



Estes Park School District No. R-3

Financial Statements and Supplementary Information

For the Year Ended June 30, 2017



Estes Park School District No. R-3

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Independent Auditor's Report

Board of Education
Estes Park School District R-3
Estes Park, Colorado

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Estes Park School District R-3 (the "District") 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 basic 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 Estes Park School District R-3 as of June 30, 2017, and the respective changes in financial position for the year then ended in conformity 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 on pages 3 through 7, budgetary comparison information on pages 40-42, Schedule of the District's Proportionate Share of the Net Pension Liability on page 43, and Schedule of District Contributions on page 44 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 District's basic financial statements as a whole. The combining and individual major and non-major fund financial statements and budgetary comparison information and the Auditor's Integrity Report beginning on page 46 is presented for purposes of additional analysis and is not a required part of the financial statements. The combining and individual major and non-major fund financial statements and budgetary comparison information, and the Auditor's Integrity Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Anton Collins Mitchell LLP

Greeley, Colorado
December 21, 2017

Management's Discussion and Analysis as of and for the Year Ended June 30, 2017

This section of Estes Park School District's annual financial report presents its discussion and analysis of the District's financial performance during the year ending June 30, 2017.

Financial Highlights

- The liabilities and deferred inflows of resources of Estes Park School District exceeded its assets and deferred outflows of resources at the close of the fiscal year by \$16,443,831 (deficit net position). The deficit net position is primarily due to the posting of the "Net Pension Liability" (NPL) of \$45,425,121 required pursuant to GASB Statement No. 68. The fund financial statements are not impacted by this reporting requirement. It is important to note that the District does not have a responsibility to pay the amount shown as the District's NPL. The District's direct liability is limited to the annually required contributions established by the State Legislature.
- The District's total net position decreased by \$8,090,092.
- General revenues accounted for \$11,037,393 or 87% of the \$12,655,087 in total revenues. Program specific revenues in the form of charges for services, sales, and grants accounted for \$1,617,694 or 13% of revenues.
- During the fiscal year Larimer County lost a court decision against the YMCA of the Rockies for abated taxes collected in 2004 and 2005. This contributed a net reduction of local revenue of \$476,958. This was not budgeted due to the county not knowing the timing of this judgement which contributed to the reduction of fund balance of this year in excess of the board approved spenddown of \$285,616 per General Fund B2A.
- The General Fund ending fund balance reached \$2,770,508, a decrease of \$511,608.

General Fund Budget Highlights

The District's budget is prepared according to Colorado law and is based on accounting for transactions under generally accepted accounting principles. The most significant budgeted fund is the General Fund. As part of the District's mid-year budget adjustments the board approved a spend-down of \$285,616 to maintain a \$3,000,000 General Fund balance. Larimer County lost a court decision against the YMCA of the Rockies for abated taxes collected in 2004 and 2005. This contributed to a larger reduction of fund balance than anticipated due to the decrease of local revenue of \$476,958.

Overview of Financial Statements

The discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. A comparison to the prior year's activity is normally provided in the document. The basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements and information. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide Statements

The Government-wide financial statements are designed to provide stakeholders (e.g. taxpayers, state and federal government agencies, and the Board of Education) with a relevant and reliable overview of the District's finances; to assist the reader in their assessment of how the District's resources are acquired and used; to determine whether current resources were sufficient to meet current costs, and to determine whether the District's ability to provide educational services improved or deteriorated from the previous year. With the inclusion of the Net Pension Liability (NPL), stakeholders are provided additional information regarding the unfunded liability status of PERA of Colorado. Though this NPL is not the responsibility of the District, it does provide greater information to the Colorado State Legislature and the District's governmental leadership assisting them in future decisions regarding the School Division Trust Fund associated with PERA.

The statement of net position includes all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between them reported as net position.

Management's Discussion and Analysis as of and for the Year Ended June 30, 2017

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Though the net position of the District is negative, this occurrence is only due to the posting of the District's proportionate share of the PERA unfunded liability. Again, the District does not have any control over the funding level of the PERA School Division Trust Fund (SCHDTF) nor any control over the investment policies and activities associated with this trust.

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 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 flows in future fiscal periods (e.g., uncollected taxes and retiree's early retirement bonuses). The governmental activities of the District include instruction and education support services of the District.

The majority of the District's basic services are included here, such as instruction, transportation, maintenance and operations, administration, the food service program, debt service and capital projects. Taxes and intergovernmental revenues principally support these activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide more detailed information about the District's operations, focusing on the most significant or "major" funds, not the School District as a whole. The District has two types of funds: governmental funds and agency funds.

Governmental Funds

Most of the District's basic services are included in the governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the status of financial resources that can be spent in the near future to finance the District's program.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Thus, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliation to the government-wide financial statements in order to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Designated Purpose Fund and the Bond Redemption Fund, which are considered to be major funds. Data for the other four governmental funds are combined in a single, aggregated presentation. Individual fund data for each of these minor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 10-13 of this report.

Agency Funds

Agency funds are used to count for resources held for the benefit of parties outside the school district. Agency funds are not reflected in the government-wide financial statements because the resources of

Management's Discussion and Analysis as of and for the Year Ended June 30, 2017

those funds are not available to support the District's own programs. The accounting used for agency funds is much like that used for proprietary funds. The basic agency fund financial statements can be found on page 14 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 government-wide and fund financial statements. The notes to the financial statements may be found on pages 15-38 of this report.

Other information

In addition to the basic financial statements, this report also presents required supplementary information and other supplementary information concerning the District's annual appropriated budgets with comparison schedules that demonstrate compliance with budgets and required schedule of District's proportionate share of the Net Pension Liability and schedule of District Contributions. This information may be found on pages 39-57.

Financial Analysis of the School District as a Whole

The following table provides a summary of the net position as of June 30, 2017. Comparative data for June 30, 2016 is also presented. This statement reports that liabilities plus deferred inflows of resources exceeded assets plus deferred outflows of resources by \$16,443,831.

The largest portion of the District's assets, about 85%, reflects investment in capital assets less accumulated depreciation. The largest portion of current assets, predominately investments, is reported in the General Fund. The investment balances are held for TABOR and Board of Education required reserves as well as the carry-over balances for school and departments. Other large portions of current assets include cash with fiscal agent and receivables. The cash with fiscal agent is largely reported in the Bond Redemption Fund and is available to make the required debt service payments. Receivables are predominately related to property taxes receivable which are levied in December and received in the third quarter of the school year usually between March and June.

