analysis (this section), the basic financial statements and required supplementary information.

The basic financial statements include two kinds of statements that present different views of the District. The basic financial statements are government-wide financial statements that provide both long-term and short term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District government, reporting the District's operations in more detail than the government-wide statements.

- The governmental funds statements tell how general government services were financed in the short-term as well as what remains for future spending.
- Proprietary fund statements offer short and long term financial information about the activities that the district operates like businesses, i.e. food service.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

Branson School District RE-82
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2017

Table 2 displayed on the following page summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the two types of financial statements, district-wide and fund, found in the basic financial statements.

Table 2
Major Features of the District-Wide and Fund Financial Statements

	District-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: nutritional services	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required Financial Statements	Statement of net position Statement of Activities	Balance Sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenses and changes in fund net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements are designed to provide readers a broad overview of Branson School District RE-82's finances, in a manner similar to a private-sector business.

The *statement of net position* includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. 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 whether the financial position of Branson School District RE-82 is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as the condition of school building and other facilities.

The *statement of activities* presents information showing how the government's net **position** changed during the most recent fiscal year. All changes in net **position** are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods.

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

The basic district-wide financial statements can be found on pages 3 and 4 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law. Other funds control and manage money for particular purposes (such as federal grants). The District's funds are divided into two categories: governmental funds and fiduciary funds.



Branson School District RE-82
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2017

- *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally focus on (1) inflows and outflows of cash and other financial assets and (2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the district-wide statements, a reconciling schedule is included on the governmental funds statements explaining the relationship (or difference) between them.

Branson School District RE-82 maintains four governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund. Capital reserve capital projects fund, the grants special revenue fund and the food services special revenue fund are included in the combining and individual fund statements and other schedule section of the report. Included in the required supplementary information section is budget-to-actual information for all governmental funds as required by state law.

The basic governmental fund financial statements can be found on pages 5-8 of this report..

- *Fiduciary funds:* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The District is responsible for ensuring the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

The District currently has one fiduciary fund - the student activity fund used to account for student activities.

The basic fiduciary fund statements can be found on pages 9 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 10-33 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This includes budget-to-actual information for all funds as dictated by state law.

Branson School District RE-82
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2017

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

This section will explain the differences between the current and prior year's assets, liabilities, and changes in net position.

Table 3 provides a summary of the District's net position as of June 30, 2016 and 2017.

Table 3
Branson School District RE-82
Condensed Statement of Net Position as of June 30, 2017

	Governmental Activities <u>2015-2016</u>	Business- Type Activities <u>2015-16</u>	<u>Total</u>	Governmental Activities <u>2016-2017</u>	Business- Type Activities <u>2016-17</u>	<u>Total</u>
Assets						
Current and						
Other	1,662,174		1,662,174	5,511,399		5,511,399
Assets						
Capital	<u>1,003,247</u>		<u>1,003,247</u>	<u>963,073</u>		<u>963,073</u>
Assets						
Total	2,665,421		2,665,421	6,474,472		6,474,472
Assets						
Liabilities	<u>6,663,986</u>		<u>6,663,986</u>	<u>12,012,631</u>		<u>12,012,631</u>
Net Position						
Invested in						
Cap Assets	<u>1,003,247</u>		<u>1,003,247</u>	<u>963,073</u>		<u>963,073</u>
Food						
Service	3,976		3,976	3,070		3,070
Tabor	105,400		105,400	106,215		106,215
Unrestricted	<u>(5,111,188)</u>		<u>(5,111,188)</u>	<u>(6,610,517)</u>		<u>(6,610,517)</u>
Total Net	(3,998,565)		(3,998,565)	(5,538,159)		(5,538,159)
Position						

Branson School District RE-82
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2017

The *statement of net position* reports all financial and capital resources. The statement presents assets and liabilities in order of relative liquidity. All liabilities reported are current as of June 30, 2017 consisting of accounts payable and accrued salaries and benefits. The difference between the district's assets and liabilities is its net **position**.

Changes in Net Position

This section shows a condensed financial comparison of revenue and expenses. Readers will note that the greatest change in this statement is accumulated depreciation