	2017	2016
Current and other assets	\$5,007,215	\$5,722,160
Capital assets	27,399,172	28,936,039
Total assets	32,406,387	34,658,199
Deferred outflows of resources	18,871,544	4,729,250
Total assets and deferred outflows of resources	\$51,277,931	\$39,387,449
Long-term liabilities	66,530,094	45,775,824
Other liabilities	650,477	746,749
Total liabilities	67,180,571	46,522,573
Deferred inflows of resources	541,191	1,218,615
Net position:		
Net investment in capital assets	7,690,155	8,431,521
Restricted	1,648,750	1,687,287
Unrestricted (deficit)	(25,782,736)	(18,472,549)
Total net position	(16,443,831)	(8,353,739)
Total liabilities, deferred inflows of resources and net position	\$51,277,931	\$39,387,449

Management's Discussion and Analysis as of and for the Year Ended June 30, 2017

Following is a summary of the District's change in net position. The District receives its revenues from local property taxes, intergovernmental sources through the state and federal government, charges for services rendered, returns on investment and several other minor sources.

	2017	2016
Revenues		
Charges for services	\$219,290	\$231,367
Operating Grants	1,398,404	1,159,021
Interest Earned	13,259	8,429
Property taxes and specific ownership taxes	11,157,081	11,893,701
State categorical aid	270,659	165,388
Other	342,604	101,283
Total Revenues	\$13,401,297	\$13,559,189
Expenses		
Instruction	\$11,408,601	\$6,913,734
Student and Instructional services	1,535,795	910,245
Administration and Business	2,506,800	1,757,949
Operations and Maintenance	1,331,569	1,041,607
Student transportation	843,990	632,942
Other	3,864,634	2,779,927
Total Expenses	\$21,491,389	\$14,036,403
Change in net position	\$(8,090,092)	\$(477,214)

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994, as amended (SFA). Under the SFA the District received \$7,804 per funded student. In fiscal year 2015-16 the funded pupil count was 1,068.9. Funding for the SFA comes from property taxes, specific ownership tax and state equalization. The District receives approximately 3.29 percent of this funding from state equalization while the remaining amount comes from property taxes and specific ownership tax. The School District's assessed valuation levied for general purposes generated \$8,589,371 in property taxes for fiscal year 2016-2017.

Governmental Funds

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

As of the end of the fiscal year, the District's governmental funds reported combined ending fund balances of \$4,179,719, a decrease of \$644,296. The General Fund had a fund balance decrease of \$511,608.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets as of June 30, 2017 amounts to \$27,399,172 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and improvements, equipment, and capital leases all with an original cost greater than \$5,000.

Capital asset additions during the current fiscal year include the following:

- Licensed vehicles \$133,038

Management's Discussion and Analysis as of and for the Year Ended June 30, 2017

The District's total capital assets at June 30, 2016 net of accumulated depreciation were as follows:

	2017	2016
Land and land improvements	\$873,773	\$902,864
Building and improvements	25,501,987	26,985,015
Furniture and equipment	648,646	729,151
Licensed vehicles	374,766	319,009
Total capital assets	\$27,399,172	\$28,936,039

Additional information on the District's capital assets can be found in Note 5, page 26, in the basic financial statements.

Long-Term Debt

At year-end, the District's total long-term debt of \$66,530,094 consisted of the following:

	2017	2016
Bonds payable	\$19,795,000	\$20,835,000
Net pension liability	45,425,121	23,535,598
Unamortized bond premium	1,080,781	1,169,947
Accrued compensated absences	\$229,192	235,279
Total long-term debt	\$66,530,094	\$45,775,824

Additional information on the District's long-term debt can be found in Note 8, pages 27-29, in the basic financial statements.

Economic Factors

The District General Fund revenue continues to be impacted at the State level through the negative factor which reduces total program funding. In fiscal year 2017 the District's negative factor was \$1,085,018 which resulted in per pupil funding amount of \$7,804. In the past the District has experienced declining enrollment but has started to experience a leveling in student count. Due to factors related to the high cost of living, a lack of affordable housing, and insufficient opportunities for year-long employment, it is predicted that student enrollment will continue to remain level or decrease in subsequent school years.

Contacting the Districts Financial Management

This financial report is designed to provide the District's citizens, taxpayers, parents, 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 any questions or need additional information, please contact the Estes Park School District R-3 Administration Office at 1605 Brodie Avenue, Estes Park, Colorado 80517.

Estes Park School District R-3
Statement of Net Position
June 30, 2017

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 320,268
Cash with fiscal agent	1,439,834
Investments	2,351,393
Receivables	880,235
Inventory	15,485
Capital assets, not being depreciated	378,235
Capital assets, being depreciated, net of depreciation	27,020,937
Total assets	32,406,387
Deferred outflows of resources	
Contributions subsequent to measurement date	649,278
Difference between projected and actual earnings on pension plan	1,518,921
Differences between expected and actual experience	567,884
Changes in assumptions or other inputs	14,739,505
Deferred charges on refundings of bonds	1,395,956
Total deferred outflows of resources	18,871,544
Liabilities	
Accounts payable	92,172
Due to fiduciary funds	25,542
Accrued salaries and benefits	436,917
Unearned grant revenue	45,544
Accrued interest payable	50,302
Noncurrent liabilities:	
Due within one year	1,080,000
Due in more than one year	20,024,973
Net pension liability	45,425,121
Total liabilities	67,180,571
Deferred inflows of resources	
Changes in proportionate share	335,947
Changes in assumptions or other inputs	204,844
Differences between expected and actual experience	400
Total deferred inflows of resources	541,191
Net position	
Net investment in capital assets	7,690,155
Restricted for:	
Emergencies	285,000
Preschool program	17,345
Debt Service	1,324,333
Food service program	22,072
Unrestricted	(25,782,736)
Total net position	\$ (16,443,831)

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

Estes Park School District R-3
Statement of Activities
Year Ended June 30, 2017

Functions/programs	Expenses	Program Revenues			Net Revenue (Expense) and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 11,408,601	\$ 26,783	\$ 1,057,277	\$ -	(10,324,541)
Supporting services:					
Students	631,021	-	-	-	(631,021)
Instructional staff	904,774	-	11,828	-	(892,946)
General administration	712,281	-	-	-	(712,281)
School administration	1,265,273	-	-	-	(1,265,273)
Business services	529,246	-	-	-	(529,246)
Operations and maintenance	1,331,569	-	-	-	(1,331,569)
Student transportation	843,990	-	113,560	-	(730,430)
Central support services	872,930	-	-	-	(872,930)
Other support services	870,406	51,666	-	-	(818,740)
Food service	575,093	140,841	215,739	-	(218,513)
Facilities acquisition	155,135	-	-	-	(155,135)
Unallocated depreciation	754,632	-	-	-	(754,632)
Interest and fiscal charges	636,438	-	-	-	(636,438)
Total governmental activities	\$ 21,491,389	\$ 219,290	\$ 1,398,404	\$ -	(19,873,695)