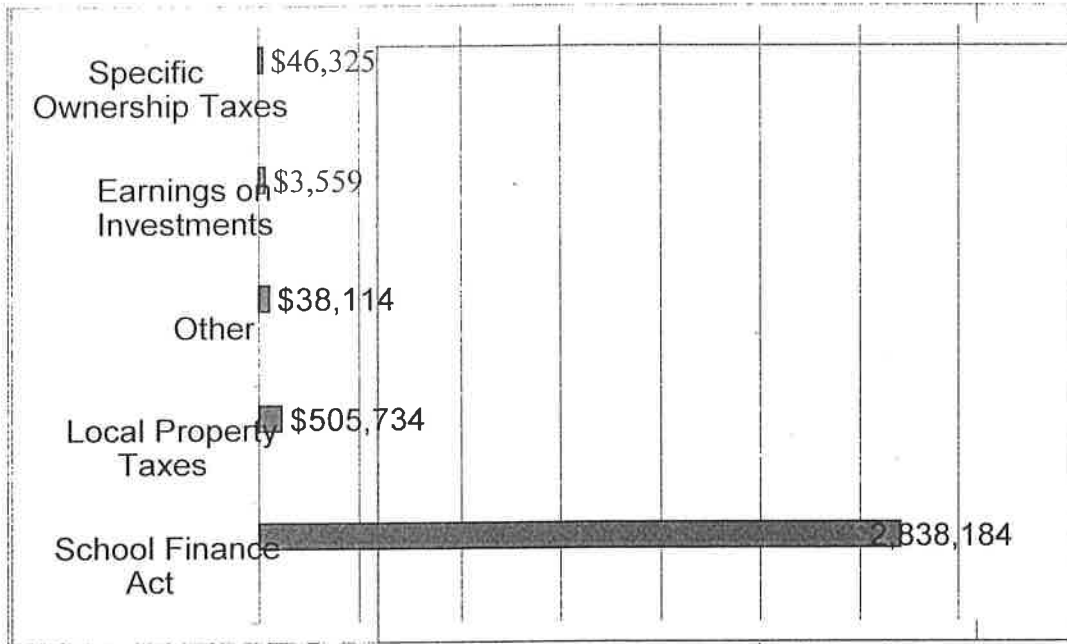
Table 4
Branson School District RE-82

	Governmental Activities <u>2015-16</u>	<u>Total</u>	Governmental Activities <u>2016-17</u>	<u>Total</u>
Revenues				
Charges for:				
Services	22,777	22,777	25,025	25,025
Operating Grants and Contributions	166,135	166,135	171,142	171,142
Capital Grants and Contributions				
General Revenues				
Taxes	499,720	499,720	505,734	505,734
State Equalization	2,746,265	2,746,265	2,838,184	2,838,184
Other	78,327	78,327	41,673	41,673
Specific Ownership	40,631	40,631	46,325	46,325
Total Revenues	<u>3,553,855</u>	<u>3,553,855</u>	<u>3,431,916</u>	<u>3,431,916</u>
Expenses				
Instruction	2,230,235	2,230,235	2,320,136	2,320,136
Instructional Staff	59,603	59,603	59,744	59,744
Administration	352,169	352,169	396,306	396,306
Business and Central Support	213,046	213,046	297,112	297,112
Operations and Maintenance	171,523	171,523	172,112	172,112
Student Transportation	105,880	105,880	92,679	92,679
Food Services	86,998	86,998	99,849	99,849
Facilities/Pension	193,563	193,563	1,730,009	1,730,009
Community Service	377	377		
Total Expenses	<u>3,413,394</u>	<u>3,413,394</u>	<u>5,167,947</u>	<u>5,167,947</u>
Contributed Capital				
Increase(Decrease) in Net Position	140,461	140,461	(1,539,594)	(1,539,594)
Beginning Net Position (July 1)	<u>(4,139,026)</u>	<u>(4,139,026)</u>	<u>(3,998,565)</u>	<u>(3,998,565)</u>
Total Net Position	<u>(3,998,565)</u>	<u>(3,998,565)</u>	<u>(5,538,159)</u>	<u>(5,538,159)</u>

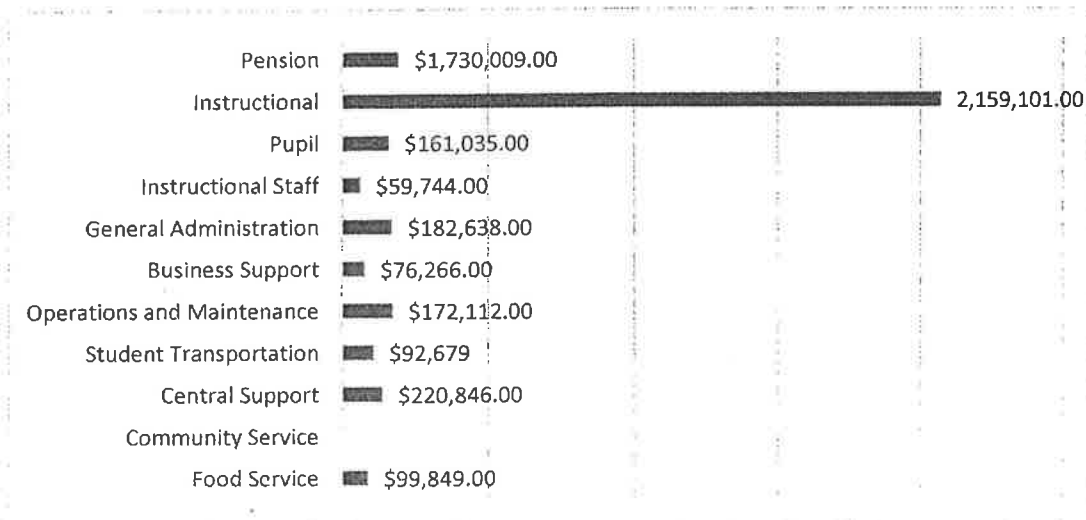
Branson School District RE-82
 Management's Discussion and Analysis
 For The Fiscal Year Ended June 30, 2017

Condensed Statement of Changes in Net Position as of June 30, 2017

**Table 5
 Branson School District RE-82
 Total Revenues FYE 2017**



**Table 6
 Branson School District RE-82
 Total Expenditures FYE 2017**



Branson School District RE-82
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2017

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this act, the District receives \$8,166.88 per funded student and \$6,794.63 per online student. In FY 2016-2017, the funded pupil count was 62.4FTE. The online pupil count was 387.5. Funding for the School Finance Act comes from property taxes, specific ownership taxes and state equalization. The District received approximately 83 percent of its funding from state equalization and 17 percent from local property taxes and specific ownership taxes.

The statement of activities provides the cost of program services and the related charges for services and grants offsetting those costs. Table 7 reflects each programs net cost (total cost less fees generated by the programs and intergovernmental aid provided for specific programs).

Table 7
Branson School District RE-82
Net Cost of Governmental Activities FY 2016-2017

	2015-2016 Total Cost of Services	2015-2016 Net Cost of Services	2016-2017 Total Cost of Services	2016-2017 Net Cost of Services
Instructional	2,230,235	2,120,926	2,320,136	2,204,088
Instructional Staff	59,603	59,603	59,744	59,744
General Administration	170,037	170,037	182,638	182,638
School Administration	182,132	182,132	213,668	213,668
Business Support	76,041	76,041	76,266	76,266
Operations & Maintenance	171,523	160,046	172,112	161,901
Student Transportation	105,880	79,105	92,679	70,594
Central Support & Capital Outlay	250,956	137,005	220,846	220,846
Community Services	377	377		
Facilities				
Food Services	86,998	45,647	99,849	51,756
Pension Amortization	193,563	193,563	1,730,009	1,730,009
Total	3,413,394	3,224,482	5,167,947	4,971,510

Table 8
Branson School District RE-82
Condensed Statement of Changes in Capital Assets
Governmental Activities

	Balance 1-Jul-15	Additions	Deletions	Balance 30-Jun-16	Balance 1-Jul-15	Additions	Deletions	Balance 30-Jun-16
Non-Depreciable Assets	40,800			40,800	40,800			40,800
Depreciable Assets	2,478,352	29,995		2,508,347	2,508,347	42,450		2,550,797
Less Accumulated Depreciation	(1,464,530)	(81,370)		(1,545,900)	(1,545,900)	(82,624)		(1,628,524)
Total Capital Assets	1,003,247	(51,375)		1,003,247	1,003,247	(40,174)		963,073

Business Activities – Food Service Proprietary Fund

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

The focus of the District's governmental funds report is to provide information on near term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

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 Board of Education approves a budget in June based on enrollment projections for the following school year. In January of 2017, the Board of Education approved a revised issuance of the budget. The primary reasons for the revision were a more precise student enrollment count and an updated beginning fund balance figure.

Actual revenues for the General Fund totaled \$3,467,479 which was \$641,596 more than the final budget primarily due to an increase of revenue from state equalization, local sources and specific ownership taxes. The actual expenditures of \$3,007,296 were below budget by \$589,306 primarily due to tightened expenditures overall. The \$540,126 fund balance as of June 30, 2016 includes reservations for prior year adjustment of \$11,190.75 for payback from 2013/2014 and payback due to CDE student audit.