General revenues

Taxes	
Property taxes, levied for general purposes	8,589,371
Property taxes, levied for debt service	1,632,467
Specific ownership taxes:	935,243
State categorical aid	270,659
Earnings on investments	13,259
Other	342,604
Total general revenues	11,783,603
Change in net position	(8,090,092)
Net position at beginning of year	(8,353,739)
Net position at end of year	\$ (16,443,831)

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

Estes Park School District R-3
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Designated Purpose Grants Fund	Bond Redemption Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 319,668	\$ -	\$ -	\$ 600	\$ 320,268
Cash with fiscal agent	140,166	-	1,299,668	-	1,439,834
Investments	2,351,393	-	-	-	2,351,393
Property taxes receivable	523,932	-	100,815	-	624,747
Due from other funds	65,287	-	-	190,272	255,559
Grants receivable	-	184,110	-	-	184,110
Other receivables	47,421	-	-	23,957	71,378
Inventory	-	-	-	15,485	15,485
Total assets	\$ 3,447,867	\$ 184,110	\$ 1,400,483	\$ 230,314	\$ 5,262,774
Liabilities					
Accounts payable	\$ 85,894	\$ 5,500	\$ -	\$ 778	\$ 92,172
Due to other funds	-	109,952	35,476	135,673	281,101
Accrued salaries and benefits	404,818	32,099	-	-	436,917
Unearned grant revenue	-	45,544	-	-	45,544
Total liabilities	490,712	193,095	35,476	136,451	855,734
Deferred inflows of resources					
Deferred property tax revenues	186,647	-	40,674	-	227,321
Total deferred inflows of resources	186,647	-	40,674	-	227,321
Fund balance					
Nonspendable for inventory	-	-	-	15,485	15,485
Restricted for:					
Emergencies	285,000	-	-	-	285,000
Preschool program	17,345	-	-	-	17,345
Debt Service	-	-	1,324,333	-	1,324,333
Committed to:					
Emergencies	68,892	-	-	-	68,892
Capital projects	-	-	-	56,431	56,431
Assigned:					
Food service program				22,072	22,072
Unassigned	2,399,271	(8,985)	-	(125)	2,390,161
Total fund balances	2,770,508	(8,985)	1,324,333	93,863	4,179,719
Total liabilities, deferred inflows of resources and fund balance	\$ 3,447,867	\$ 184,110	\$ 1,400,483	\$ 230,314	\$ 5,262,774

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

Estes Park School District R-3
Reconciliation of the Governmental Funds
Balance Sheet with the Government-wide Statement of Net Position
June 30, 2017

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

Total fund balance - governmental funds	\$	4,179,719
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Capital assets used in governmental activities are not current financial resources, and therefore, are not reported in the fund financial statements.

Capital assets	\$ 41,293,999	
Less: accumulated depreciation	<u>(13,894,827)</u>	27,399,172

The deferred loss on refunding is not available to satisfy current obligations, and therefore, is not reported as deferred outflows of resources in the fund financial statements.		1,395,956
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Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore, are deferred in the fund financial statements.		227,321
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Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reflected in the fund financial statements.

Deferred outflows of resources	\$ 17,475,588	
Deferred inflows of resources	<u>(541,191)</u>	16,934,397

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported as liabilities in the fund financial statements.

Bonds payable	\$ (19,795,000)	
Bond premium	(1,080,781)	
Accrued interest payable	(50,302)	
Accrued compensated absences	(229,192)	
Net pension liability	<u>(45,425,121)</u>	(66,580,396)

Total net position of governmental activities	\$	(16,443,831)
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The accompanying notes are an integral part of these financial statements.

Estes Park School District R-3
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2017

	General Fund	Designated Purpose Grants Fund	Bond Redemption Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Local sources	\$ 9,859,832	\$ -	\$ 1,635,811	\$ 212,137	\$ 11,707,780
Intermediate sources	787	-	-	-	787
State sources	912,591	67,305	-	6,169	986,065
Federal sources	-	474,920	-	209,570	684,490
Total revenues	10,773,210	542,225	1,635,811	427,876	13,379,122
Expenditures					
Instruction	6,487,571	415,376	-	-	6,902,947
Supporting services	4,481,170	135,834	-	550,714	5,167,718
Capital Outlay	256,273	-	-	31,900	288,173
Debt service					
Principal retirement	-	-	1,040,000	-	1,040,000
Interest and fiscal charges	-	-	624,580	-	624,580
Total expenditures	11,225,014	551,210	1,664,580	582,614	14,023,418
Excess of revenues over under expenditures	(451,804)	(8,985)	(28,769)	(154,738)	(644,296)
Other financing sources (uses)					
Transfers in	-	-	-	84,156	84,156
Transfers out	(59,804)	-	-	(24,352)	(84,156)
Total other financing sources (uses)	(59,804)	-	-	59,804	-
Net change in fund balance	(511,608)	(8,985)	(28,769)	(94,934)	(644,296)
Fund balances at beginning of year	3,282,116	-	1,353,102	188,797	4,824,015
Fund balances at end of year	\$ 2,770,508	\$ (8,985)	\$ 1,324,333	\$ 93,863	\$ 4,179,719

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

Estes Park School District R-3
Reconciliation of the Governmental Funds Statement of Revenues, Expenditure and
Changes in Fund Balances to the Government-wide Statement of Activities
Year Ended June 30, 2017

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

Total net change in fund balance - governmental funds \$ (644,296)

Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation. This is the net change resulting from capital outlay, the disposal of capital assets and depreciation expense during the current period.