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:

- Lower enrollment in the district will result in dramatically lower revenues.
- Increased investment in instruction per student will increase expenditures.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customer, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Superintendent or Business Manager, Branson RE-82, 101 Saddlerock Drive, Branson, CO 81027

Respectfully submitted,

Brad Caldwell, Superintendent

BASIC FINANCIAL STATEMENTS

BRANSON SCHOOL DISTRICT NUMBER RE-82
STATEMENT OF NET POSITION
June 30, 2017

	<u>Governmental</u> <u>Activities</u>	<u>Total</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash	1,008,905	1,008,905
Investments	93,091	93,091
Property Taxes Receivable	10,542	10,542
Accounts Receivable	4,922	4,922
Inventories	1,009	1,009
<u>Total Current Assets</u>	<u>1,118,469</u>	<u>1,118,469</u>
<u>Capital Assets:</u>		
Land	40,800	40,800
Depreciable Assets	2,550,797	2,550,797
Accumulated Depreciation	(1,628,524)	(1,628,524)
<u>Capital Assets Net of Depreciation</u>	<u>963,073</u>	<u>963,073</u>
<u>TOTAL ASSETS</u>	<u>2,081,542</u>	<u>2,081,542</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
Deferred Pension Cost – Plan	4,223,554	4,223,554
Deferred Pension Cost – Entity	-	-
Deferred Pension Cost - Contributions Subsequent to Pension Measurement Date	169,376	169,376
<u>Total Deferred Outflow of Resources</u>	<u>4,392,930</u>	<u>4,392,930</u>
 <u>LIABILITIES</u>		
<u>Current Liabilities:</u>		
Accounts Payable	16,179	16,179
Accrued Salaries and Benefits	277,263	277,263
Unearned Grant Payments	50,331	50,331
<u>Total Current Liabilities</u>	<u>343,773</u>	<u>343,773</u>
<u>Long-Term Liabilities</u>		
Net Pension Obligation	11,402,110	11,402,110
<u>Total Long-Term Liabilities</u>	<u>11,402,110</u>	<u>11,402,110</u>
<u>TOTAL LIABILITIES</u>	<u>11,745,883</u>	<u>11,745,883</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>		
Deferred Pension – Plan	51,518	51,518
Deferred Pension – Entity	215,230	215,230
<u>Total Deferred Inflow of Resources</u>	<u>266,748</u>	<u>266,748</u>
 <u>NET POSITION</u>		
Net Investment in Capital Assets	963,073	963,073
Restricted for:		
Food Services	3,070	3,070
TABOR (Emergencies)	106,215	106,215
Preschool	-	-
Unrestricted	(6,610,517)	(6,610,517)
<u>TOTAL NET POSITION</u>	<u>(5,538,159)</u>	<u>(5,538,159)</u>

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

BRANSON SCHOOL DISTRICT NUMBER RE-82
STATEMENT OF ACTIVITIES
Fiscal Year Ended June 30, 2017

	Net (Expenses) Revenue and Changes in Net Position			
	Primary Government			Total
	Charges for Services	Program Revenues Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities
Expenses				
FUNCTIONS/PROGRAMS				
<u>Primary Government:</u>				
<u>Governmental Activities</u>				
Instruction	2,159,101	115,989	-	(2,043,112)
Pupil	161,035	59	-	(160,976)
Instructional Staff	59,744	-	-	(59,744)
General Administration	182,638	-	-	(182,638)
School Administration	213,668	-	-	(213,668)
Business Support	76,266	-	-	(76,266)
Operation & Maintenance	172,112	-	-	(161,901)
Student Transportation	92,679	22,085	-	(70,594)
Central Support	220,846	-	-	(220,846)
Food Services	99,849	33,279	-	(51,756)
Community Services	-	-	-	-
Capital Outlay	-	-	-	-
Pension Expense	<u>1,730,009</u>	<u>-</u>	<u>-</u>	<u>(1,730,009)</u>
<u>Total Governmental Activities</u>	<u>5,167,947</u>	<u>171,412</u>	<u>-</u>	<u>(4,971,510)</u>
<u>Total Primary Government</u>	<u>5,167,947</u>	<u>171,412</u>	<u>-</u>	<u>(4,971,510)</u>
<u>General Revenues</u>				
Local Property Taxes		505,734		505,734
Specific Ownership Taxes		46,325		46,325
State Equalization		2,838,184		2,838,184
Earnings on Investments		3,559		3,559
Other		<u>38,114</u>		<u>38,114</u>
<u>Total General Revenues</u>		<u>3,431,916</u>		<u>3,431,916</u>
<u>Change in Net Position</u>		<u>(1,539,594)</u>		<u>(1,539,594)</u>
<u>Net Position, Beginning</u>		<u>(3,998,565)</u>		<u>(3,998,565)</u>
<u>Net Position, Ending</u>		<u>(5,538,159)</u>		<u>(5,538,159)</u>

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

BRANSON SCHOOL DISTRICT NUMBER RE-82
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	General	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash	990,803	18,102	1,008,905
Investments	93,091	-	93,091
Property Taxes Receivable	10,542	-	10,542
Accounts Receivable	2,249	2,673	4,922
Inventory	-	1,009	1,009
Due From Other Funds	-	-	-
<u>Total Assets</u>	<u>1,096,685</u>	<u>21,784</u>	<u>1,118,469</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>			
 <u>LIABILITIES:</u>			
Accounts Payable	16,179	-	16,179
Intergovernmental Payable	-	-	-
Accrued Salaries Payable	263,751	13,512	277,263
Unearned Grant Payments	50,134	197	50,331
Due To Other Funds	-	-	-
<u>Total Liabilities</u>	<u>330,064</u>	<u>13,709</u>	<u>343,773</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>			
 <u>FUND BALANCES:</u>			
Nonspendable:			
Inventories	-	1,009	1,009
Restricted for:			
TABOR (Emergencies)	106,215	-	106,215
Food Services	-	2,061	2,061
Preschool	-	-	-
Committed for:			
Capital Outlay	-	5,005	5,005
Unassigned	660,406	-	660,406
<u>Total Fund Balances</u>	<u>766,621</u>	<u>8,075</u>	<u>774,696</u>
 <u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>			
	<u>1,096,685</u>	<u>21,784</u>	<u>1,118,469</u>

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

BRANSON SCHOOL DISTRICT NUMBER RE-82
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>	774,696
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$2,591,597 and the accumulated depreciation is \$1,628,524.	963,073
Net pension liability, along with associated deferred flow, are not recorded at the fund level:	
Net Pension Liability	(11,402,110)
Deferred Pension Cost – Plan	4,172,036
Deferred Pension Cost – Contributions Subsequent to Pension Measurement Date	169,376
Deferred Pension Cost – Entity	<u>(215,230)</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>(5,538,159)</u>

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

BRANSON SCHOOL DISTRICT NUMBER RE-82
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
Fiscal Year Ended June 30, 2017

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES:</u>			
Taxes	552,059	-	552,059
Intergovernmental	2,928,621	82,891	3,011,512
Interest	3,559	-	3,559
Other	<u>46,409</u>	<u>14,814</u>	<u>61,223</u>
<u>Total Revenues</u>	<u>3,530,648</u>	<u>97,705</u>	<u>3,628,353</u>
 <u>EXPENDITURES:</u>			
Current:			
Instruction	2,060,056	49,553	2,109,609
Students	160,976	59	161,035
Instructional Staff	59,744	-	59,744
General Administration	172,759	-	172,759
School Administration	213,668	-	213,668
Business Services	76,266	-	76,266
Operations & Maintenance	172,112	-	172,112
Student Transportation	112,726	-	112,726
Central Support	220,846	-	220,846
Community Service	-	-	-
Food Services	-	98,999	98,999
Capital Outlay	-	-	-
<u>Total Expenditures</u>	<u>3,249,153</u>	<u>148,611</u>	<u>3,397,764</u>
 <u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	 <u>281,495</u>	 <u>(50,906)</u>	 <u>230,589</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In(Out)	<u>(55,000)</u>	<u>55,000</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(55,000)</u>	<u>55,000</u>	<u>-</u>
 <u>NET CHANGE IN FUND BALANCES</u>	 226,495	 4,094	 230,589
 <u>FUND BALANCES, Beginning</u>	 <u>540,126</u>	 <u>3,981</u>	 <u>544,107</u>
 <u>FUND BALANCES, Ending</u>	 <u>766,621</u>	 <u>8,075</u>	 <u>774,696</u>

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

BRANSON SCHOOL DISTRICT NUMBER RE-82
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 Fiscal 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 230,589

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.

	42,450	
Capital Outlays more than \$5,000	(82,624)	(40,174)
Depreciation Expense		

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

Change in net pension liability and related deferred flows		(1,730,009)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (1,539,594)

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

BRANSON SCHOOL DISTRICT RE-82
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2017

	<u>Agency Funds</u> <u>Student Activity</u>
<u>ASSETS</u>	
Cash	<u>18,069</u>
<u>LIABILITIES</u>	
Accounts Payable	-
Due To Student Groups	<u>18,069</u>
<u>Total Liabilities</u>	<u>18,069</u>
<u>NET POSITION</u>	
Unrestricted	<u> -</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Branson School District Number RE-82 of Las Animas County was reorganized by a vote of qualified electorate in 1958, under the provisions of the Colorado School Organization Act of 1957.

The District operates under an elected Board of Education with five members and provides educational services to approximately 453 students.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Branson School District Number RE-82. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

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

BRANSON SCHOOL DISTRICT NUMBER RE-82
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)

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

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

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

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

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

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

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

Fiduciary funds are used to account for assets held by the District in a trustee or agency capacity for others that cannot be used to support the District's own programs.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

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

- Major Governmental Fund

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.

- Fiduciary Funds

1. Trust and Agency Funds – Trust and Agency funds are used to account for assets held in a trustee or agent capacity for others that cannot be used to support the District's own programs. The key distinction between trust and agency funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

Student Activity Fund – The Student Activity Fund is an agency fund and, therefore, consists only of accounts such as Cash and balancing liability accounts, such as Due to Student Groups. This fund accounts for the transaction of that entity in raising and expending money to promote the general welfare, morale, and educational experiences of the student body.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Receivables

Property taxes levied in 2016 but not yet available in 2017 are identified as property taxes receivable and deferred inflows at June 30, 2017, and are presented net of an allowance for uncollectible taxes.

G. Inventories

Materials and supplies inventories are stated at cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. 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 and any remaining depreciation is recorded in the year of disposition.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities. The District records long-term debt of governmental funds at the face value. The District does not have a material liability for compensated absences payable at June 30, 2017.

J. Constitutional Amendment

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

On November 4, 1997 the registered voters approved a ballot resolution authorizing Branson School District Number RE-82 to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased or any new tax be imposed.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2017 the District's required TABOR Reserve was \$106,215.

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

K. Property Taxes

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

Levy Date	December 15, 2016
Lien Date	January 1, 2017
Tax Bills Mailed	January 1, 2017
First Installment Due	February 28, 2017
Second Installment Due	June 15, 2017
If Paid in Full, Due	April 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Use of Estimates

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

M. GASB Statement No. 54

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

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

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

BRANSON SCHOOL DISTRICT NUMBER RE
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. GASB Statement No. 54 (Continued)

Order of Fund Balance Spending Policy

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

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

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Food Services Fund</u>	<u>Designated Purpose Grant</u>	<u>Capital Reserve Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable</u>					
Inventories	-	1,009	-	-	1,009
<u>Restricted</u>					
Emergencies	106,215	-	-	-	106,215
Preschool	-	-	-	-	-
Food Services	-	2,061	-	-	2,061
<u>Committed</u>					
Capital Outlay	-	-	-	5,005	5,005
<u>Unassigned</u>	<u>660,406</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>660,406</u>
<u>Total Fund Balances</u>	<u>766,621</u>	<u>3,070</u>	<u>-</u>	<u>5,005</u>	<u>774,696</u>

N. Deferred Outflows/Inflows of Resources

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

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

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements.

Certain items having no effect on measurement and basis were eliminated from the government fund statements during the consolidation of governmental activities. The items which were eliminated are as follows:

Governmental Funds – Interfund Transfers	\$ 55,000
Governmental Funds – Interfund Receivables/Payables	\$ -

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, Capital Project Funds and Fiduciary Funds.
6. Budgets for the General Fund, Special Revenue Funds, Capital Project Funds and Fiduciary Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 3 BUDGETARY INFORMATION (Continued)

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

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

NOTE 4 CASH AND INVESTMENTS

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	757,267	772,866
Cash with County Treasurer	19,499	-
Cash on Hand	208	-
<u>Total Cash and Deposits</u>	<u>1,026,974</u>	<u>1,022,866</u>

Deposits with bank balances of \$772,866 and a carrying balance of \$757,267 as of June 30, 2017 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

NOTE 4 CASH AND INVESTMENTS (Continued)

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

Investments

At June 30, 2017, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
COLOTRUST	Under 60 Day Average	<u>93,091</u>

Interest Rate Risk – The District does not have a formal investment policy that limits investment maturities for managing possible fair value losses due to increasing interest rates.

Credit Risk – State Law limits the type of investments allowable. The investment of COLOTRUST is rated by Standard and Poor's.