Depreciation expense	\$ (923,695)	
Net book value of capital assets disposed	(746,210)	
Capital outlay	133,038	(1,536,867)

Decrease in deferred inflows of resources for property taxes. Some revenues will not be collected for several months after the fiscal year ends, these amount are not considered available resources in the governmental fund statement of revenues, expenditures and changes in fund balances. These amounts are recorded as revenues in the statement of activities. 22,175

Decrease in accrued compensated absences liability reflected against expense on the statement of activities, and not reflected as an expense on the governmental statement of revenues, expenditures and changes in fund balances. 6,087

Repayments of bond principal are recorded as expenditures in the governmental funds, but as reductions in long-term liabilities in the statement of net position and does not affect the statement of activities. 1,040,000

Decrease in accrued interest payable reflected against interest expense on the statement of activities and not reflected on the governmental fund statement of revenues, expenditures and changes in fund balances. 3,448

Amortization of deferred loss on refunding is included in the statement of activities as interest expense, but is not reflected on the statement of revenues, expenditures and changes in fund balances. (104,472)

Accretion of bond premium is included in the statement of activities against interest expense, but is not reflected on the statement of revenues, expenditures and changes in fund balances. 89,166

Changes in the District's net pension liability, deferred outflows of resources and deferred inflows of resources related to the District's pension plan for the current year are not reported in governmental funds but are included in the statement of activities. (6,965,333)

Change in net position of governmental activities	\$	(8,090,092)
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The accompanying notes are an integral part of these financial statements.

Estes Park School District R-3
Statement of Fiduciary Net Position

June 30, 2017

	Agency Funds
Assets	
Cash and cash equivalents	\$ 216,433
Receivables	157
Investments	6,271
Due from other funds	25,542
<hr/>	
Total assets	\$ 248,403
Liabilities	
Accounts payable	\$ 17,331
Due to scholarship recipients	47,854
Due to student groups	183,218
<hr/>	
Total liabilities	\$ 248,403

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

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

1. Summary of Significant Accounting Policies

This summary of the Estes Park School District No. R-3's (the "District") significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units ("GAAP"). The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the District's accounting policies are described below.

Reporting Entity

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's governing board, and either, a) the ability to impose its will by the primary government, or b) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government; or
- 2) Fiscal dependency on the primary government and there is a potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

The District meets the criteria of a primary government: its District Board of Education is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The District is not included in any other governmental reporting entity.

The District has examined other entities that could be included as defined in numbers 1 and 2 above. Based on these criteria, the District has no component units.

Fund Accounting

The District uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." The District does not have any proprietary funds.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), acquisition or construction of major capital facilities (capital projects fund) and the servicing of general long-term debt (debt service fund). The following are the District's major governmental funds:

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

General Fund - The General Fund is the operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include local property taxes, specific ownership taxes, and State of Colorado equalization funding, as determined by the School Finance Act of 1994, as amended.

Expenditures include all costs associated with the daily operation of the schools, except for programs funded by grants from federal and state governments, certain capital outlay expenditures, risk-related transactions, debt service, food service operations and pupil activities.

Designated Purpose Grants Fund - This fund is a special revenue fund used to maintain a separate accounting for programs funded by federal, state and local grants that may or may not have a different fiscal period than that of the District.

Bond Redemption Fund - This fund is a debt service fund used to account for the revenues from a specific tax levy for the purpose of the repayment of debt principal, interest and other fiscal charges.

The following are the District's non-major governmental funds:

Food Service Fund - This fund is a special revenue fund used to account for the financial activities associated with the District's food service operations.

Aquatic Center Fund - This fund is a special revenue fund that was used to account for revenues received as part of an intergovernmental agreement between the Estes Valley Recreation and Park District (the "Rec District") and the District. This intergovernmental agreement was terminated during their fiscal year, and all related assets have been conveyed to the Rec District, resulting in a loss from disposal of \$746,210 which is presented as an expense under other supporting services on the Statement of Activities.

Outreach Fund - This fund is a special revenue fund used to account for the financial activities associated with district efforts to reestablish educational opportunities for students that have interrupted their studies.

Capital Reserve Capital Projects Fund - This fund is a capital projects fund used to account for and report financial resources that have been designated for capital outlays acquisition or construction of major capital facilities and other capital assets.

Fiduciary Funds focus on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The District has two agency funds: the Scholarship Agency Fund and the Pupil Activity Agency Fund.

Government-wide financial statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements - Fund financial statements report detailed information about the District. The focus of fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

Fiduciary funds focus on net position and changes in net position and are reported using accounting principles similar to proprietary funds. The District's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address the activities or obligations of the District, these funds are not incorporated into the government-wide financial statements.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting.

Revenues - exchange and non-exchange transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Non exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. State equalization monies are recognized as revenues during the period in which they are appropriated. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes collected within sixty days after year-end, interest, tuition, grants and student fees.

Unearned revenue - Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

Deferred outflows/inflows of resources - In addition to assets, the statement of net position 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 net position 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.

Expenditures - The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Encumbrances

Encumbrance accounting is utilized by the District to record purchase orders, contracts and other commitments for the expenditure of monies to assure effective budgetary control and accountability. Encumbrances outstanding at year-end are canceled and re-appropriated in the ensuing year's budget.

Cash and Cash with Fiscal Agent

The District considers all highly liquid investments of three months or less, including deposits in a pooled investment fund, to be cash and cash equivalents. Cash with fiscal agent is cash in the Bond Redemption Fund and Cash with the County Treasurer.

Investments

During 2017, the District had investments in local government pools and fixed income securities.

Investments are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

Receivables

In the government-wide financial statements, receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible. No amounts were determined to be uncollectible at June 30, 2017. Property taxes levied on December 31, but not received by June 30, are identified as property taxes receivable and recorded as revenue if they are collected within 60 days of year end.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position, and are classified as due from other funds or due to other funds on the balance sheet.

Inventories

Purchased inventories in the Food Service Fund are stated at costs as determined by the first-in, first-out method. Commodity inventories are stated at the United States Department of Agriculture's assigned values, which approximate fair value, at the date of receipt. Expenditures for food items are recorded when consumed. The federal government donates surplus commodities to the national school lunch program. Commodity distributions used by the District are recorded as revenues at the date of their receipt.

Capital Assets

General capital assets are those assets that result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund balance sheet financial statements.

All capital assets with a unit cost greater than \$5,000 are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) are capitalized along with other capital assets. Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not.

Interest is capitalized on assets reported in the governmental activities that are acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of borrowing until project completion with interest earned on invested proceeds over the same period. No interest was capitalized in the current period.

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Land improvements	20 years
Buildings and improvements	20-50 years
Furniture and equipment	5-25 years
Licensed vehicles	5-10 years

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

Compensated Absences

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Accumulated vacation leave benefits are paid to employees upon termination of employment.