Concentration of Credit Risk – the District has no policy restricting the amount that can be invested in any issuer.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2017:

- ColoTrust Investment Pool of \$93,091 is valued using quoted market prices (Level 1 inputs)

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

<u>Governmental Activities</u>	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
<u>Non-Depreciable Assets:</u>				
Land	40,800	-	-	40,800
<u>Total Non-Depreciable Assets</u>	<u>40,800</u>	<u>-</u>	<u>-</u>	<u>40,800</u>
<u>Depreciable Assets:</u>				
Buildings & Site Improvements	1,709,138	-	-	1,709,138
Equipment & Vehicles	768,763	42,450	-	811,213
Food Services Equipment	30,446	-	-	30,446
<u>Total Depreciable Assets</u>	<u>2,508,347</u>	<u>42,450</u>	<u>-</u>	<u>2,550,797</u>
 <u>Less Accumulated</u>				
<u>Depreciation for:</u>				
Building & Site Improvements	875,548	58,171	-	933,719
Equipment & Vehicles	640,760	23,603	-	664,363
Food Services Equipment	29,592	850	-	30,442
<u>Total Accumulated</u>	<u>1,545,900</u>	<u>82,624</u>	<u>-</u>	<u>1,628,524</u>
<u>Total Capital Assets, Net</u>	<u>1,003,247</u>	<u>(40,174)</u>	<u>-</u>	<u>963,073</u>

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

Governmental Activities:

Instruction	49,492
General Administration	9,879
Transportation	22,403
Food Services	<u>850</u>
<u>Total Depreciation Expense –Governmental Activities</u>	<u>82,624</u>

NOTE 6 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Branson School District Number RE-82 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 Branson School District Number RE-82 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.

NOTE 6 PENSION PLAN (Continued)

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

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

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

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

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

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

Contributions. Eligible employees and Branson School District Number RE-82 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.

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 6 PENSION PLAN (Continued)

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Branson School District Number RE-82 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Branson School District Number RE-82 were \$327,184 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 Branson School District Number RE-82 reported a liability of \$11,402,110 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 Branson School District Number RE-82 proportion of the net pension liability was based on Branson School District Number RE-82 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 Branson School District Number RE-82 proportion was 0.0383 percent, which was a decrease of 0.0076 percent from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the Branson School District Number RE-82 recognized pension expense of \$1,730,009. At June 30, 2017, the Branson School District Number RE-82 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 6 PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	142,544	(100)
Changes of assumptions or other inputs	3,699,747	(51,418)
Net difference between projected and actual earnings on pension plan investments	381,263	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	(215,230)
Contributions subsequent to the measurement date	169,376	N/A
Total	4,392,930	(266,748)

\$169,376 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	1,549,592
2019	1,591,665
2020	811,737
2021	3,812
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

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 6 PENSION PLAN (Continued)

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

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

Mortality rates used in the December 31, 2015 valuation were based on the RP-2000 combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

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

NOTE 6 PENSION PLAN (Continued)

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

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

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

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

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

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

Several factors were considered in evaluating the long-term rate of return assumption for the SCHDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best -estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 6 PENSION PLAN (Continued)

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

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.

BRANSON SCHOOL DISTRICT NUMBER RE-82
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 6 PENSION PLAN (Continued)

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

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

As of the prior measurement date, the projection test indicated, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on plan investments of 7.50% was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use a municipal bond index rate. The discount rate was 7.50 percent, 2.24 percent higher compared to the current measurement date.

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 6 PENSION PLAN (Continued)

Sensitivity of the Branson School District Number RE-82 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	14,337,787	11,402,110	9,011,107

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 Branson School District Number RE-82 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 \$11,000.

Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – The Branson School District Number RE-82 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.

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 6 PENSION PLAN (Continued)

Funding Policy – The Branson School District Number RE-82 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 Branson School District Number RE-82 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 Branson School District Number RE-82 contributions to the HCTF were \$18,156, \$17,113 and \$17,448, respectively equal to their required contributions for each year.

NOTE 7 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL

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

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

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

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

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

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 8 LITIGATION

None.

NOTE 9 SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Claims and Judgments - The District participates in a number of federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2017, significant amounts of grant expenditures have not been audited by the grantor but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the District.

NOTE 10 JOINT VENTURES

South Central Board of Cooperative Educational Services (BOCES)

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

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

Total Assets	2,264,574
Deferred Outflows	716,149
Current Liabilities	6,381,144
Deferred Inflows	<u>1,422,873</u>
Net Position	<u>(4,823,294)</u>
Total Revenues (GAAP Basis)	3,658,221
Total Expenditures (GAAP Basis)	<u>3,253,671</u>
Excess (Deficiency)	<u>404,550</u>

The B.O.C.E.S. has no long term debt.

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

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

BRANSON SCHOOL DISTRICT NUMBER RE-82
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 11 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Purpose</u>	<u>Repayment Period</u>
General Fund	-	-	-	55,000	Operations	Within 3 Months
Capital Reserve- Capital Project Fund	-	-	5,000	-	Operations	Within 3 Months
Food Services Fund	-	-	<u>50,000</u>	-	Operations	Within 3 Months
	<u>-</u>	<u>-</u>	<u>55,000</u>	<u>55,000</u>		

NOTE 12 INTERGOVERNMENTAL PAYABLE - CDE

In 2015, the District recorded a liability to the Colorado Department of Education in the amount of \$11,191. This liability was the result of audit findings in student counts and transportation for previous periods. This liability was paid during the June 30, 2017 fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