Annual leave provides a system for paid leave that best serves the needs of district employees while achieving the highest level of budget efficiency and student learning. Annual leave allowances are awarded to employees according to the following schedule:

<u>Years of service</u>	<u>Annual accrual days</u>	<u>Reimbursement factor</u>
0-5 years	9	No factor - Classified employees
5 and over	9	.25 - Classified employees
0-3 years	9	No factor - Certified employees
3-5 years	9	.20 - Certified employees
6-8 years	9	.25 - Certified employees
9-12 years	9	.30 - Certified employees
13 and over	9	.35 - Certified employees

Each employee shall be allowed to accrue annual leave each year until a maximum of 100 days are accrued. Upon separation from the District, employees shall be eligible to receive pay for unused annual leave according to the above reimbursement factor.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account "accrued compensated absences" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

The amount recorded as liabilities for all applicable compensated absences include salary related payments associated with the payment of compensated absences, using the rates in effect at the balance sheet date.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due. Bond premiums, bond discounts, bond insurance costs and amounts deferred upon refunding are amortized over the life of the bonds using the straight-line method on the government-wide financial statements.

Estes Park School District No. R-3
Notes to Financial Statements
June 30, 2017

In the fund financial statements, governmental fund types recognize bond premiums, bond discounts and bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Bond premiums received on debt issuances are reported as other financing sources while bond discounts paid on debt issuances are reported as other financing uses. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance

GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

This statement requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation or because of constraints that are externally imposed by creditors, grantors, or the laws or regulations of other governments.

Committed - amounts that can be used only for the specific purposes determined by a formal action of the Board of Education (the District's highest level of decision-making authority). Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the Board has the authority to assign amounts for specific purposes.

Unassigned - residual amounts for the District's general fund and includes all spendable amounts not contained in the other classifications.

When both restricted and unrestricted resources are available in governmental funds, the District applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

Net position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

Pensions

The District 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.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/ expenses in the reimbursing fund and as reductions of expenditures/ expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements.

Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

Financial Policies and Procedures

The District believes it is in compliance with applicable state requirements, which includes adherence to the accounting policies and procedures described in the financial Policies and Procedures Handbook issued by the Colorado Department of Education.

2. Cash and Investments

Cash and Deposits

Colorado State statutes govern the District's deposit of cash. The Public Deposit Protection Act ("PDPA") for banks and savings and loans requires state regulators to certify eligible depositories for public deposits. The PDPA requires eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

Custodial credit risk - deposits - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of year-end, the District had total deposits with financial institutions with a carrying amount of \$541,272. The bank balances with the financial institutions were \$803,307, of which \$290,583 was insured and \$512,724 was collateralized with securities held by the pledging institution's trust department or agent but not in the District's name.

Investments - Investment policies are governed by Colorado State Statutes and the District's own investment policies and procedures. Investments of the District may include:

- Obligations of the United States Government such as treasury bills, notes and bonds
- Obligations of U.S. Government agencies such as securities issued by FNMA, GNMA, and FHLMC
- Certain international agency securities
- General obligation and revenue bonds of United States 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

During the year, the District invested in the Local Government Investment Pool Colotrust (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. The balance of the Trust as of June 30, 2017 was \$2,351,393.

Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of June 30, 2017, the District had invested in COLOTRUST PLUS+. The District also invested in asset back securities issued by U.S. government agencies.

COLOTRUST adheres to FASB and reports their investments in accordance with ASC 820. COLOTRUST maintains a stable net asset value of \$1 per share using the fair value method.

The District's investment maturities as of June 30, 2017 are as follows:

Investment type	Fair value	Investment maturities (in years)		
		Less than 1 year	1-10	11-20
U.S. agency-issued securities	\$ 6,271	\$ -	\$ -	\$ 6,271
Total	\$ 6,271	\$ -	\$ -	\$ 6,271

The District categorizes its fair value measurement 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

Estes Park School District No. R-3
Notes to Financial Statements
June 30, 2017

are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The U.S. agency-issued securities are categorized as a Level 2 investment. The U.S. agency-issued securities is maintained in the Scholarship Fund.

Interest rate risk - The District's investment policy doesn't formally limit investment maturities as a means of managing its exposure to fair value losses arising from increasing rates.

Credit risk - State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least one nationally recognized rating agency at the time of purchase. The District's investment policy does not further limit its investment choices. At year-end, the District's investment in the Trust was rated AAAM by Standard and Poor's.

The following table provides a reconciliation of cash, investments and cash with fiscal agent on the statement of net position:

Cash on hand	\$ 1,700
Cash in bank	541,272
Cash with fiscal agent	1,439,834
Investments	2,351,393
Total cash and cash equivalents	\$ 4,334,199

Cash and cash equivalents are presented as follows:

<i>Statement of Net Position</i>	
Cash	\$ 320,268
Cash with fiscal agent	1,439,834
Investments	2,351,393
<i>Fiduciary Funds</i>	
Cash	216,433
Investments	6,271
Total cash and investments	\$ 4,334,199

3. Receivables

Receivables at year-end consist of the following:

	Governmental Activities
Property tax receivable	\$ 624,747
Grants receivable	184,110
Other receivable	71,378
Total	\$ 880,235

Estes Park School District No. R-3

Notes to Financial Statements

June 30, 2017

Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or are due in two equal installments on the last day of February and June 15th. The counties of Larimer and Boulder bill and collect property taxes for all taxing entities within the counties. The tax receipts collected by the counties are remitted to the District in the subsequent month.

4. Interfund transactions

The following is a summary of interfund borrowings and transfers for the year as presented in the fund financial statements:

Governmental funds	Interfund Receivables	Interfund Payables
General fund	\$ 65,287	\$ -
Designated purpose fund	-	109,952
Bond redemption fund	-	35,475
Other governmental funds	190,272	135,674
Subtotal	\$ 255,559	\$ 281,101
Fiduciary funds	Interfund Receivables	Interfund Payables
Agency fund	\$ 25,542	\$ -
Total	\$ 281,101	\$ 281,101

All balances resulted from the time lag between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Governmental funds	Transfers In	Transfers Out
General fund	\$ -	\$ 59,804
Other governmental funds	84,156	24,352
Total transfers	\$ 84,156	\$ 84,156

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

The District transferred funds in the amount of \$24,352 from the Aquatic Center Fund to the Capital Reserve Capital Projects Fund to close out the Aquatic Center Fund. The District transferred funds in the amount of \$59,804 from the General Fund to the Food Service Fund to subsidize operations.

Estes Park School District No. R-3
Notes to Financial Statements
June 30, 2017

5. Capital Assets

Capital asset activity for year ended June 30, 2017 was as follows:

	Balance Beginning	Additions	Deletions/ Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 378,235	\$ -	\$ -	\$ 378,235
Total capital assets not being depreciated	378,235	-	-	378,235
Capital assets, being depreciated:				
Land improvements	653,397	-	-	653,397
Building and improvements	39,247,503	-	(1,942,981)	37,304,522
Furniture and equipment	1,673,413	-	(7,188)	1,666,225
Licensed vehicles	1,794,425	133,038	(635,843)	1,291,620
Total capital assets, being depreciated:	43,368,738	133,038	(2,586,012)	40,915,764
Less accumulated depreciation for:				
Land improvements	(128,768)	(29,091)	-	(157,859)
Building and improvements	(12,262,488)	(739,299)	1,199,252	(11,802,535)
Furniture and equipment	(944,262)	(78,024)	4,707	(1,017,579)
Licensed vehicles	(1,475,416)	(77,281)	635,843	(916,854)
Total accumulated depreciation	(14,810,934)	(923,695)	1,839,802	(13,894,827)
Total capital assets being depreciated, net	28,557,804	(790,657)	(746,210)	27,020,937
Governmental activities capital assets, net	\$28,936,039	\$ (790,657)	\$ (746,210)	\$27,399,172

Depreciation expense was charged to programs of the District as follows:

Governmental activities	
Operations and maintenance	\$ 46,519
Student transportation	73,709
Central support	40,939
Food service	7,896
Unallocated	754,632
Total depreciation expense	\$ 923,695

6. Accrued Salaries and Benefits

Salaries and benefits of certain contractually employed personnel are paid over a twelve month period from August to July, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned but not paid as of June 30, 2017 is estimated to be \$436,917. Accordingly, these accrued salaries and benefits are reflected as a liability in the accompanying financial statements.

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7. Short-Term Debt

In an effort to alleviate short-term cash flow issues, the District participated in the State of Colorado's Interest-Free Loan Program, with activity for the current fiscal year as follows:

	Beginning Balance	Borrowings	Repayments	Ending Balance
Short-term debt	\$ -	\$ 2,386,500	\$ (2,386,500)	\$ -

8. Long-term debt

The following is a summary of the changes in long-term debt for the year ended June 30, 2017:

	Beginning Balance	Additions	Reductions/ Amortizations	Ending Balance	Amounts Due in One Year
Bonds payable	\$ 20,835,000	\$ -	\$ (1,040,000)	\$ 19,795,000	\$ 1,080,000
Unamortized bond premium	1,169,947	-	(89,166)	1,080,781	-
Net pension liability	23,535,598	21,889,523	-	45,425,121	-
Accrued compensated absences	235,279	189,582	(195,669)	229,192	-
Total long-term debt	\$ 45,775,824	\$ 22,079,105	\$ (1,324,835)	\$ 66,530,094	\$ 1,080,000

The compensated absences will be liquidated by the General Fund and Food Service Fund. The District believes that the current portion of compensated absences is negligible and is therefore not reported. The retirement of the bonds payable will be liquidated by the Bond Redemption Fund, while the net pension liability attributable to the governmental activities will be liquidated by the General Fund.

Bonds Payable

General obligation bonds payable consist of the following individual issues as of June 30, 2017:

\$750,000 general obligation bonds, dated August 7, 2007, due in annual installments in the amount of \$25,000; varying annual interest rates ranging from 4.50% to 5.13%; payable semiannually on June 1st and December 1st. The proceeds from the sale of the bonds were used to finance capital projects and to pay costs of issuance. The District issued \$3,485,000 in general obligation refunding bonds on January 7, 2015, to advance refund bonds. The bonds mature on December 1, 2031.

\$ 25,000

\$8,420,000 general obligation refunding bonds, dated March 1, 2012, due in annual installments ranging from \$70,000 to \$710,000; varying annual interest rates ranging from 2.00% to 4.00%; payable semiannually on June 1st and December 1st. The proceeds from the sale of the bonds were used to advance refund bonds prior to maturity and to pay costs of issuance. The bonds mature on December 1, 2031.

7,995,000

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\$1,200,000 general obligation bonds, dated May 14, 2014, due in annual installments ranging from \$55,000 to \$85,000; varying annual interest rates ranging from 2.00% to 4.00%; payable semiannually on June 1st and December 1st. The proceeds from the sale of the bonds were used to finance capital projects and to pay costs of issuance. The bonds mature on December 1, 2031. 1,020,000

\$7,975,000 general obligation refunding bonds, dated December 16, 2014, due in annual installments ranging from \$65,000 to \$690,000; varying annual interest rates ranging from 2.00% to 3.50%; payable semiannually on June 1st and December 1st. The proceeds from the sale of the bonds were used to advance refund bonds prior to maturity and to pay costs of issuance. The bonds mature on December 1, 2028. 7,850,000

\$3,485,000 general obligation refunding bonds, dated January 7, 2015, due in annual installments ranging from \$10,000 to \$835,000; varying annual interest rates ranging from 2.00% to 4.00%; payable semiannually on June 1st and December 1st. The proceeds from the sale of the bonds were used to advance refund bonds prior to maturity and to pay costs of issuance. The bonds mature on December 1, 2031. 2,905,000

Total bonds payable	\$ 19,795,000
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The following schedule represents the District's debt service requirements to maturity for all outstanding bonded indebtedness:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2018	\$ 1,080,000	\$ 592,513	\$ 1,672,513
2019	1,105,000	570,350	1,675,350
2020	1,130,000	545,500	1,675,500
2021	1,160,000	517,525	1,677,525
2022	1,185,000	486,075	1,671,075
2023-2027	6,510,000	1,828,503	8,338,503
2028-2031	7,625,000	681,673	8,306,673
Total	\$ 19,795,000	\$ 5,222,139	\$ 25,017,139

\$9,895,000 general obligation bonds, dated December 13, 2006, were fully paid off in fiscal year 2017 in the amount of \$450,000; annual interest rate of 4.00%; payable semiannually on June 1st and December 1st. The District issued \$3,485,000 in general obligation refunding bonds on January 7, 2015, to advance refund bonds maturing December 1, 2029 through December 1, 2031.

\$10,555,000 general obligation bonds, dated January 19, 2007, were fully paid off in fiscal year 2017, in the amount of \$365,000; annual interest rate of 5.00%; payable semiannually on June 1st and December 1st. The District issued \$7,975,000 in general obligation refunding bonds on December 16, 2014, to advance refund bonds maturing on December 1, 2017 through December 1, 2028.

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Prior Year Defeasance of Debt

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year-end, \$1,849,360 of bonds outstanding are considered defeased.

9. Defined Benefit Pension Plan

Plan Description

Eligible employees of the District are provided with pensions through the 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/investments/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
- \$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-

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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 the District 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:

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

¹Rates 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 District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$1,263,041 for the year ended June 30, 2017.