MAJOR GOVERNMENTAL FUNDS

General Fund

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

BRANSON SCHOOL DISTRICT RE-82
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u> <u>Original & Final</u>	<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
REVENUES			
Local Sources			
Property Taxes	504,629	504,813	184
Specific Ownership Taxes	23,959	46,325	22,366
Delinquent Taxes & Interest	600	921	321
E-Rate	4,000	2,237	(1,763)
Earnings on Investments	3,000	3,559	559
Other Local	<u>70,000</u>	<u>44,172</u>	<u>(25,828)</u>
<u>Total Local Revenues</u>	<u>606,188</u>	<u>602,027</u>	<u>(4,161)</u>
County Sources			
Mineral Leasing	<u>1,900</u>	<u>1,916</u>	<u>16</u>
<u>Total County Sources</u>	<u>1,900</u>	<u>1,916</u>	<u>16</u>
State Sources			
Equalization	2,888,190	2,838,184	(50,006)
Vocational Education	8,938	8,967	29
Read Act	8,471	5,168	(3,303)
Gifted & Talented – Pass Thru BOCES	7,500	5,500	(2,000)
Transportation	23,000	22,085	(915)
Small Rural School	-	35,957	35,957
Additional At Risk Funding	-	1,248	1,248
Library Grant	<u>3,500</u>	<u>3,801</u>	<u>301</u>
<u>Total State Sources</u>	<u>2,939,599</u>	<u>2,920,910</u>	<u>(18,689)</u>
Federal Sources			
Vocational Education Local Pass Thru - Carl Perkins	<u>6,000</u>	<u>5,795</u>	<u>(205)</u>
<u>Total Federal Sources</u>	<u>6,000</u>	<u>5,795</u>	<u>(205)</u>
TOTAL REVENUES	<u>3,553,687</u>	<u>3,530,648</u>	<u>(23,039)</u>
EXPENDITURES			
Instruction			
Salaries	1,244,144	1,225,706	18,438
Employee Benefits	312,636	297,662	14,974
Purchase Services-Professional	16,500	3,759	12,741
Purchase Services – Property	5,000	3,850	1,150
Purchase Services – Other	213,500	166,353	47,147
Supplies & Materials	283,738	217,937	65,801
Property	150,000	143,364	6,636
Other	<u>2,800</u>	<u>1,425</u>	<u>1,375</u>
<u>Total Instruction</u>	<u>2,228,318</u>	<u>2,060,056</u>	<u>168,262</u>

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

BRANSON SCHOOL DISTRICT RE-82
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		Variance with
	<u>Original & Final</u>	<u>Actual</u>	Final Budget- Favorable <u>(Unfavorable)</u>
<u>Support Services</u>			
<u>Students</u>			
Salaries	116,672	114,035	2,637
Employee Benefits	39,820	39,288	532
Purchased Services-Other	1,900	2,130	(230)
Supplies and Materials	<u>7,000</u>	<u>5,523</u>	<u>1,477</u>
<u>Total Pupil Services</u>	<u>165,392</u>	<u>160,976</u>	<u>4,416</u>
<u>Instructional Staff</u>			
Salaries	44,800	44,518	282
Employee Benefits	9,336	9,348	(12)
Purchased Services – Professional	1,000	893	107
Purchased Services-Other	3,000	1,100	1,900
Supplies and Materials	<u>3,500</u>	<u>3,885</u>	<u>(385)</u>
<u>Total Instructional Staff</u>	<u>61,636</u>	<u>59,744</u>	<u>1,892</u>
<u>General Administration</u>			
Salaries	136,000	135,540	460
Employee Benefits	20,812	18,682	2,130
Purchased Services – Professional	5,000	240	4,760
Purchased Services – Property	4,000	4,625	(625)
Purchased Services – Other	12,500	12,888	(388)
Supplies and Materials	<u>1,500</u>	<u>784</u>	<u>716</u>
<u>Total General Administration</u>	<u>179,812</u>	<u>172,759</u>	<u>7,053</u>
<u>School Administration</u>			
Salaries	106,500	102,764	3,736
Employee Benefits	32,620	28,858	3,762
Purchased Services-Professional	13,100	9,355	3,745
Purchased Services-Property	4,000	2,947	1,053
Purchased Services-Other	71,000	63,133	7,867
Supplies and Materials	15,000	5,233	9,767
Property	2,000	-	2,000
Other Objects	<u>6,000</u>	<u>1,378</u>	<u>4,622</u>
<u>Total School Administration</u>	<u>250,220</u>	<u>213,668</u>	<u>36,552</u>

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

BRANSON SCHOOL DISTRICT RE-82
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Fiscal Year Ended June 30, 2017

<u>Supporting Services (Continued)</u>	<u>Budgeted Amounts</u>		Variance with Final Budget- Favorable
	<u>Original & Final</u>	<u>Actual</u>	<u>(Unfavorable)</u>
<u>Business Services</u>			
Salaries	53,000	52,960	40
Employee Benefits	25,400	23,306	2,094
Purchased Services – Professional	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<u>Total Business Services</u>	<u>79,400</u>	<u>76,266</u>	<u>3,134</u>
 <u>Operations and Maintenance</u>			
Salaries	36,400	34,693	1,707
Employee Benefits	15,730	14,500	1,230
Purchased Services-Professional	12,500	7,107	5,393
Purchased Services-Property	32,860	30,190	2,670
Purchased Services-Other	41,500	26,064	15,436
Supplies and Materials	<u>76,386</u>	<u>59,558</u>	<u>16,828</u>
<u>Total Operations and Maintenance</u>	<u>215,376</u>	<u>172,112</u>	<u>43,264</u>
 <u>Pupil Transportation Services</u>			
Salaries	17,000	15,734	1,266
Employee Benefits	5,200	4,014	1,186
Purchased Services-Other	30,000	34,475	(4,475)
Supplies and Materials	30,000	16,053	13,947
Property	<u>-</u>	<u>42,450</u>	<u>(42,450)</u>
<u>Total Pupil Transportation Service</u>	<u>82,200</u>	<u>112,726</u>	<u>(30,526)</u>
 <u>Central Support</u>			
Salaries	132,000	132,000	-
Employee Benefits	58,000	56,692	1,308
Purchased Services-Other	<u>75,170</u>	<u>32,154</u>	<u>43,016</u>
<u>Total Central Support</u>	<u>265,170</u>	<u>220,846</u>	<u>44,324</u>
 <u>Community Services</u>			
Other	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Community Services</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>Total Support Services</u>	<u>1,299,206</u>	<u>1,189,097</u>	<u>110,109</u>

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

BRANSON SCHOOL DISTRICT RE-82
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>Appropriated Reserve</u>	<u>511,289</u>	<u>-</u>	<u>511,289</u>
<u>TOTAL EXPENDITURES</u>	<u>4,038,813</u>	<u>3,249,153</u>	<u>789,660</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(485,126)</u>	<u>281,495</u>	
<u>Other Financing Sources (Uses)</u>			
Operating Transfers Out	<u>(55,000)</u>	<u>(55,000)</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(55,000)</u>	<u>(55,000)</u>	<u>-</u>
<u>Revenues Over (Under) Other Financing Sources (Uses) and Expenditures</u>	<u>(540,126)</u>	<u>226,495</u>	
<u>Fund Balance, Beginning</u>	<u>540,126</u>	<u>540,126</u>	
<u>Fund Balance, Ending</u>	<u>-</u>	<u>766,621</u>	

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

BRANSON SCHOOL DISTRICT RE-82
 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)	0.0383%	0.0391%	0.0410%	0.0416%	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$11,402,110	\$5,974,140	\$5,551,919	\$5,308,026	-	-	-	-	-	-
District's covered-employee payroll	\$1,779,964	\$1,677,697	\$1,710,570	\$1,696,375	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	641%	356%	325%	313%	-	-	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	43.13%	59.2%	62.80%	64.06%	-	-	-	-	-	-

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

BRANSON SCHOOL DISTRICT RE-82
 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	\$ 327,184	\$ 297,725	\$ 288,778	\$ 273,157	\$ 246,595	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (327,184)</u>	<u>\$ (297,725)</u>	<u>\$ (288,778)</u>	<u>\$ (273,157)</u>	<u>\$ (246,595)</u>	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
District's covered-employee payroll	\$1,779,964	\$1,677,697	\$1,710,570	\$1,696,375	\$1,634,251	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	18.38%	17.75%	16.88%	16.10%	15.09%	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

Special Revenue Fund

The Special Revenue Fund accounts for revenues that are legally restricted to expenditure for specific purposes.