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

At June 30, 2017, the District reported a liability of \$45,425,121 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 District's proportion of the net pension liability was based on the District's 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 District's proportion was .15257 percent, which was a decrease of .00132 from its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$8,206,781. At June 30, 2017, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 567,884	\$ 400
Net difference between projected and actual earnings on pension plan investments	1,518,921	-
Changes of assumptions or other inputs	14,739,505	204,844
Changes in proportionate share	-	335,947
District contributions subsequent to the measurement date	649,278	-
	\$ 17,475,588	\$ 541,191

The \$649,278 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,	Amortization
2018	\$ 6,329,034
2019	6,661,702
2020	3,283,248
2021	11,135
	\$ 16,285,119

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Actuarial assumptions

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

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
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

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
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

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

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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.

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 return on 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.

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:

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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.
- 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.

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- 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 plan members. Therefore, the long-term expected rate of return on plan investments of 7.50 percent 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 and the discount rate was 7.50 percent, 2.24 percent higher compared to the current measurement date.

Sensitivity of the District's 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%)
District's proportionate share of the net pension liability	\$ 57,120,630	\$ 45,425,121	\$ 35,899,552

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.

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10. Defined Contribution Pension Plan

Voluntary Investment Program

Plan description

Employees of the District 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 of 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. The District does offer matching contributions to its employees. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ending June 30, 2017, program members contributed \$55,645 and the District recognized pension expense of \$106,619 for the Voluntary Investment Program.

11. Postemployment Healthcare Benefits

Plan description

The District 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 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.

Funding policy

The District is required to contribute at a rate of 1.02 percent of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District 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 fiscal years ended June 30, 2017, 2016, and 2015, the District's contributions to the HCTF were \$91,768, \$68,625, and \$66,305, respectively, equal to their required contributions for each year.

12. Risk Management

Colorado School Districts Self-Insurance Pool

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Colorado School Districts Self-Insurance Pool (the "CSDSIP"). The CSDSIP's objectives are to provide member school district defined property and liability coverages through self-insurance and excess insurance purchased from commercial companies. The District pays an annual contribution to the CSDSIP for its insurance coverages. The District's contribution for the year was \$75,7

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The District continues to carry commercial insurance for other risks of loss, including employee health insurance and workman's compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three fiscal years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

Northern Colorado School Districts' Self-Insurance Pool

The purpose of the Northern Colorado School Districts' Self-Insurance Pool (the "Pool") is to provide members workers compensation coverages and to assist members to prevent and reduce losses and injuries to persons or property which might result in claims being made against members of the Pool, their employees or officers.

It is the intent of the members of the Pool to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of the Pool against stated liability of loss, to the limit of the financial resources of the Pool. It is also the intent of the members to have the Pool provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its members. The District's contribution for the year was \$35,534.

13. Commitments and Contingencies

Federal and State Funding

The District receives revenues from various federal and state grant programs which are subject to final review and approval by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights ("TABOR"), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in student enrollment. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. In November 2000, the voters of the District approved a ballot initiative permitting the District to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution.

TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR's language in order to determine its compliance. The District has restricted funds in the General Fund in the amount of \$285,000 for the emergency reserve.

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Colorado Local Government Budget Laws

Colorado local government budget laws state that a District shall not expend any moneys in excess of the appropriated by resolution. Expenditures in the Outreach Fund has exceeded their appropriations by \$12,633, which may be a violation of Colorado local government budget laws.

14. Joint Venture

The District participates in the Centennial Board of Cooperative Educational Services ("BOCES"). This joint venture does not meet the criteria for inclusion within the reporting entity because the BOCES is:

- financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- has a separate governing board from that of the District,
- has separate management which is responsible for day to day operations and is accountable to the separate governing board,
- the governing board and management have the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome or disposition of matters affecting the recipients of services provided, and
- has absolute authority over all funds and fiscal responsibility, including budgetary responsibility, and reporting to state agencies and controls fiscal management.

This is a jointly governed organization with the District being represented by one member on the governing board of the cooperative. This board has final authority for all budgeting and financing of the joint venture. Separate financial statements of the BOCES are available by contacting their administrative office in Longmont, Colorado.

For the year, the District's financial contribution to the BOCES was \$57,215.

15. Deficit Fund Balance

The Designated Grants Fund and the Outreach Fund reported a deficit fund balance as of June 30, 2017 of \$8,985 and \$125, respectively, which will be eliminated in future years with reduction of expenditures and possible subsidies from the General Fund.

16. Subsequent Events

Management of the District has evaluated subsequent events through December 31, 2017, the date these financial statements were available to be issued. No transactions or events that would require adjustment to or disclosures in the financial statements were identified.

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Estes Park School District No. R-3
Required Supplementary Information
June 30, 2017

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - General Fund
- Budgetary Comparison Schedule - Governmental Designated Purpose Fund
- Schedule of the District's Proportionate Share of the Net Pension Liability
- Schedule of District Contributions

Estes Park School District R-3
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local sources	\$ 10,365,607	\$ 10,401,010	\$ 9,859,832	\$ (541,178)
Intermediate sources	1,250	1,250	787	(463)
State sources	806,567	891,486	912,591	21,105
Total revenues	11,173,424	11,293,746	10,773,210	(520,536)
Expenditures				
Current:				
Instruction	6,242,096	6,455,287	6,487,571	(32,284)
Supporting services	4,674,220	4,672,944	4,481,170	191,774
Appropriated reserves	284,804	240,327	-	240,327
Capital outlay	-	151,000	256,273	(105,273)
Total expenditures	11,201,120	11,519,558	11,225,014	294,544
Deficiency of revenues over expenditures	(27,696)	(225,812)	(451,804)	(225,992)
Other financing uses				
Transfers out	(59,804)	(59,804)	(59,804)	-
Total other financing uses	(59,804)	(59,804)	(59,804)	-
Net change in fund balance	\$ (87,500)	\$ (285,616)	(511,608)	\$ (225,992)
Fund balance at beginning of year			<u>3,282,116</u>	
Fund balance at end of year			<u>\$ 2,770,508</u>	