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

Designated Purpose Grant Fund – This fund is provided to maintain a separate accounting for federal and state grant funded programs.

Capital Project Funds

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

Fiduciary Fund Types

Agency Fund – Student Activity Fund – This fund is used to account for amounts held in a fiduciary capacity for student clubs and organizations.

BRANSON SCHOOL DISTRICT RE-82
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2017

	<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>	<u>Total Non-Major Governmental Funds</u>
	<u>Food Services</u>	<u>Designated Purpose Grant</u>	<u>Capital Reserve Capital Projects</u>	
<u>ASSETS</u>				
Cash	12,263	834	5,005	18,102
Due From Other Funds	-	-	-	-
Accounts Receivable	-	2,673	-	2,673
Inventory	<u>1,009</u>	<u>-</u>	<u>-</u>	<u>1,009</u>
<u>Total Assets</u>	<u>13,272</u>	<u>3,507</u>	<u>5,005</u>	<u>21,784</u>
<u>LIABILITIES</u>				
Accounts Payable	-	-	-	-
Accrued Salaries Payable	10,202	3,310	-	13,512
Due To Other Funds	-	-	-	-
Deferred Revenues	<u>-</u>	<u>197</u>	<u>-</u>	<u>197</u>
<u>Total Liabilities</u>	<u>10,202</u>	<u>3,507</u>	<u>-</u>	<u>13,709</u>
<u>FUND BALANCES:</u>				
Nonspendable:				
Inventories	1,009	-	-	1,009
Restricted for:				
Food Services	2,061	-	-	2,061
Committed for:				
Capital Outlay	<u>-</u>	<u>-</u>	<u>5,005</u>	<u>5,005</u>
<u>Total Fund Balances</u>	<u>3,070</u>	<u>-</u>	<u>5,005</u>	<u>8,075</u>
<u>TOTAL LIABILITIES & FUND BALANCES</u>	<u>13,272</u>	<u>3,507</u>	<u>5,005</u>	<u>21,784</u>

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

BRANSON SCHOOL DISTRICT RE-82
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Fiscal Year Ended June 30, 2017

	<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>	<u>Total Non-Major Governmental Funds</u>
	<u>Food Services</u>	<u>Designated Purpose Grant</u>	<u>Capital Reserve Capital Projects</u>	
<u>REVENUES</u>				
Earnings on Investments	-	-	-	-
Local Sources	14,814	-	-	14,814
State Sources	786	59	-	845
Federal Sources	<u>32,493</u>	<u>49,553</u>	-	<u>82,046</u>
<u>Total Revenues</u>	<u>48,093</u>	<u>49,612</u>	-	<u>97,705</u>
<u>EXPENDITURES</u>				
Current:				
Instruction	-	49,553	-	49,553
Pupil Support Services	-	59	-	59
Food Services	98,999	-	-	98,999
Capital Outlay	-	-	-	-
<u>Total Expenditures</u>	<u>98,999</u>	<u>49,612</u>	-	<u>148,611</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(50,906)</u>	-	-	<u>(50,906)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfer In (Out)	<u>50,000</u>	-	<u>5,000</u>	<u>55,000</u>
<u>Total Other Financing Sources (Uses)</u>	<u>50,000</u>	-	<u>5,000</u>	<u>55,000</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(906)</u>	-	<u>5,000</u>	<u>4,094</u>
<u>FUND BALANCES, Beginning</u>	<u>3,976</u>	-	<u>5</u>	<u>3,981</u>
<u>FUND BALANCES, Ending</u>	<u>3,070</u>	-	<u>5,005</u>	<u>8,075</u>

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

BRANSON SCHOOL DISTRICT RE-82
 FOOD SERVICES – SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	12,000	14,814	2,814
<u>Total Local Sources</u>	<u>12,000</u>	<u>14,814</u>	<u>2,814</u>
<u>State Sources</u>			
State Match	346	347	1
Breakfast Expansion	150	205	55
PK Reduced Lunches	150	234	84
<u>Total State Sources</u>	<u>646</u>	<u>786</u>	<u>140</u>
<u>Federal Sources</u>			
School Lunches	30,600	30,069	(531)
Commodities	2,400	2,424	24
<u>Total Federal Sources</u>	<u>33,000</u>	<u>32,493</u>	<u>(507)</u>
<u>TOTAL REVENUES</u>	<u>45,646</u>	<u>48,093</u>	<u>2,447</u>
<u>EXPENDITURES</u>			
<u>Food Services</u>			
Salaries	36,000	35,852	148
Employee Benefits	20,500	21,356	(856)
Purchased Services - Other	1,800	1,488	312
Food and Milk	39,046	34,831	4,215
Supplies and Materials	2,300	1,461	839
Capital Outlay	-	4,011	(4,011)
<u>TOTAL EXPENDITURES</u>	<u>99,646</u>	<u>98,999</u>	<u>647</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(54,000)	(50,906)	
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	50,000	50,000	-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<u>REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES) AND EXPENDITURES</u>	(4,000)	(906)	
<u>FUND BALANCE, BEGINNING</u>	<u>4,000</u>	<u>3,976</u>	
<u>FUND BALANCE, ENDING</u>	<u>-</u>	<u>3,070</u>	

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

BRANSON SCHOOL DISTRICT RE-82
GOVERNMENTAL DESIGNATED – PURPOSE GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>	<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
	<u>Original & Final</u>		
<u>REVENUES</u>			
State Source	-	59	59
Federal Source	<u>71,000</u>	<u>49,553</u>	<u>(21,447)</u>
<u>Total Revenues</u>	<u>71,000</u>	<u>49,612</u>	<u>(21,388)</u>
<u>EXPENDITURES</u>			
<u>Instruction</u>			
Salaries	26,500	23,967	2,533
Employee Benefits	6,615	10,052	(3,437)
Supplies and Materials	<u>37,885</u>	<u>15,534</u>	<u>22,351</u>
<u>Total Instruction</u>	<u>71,000</u>	<u>49,553</u>	<u>21,447</u>
<u>Support Services</u>			
<u>Pupil Support Services</u>			
Supplies and Materials	-	59	(59)
<u>Total Pupil Support Services</u>	-	59	(59)
<u>Total Support Services</u>	-	59	(59)
<u>Total Expenditures</u>	<u>71,000</u>	<u>49,612</u>	<u>21,388</u>
<u>Revenues Over (Under) Expenditures</u>	-	-	
<u>FUND BALANCE, Beginning</u>	-	-	
<u>FUND BALANCE, Ending</u>	-	-	

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

BRANSON SCHOOL DISTRICT RE-82
 CAPITAL RESERVE CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u> <u>Original & Final</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget-</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>REVENUES</u>			
<u>Total Revenues</u>	-	-	-
<u>EXPENDITURES</u>			
Equipment	<u>5,000</u>	-	<u>5,000</u>
<u>Total Expenditures</u>	<u>5,000</u>	-	<u>5,000</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(5,000)</u>	-	
<u>Other Financing Sources (Uses)</u>			
Operating Transfers	<u>5,000</u>	<u>5,000</u>	-
<u>Total Other Financing Sources (Uses)</u>	<u>5,000</u>	<u>5,000</u>	-
<u>Revenues Over (Under) Other Financing</u> <u>Sources (Uses) and Expenditures</u>	-	5,000	
<u>FUND BALANCE, Beginning</u>	-	<u>5</u>	
<u>FUND BALANCE, Ending</u>	-	<u>5,005</u>	

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

BRANSON SCHOOL DISTRICT RE-82
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 FIDUCIARY FUND
 Fiscal Year Ended June 30, 2017

	Balance 7-1-2016	Agency Funds		Balance 6-30-2017
		Student Activity Additions	Deductions	
<u>ASSETS</u>				
Cash	<u>10,853</u>	<u>29,429</u>	<u>22,213</u>	<u>18,069</u>
 <u>LIABILITIES</u>				
Deposits Held for Others	<u>10,853</u>	<u>29,429</u>	<u>22,213</u>	<u>18,069</u>

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

BRANSON SCHOOL DISTRICT RE-82
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS
 BUDGET (GAAP BASIS) AND ACTUAL
 FIDUCIARY FUNDS
 Fiscal Year Ended June 30, 2017

	<u>Agency Funds</u>		Variance with Final Budget- Favorable (Unfavorable)
	<u>Student Activity</u>		
	<u>Budgeted Amounts</u> <u>Original & Final</u>	<u>Actual</u>	
<u>ADDITIONS</u>			
Local Receipts	<u>20,000</u>	<u>29,429</u>	<u>9,429</u>
<u>DEDUCTIONS</u>			
Disbursements	<u>30,853</u>	<u>22,213</u>	<u>8,640</u>
 <u>CHANGES IN DUE TO STUDENT GROUPS</u>	 (10,853)	 7,216	
<u>DUE TO STUDENT GROUPS, Beginning</u>	<u>10,853</u>	<u>10,853</u>	
<u>DUE TO STUDENT GROUPS, Ending</u>	<u> -</u>	<u>18,069</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: 1750 - BRANSON REORGANIZED 82
 Fiscal Year 2016-17
 Colorado School District/BOCES

Fund Type & Number	Revenues, Expenditures, & Fund Balance by Fund	1000 - 5999 Total Revenues & Other Sources	1000 - 5999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental				
10 General Fund		3,475,648	3,249,153	766,621
18 Risk Mgmt Sub-Func of General Fund		0	0	0
19 Colorado Preschool Program Fund		0	0	0
Sub-Total		3,475,648	3,249,153	766,621
11 Charter School Fund		0	0	0
20,26-29 Special Revenue Fund		0	0	0
06 Supplemental Cap Const, Tech, Main, Fund		0	0	0
21 Food Service Spec Revenue Fund		98,093	99,000	3,070
22 Govt Designated-Purpose Grants Fund		49,612	49,612	0
23 Pupil Activity Special Revenue Fund		0	0	0
24 Full Day Kindergarten Mill Levy Override		0	0	0
25 Transportation Fund		0	0	0
31 Bond Redemption Fund		0	0	0
39 Certificate of Participation (COP) Debt Service Fund		0	0	0
41 Building Fund		0	0	0
42 Special Building Fund		0	0	0
43 Capital Reserve Capital Projects Fund		5,000	0	5,000
46 Supplemental Cap Const, Tech, Main Fund		0	0	0
Totals		3,573,741	3,348,153	771,696
Proprietary				
50 Other Enterprise Funds		0	0	0
64 (63) Risk-Related Activity Fund		0	0	0
60,65-69 Other Internal Service Funds		0	0	0
Totals		0	0	0
Fiduciary				
70 Other Trust and Agency Funds		0	0	0
72 Private Purpose Trust Fund		0	0	0
73 Agency Fund		0	0	0
74 Pupil Activity Agency Fund		10,853	29,429	18,069
79 GASB 34 Permanent Fund		0	0	0
85 Foundations		0	0	0
Totals		10,853	29,429	18,069

FINAL



Colorado Department of Education
Bolded Balance Sheet Report
 District: 1750 - BRANSON REORGANIZED 82
 Fiscal Year 2016-17
 Colorado School District/BOCES

ASSETS	Governmental						Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85
Cash and Investments (8100-8104,8111)	1,064,395	0	0	834	0	12,263	0	5,005	0	0	0	18,069	0	1,100,566
Cash with Fiscal Agent (8105)	19,499	0	0	0	0	0	0	0	0	0	0	0	0	19,499
Taxes Receivable (8121,8122)	10,541	0	0	0	0	0	0	0	0	0	0	0	0	10,541
Interfund Loans Receivable (8131,8132)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Accounts Receivable (8142)	0	0	0	2,673	0	0	0	0	0	0	0	0	0	2,673
Other Receivables (8151-8154,8161)	2,249	0	0	0	0	0	0	0	0	0	0	0	0	2,249
Inventories (8171,8172,8173)	0	0	0	0	0	1,009	0	0	0	0	0	0	0	1,009
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	1,096,685	0	0	3,507	0	13,271	0	5,005	0	0	0	18,069	0	1,136,537

	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
LIABILITIES & FUND EQUITY														
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Interfund Payables (7401, 7402)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intergovernmental Payables (7411)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Payables (7421-7423)	16,179	0	0	0	0	0	0	0	0	0	0	0	0	16,179
Accrued Expenses (7461)	263,750	0	0	3,309	0	10,202	0	0	0	0	0	0	0	277,262
Grants Deferred Revenue (7482)	50,134	0	0	197	0	0	0	0	0	0	0	0	0	50,332
Total Liabilities	330,064	0	0	3,507	0	10,202	0	0	0	0	0	0	0	343,772