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Budgetary Comparison Schedule
Designated Purpose Grants Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Sources	\$ 15,000	\$ 15,000	\$ -	\$ (15,000)
State Sources				
School to work alliance program	67,305	67,305	67,305	-
Federal sources				
IDEA Preschool	11,652	11,652	6,439	(5,213)
IDEA Part B	227,521	227,521	222,693	(4,828)
Title I Part A	279,426	280,684	219,618	(61,066)
Title II Part A	41,274	41,090	1,548	(39,542)
Title III	11,828	11,828	11,828	-
Carl Perkins	8,500	8,500	12,794	4,294
Total revenues	\$ 662,506	\$ 663,580	\$ 542,225	\$ (121,355)
Expenditures				
Instruction				
Salaries	258,225	263,907	295,429	(31,522)
Employee Benefits	94,189	93,535	110,292	(16,757)
Purchased Services	5,000	5,000	4,869	131
Supplies and materials	10,000	10,000	4,786	5,214
Total instruction	367,414	372,442	415,376	(42,934)
Supporting services				
Students				
Salaries	20,300	20,300	20,300	-
Employee benefits	8,260	8,260	8,234	26
Purchased services	8,600	6,600	6,696	(96)
Supplies and materials	750	750	27	723
Total students	37,910	35,910	35,257	653

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Instructional staff				
Salaries	-	72,865	23,155	49,710
Employee benefits	-	23,153	12,158	10,995
Purchased services	2,000	2,000	11,447	(9,447)
Supplies and materials	196,485	95,617	20,887	74,730
Total Instructional staff	198,485	193,635	67,647	125,988
General Administration				
Salaries	21,001	23,542	25,831	(2,289)
Employee benefits	6,422	6,961	6,217	744
Purchased services	31,274	31,090	855	30,235
Supplies and materials	-	-	27	(27)
Total general administration	58,697	61,593	32,930	28,663
Total supporting services	295,092	291,138	135,834	155,304
Total expenditures	662,506	663,580	551,210	112,370
Net change in fund balance	\$ -	\$ -	(8,985)	\$ (164,289)
Fund balance at beginning of year				-
Fund balance at end of year			\$ (8,985)	

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Ten Years *

December 31,	2016	2015	2014
District's proportion of the net pension liability	0.153%	0.154%	0.151%
District's proportionate share of the net pension liability	\$ 45,425,121	\$ 23,535,598	\$ 20,493,328
District's covered-employee payroll	\$ 6,847,484	\$ 6,727,933	\$ 6,500,519
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	663.38%	349.82%	315.26%
Plan fiduciary net position as a percentage of the total pension liability	43.10%	59.20%	62.84%

The amounts presented for each fiscal year were determined as of 12/31.

*Information is not available prior to June 30, 2015. In future reports, additional years will be added until 10 years of historical data are presented.

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Schedule of District Contributions
Last Ten Years *

Year Ended June 30,	2017	2016	2015
Statutorily required contribution	\$ 1,263,041	\$ 1,262,126	\$ 1,166,908
Contributions in relation to the statutorily required contribution	1,263,041	1,262,126	1,166,908
Contribution deficiency (excess)	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 6,966,581	\$ 6,727,933	\$ 6,500,519
Contributions as a percentage of covered employee payroll	18.13%	18.76%	17.95%

*Information is not available prior to June 30, 2015. In future reports, additional years will be added until 10 years of historical data are presented.

See accompanying Independent Auditor's Report.

Estes Park School District No. R-3
Required Supplementary Information
June 30, 2017

Note A - Budgetary data

The District adheres to the following procedures in compliance with Colorado Revised Statutes, establishing the budgetary data in the financial statements:

1. Budgets are required by state law for all funds. Prior to May 31, the superintendent of schools submits to the board of education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the board of education to obtain taxpayer comments.
3. Prior to June 30, the budget is adopted by formal resolution.
4. Prior to January 31, the board of education submits its adopted annual budget to the department of education.
5. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and reallocation of budget line items within any department in the General Fund rests with the superintendent of schools. Revisions that alter the total expenditures of any fund must be approved by the board of education.
6. Budgets for all funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
7. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the board of education throughout the year. After budget approval, the District board of education may approve supplemental appropriations if an occurrence, condition, or need exists which was not known at the time the budget was adopted. Supplemental appropriations were made during the year.
8. Appropriations lapse at year-end.

Note B - Factors affecting trends in amounts reported in the pension schedules

Information about factors that significantly affect trends in the amounts reported in the Schedule of the District's Proportionate Share of the Net Pension Liability and the Schedule of District Contributions is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Other Supplementary Information

Estes Park School District R-3
Budgetary Comparison Schedule
Bond Redemption Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local sources				
Property taxes	\$ 1,665,963	\$ 1,665,963	\$ 1,689,165	23,202
Delinquent taxes and interest	4,000	4,000	(56,682)	(60,682)
Interest on investments	400	400	3,328	2,928
Total revenues	1,670,363	1,670,363	1,635,811	(34,552)
Expenditures				
Debt service				
Principal	1,040,000	1,040,000	1,040,000	-
Interest and fiscal changes	630,363	630,363	624,580	5,783
Total expenditures	1,670,363	1,670,363	1,664,580	5,783
Net change in fund balance	\$ -	\$ -	(28,769)	\$ (28,769)
Fund balance at beginning of year			1,353,102	
Fund balance at end of year			\$ 1,324,333	

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	Food Service Fund	Aquatic Center Fund	Outreach Fund	Capital Reserve Capital Projects Fund	Total
Assets					
Cash	\$ 600	\$ -	\$ -	\$ -	\$ 600
Due from other funds	131,269	-	2,712	56,291	190,272
Other receivables	23,733	-	84	140	23,957
Inventory	15,485	-	-	-	15,485
Total assets	\$ 171,087	\$ -	\$ 2,796	\$ 56,431	\$ 230,314
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	\$ 379	\$ -	\$ 399	\$ -	\$ 778
Due to other funds	133,151	-	2,522	-	135,673
Total liabilities	133,530	-	2,921	-	136,451
Fund balance (deficit)					
Nonspendable for inventory	15,485	-	-	-	15,485
Assigned for food service program	22,072	-	-	-	22,072
Committed to capital projects	-	-	-	56,431	56,431
Unassigned	-	-	(125)	-	(125)
Total fund balance	37,557	-	(125)	56,431	93,863
Total liabilities, deferred inflows of resources and fund balances	\$ 171,087	\$ -	\$ 2,796	\$ 56,431	\$ 230,314

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2017

	Food Service Fund	Aquatic Center Fund	Outreach Fund	Capital Reserve Capital Projects Fund	Total
Revenues					
Local sources	\$ 140,841	\$ -	\$ 51,666	\$ 19,630	\$ 212,137
State sources	6,169	-	-	-	6,169
Federal sources	209,570	-	-	-	209,570
Total revenues	356,580	-	51,666	19,630	427,876
Expenditures					
Supporting services	425,936	75,137	49,641	-	550,714
Capital outlay	-	-	-	31,900	31,900
Total expenditures	425,936	75,137	49,641	31,900	582,614
Excess (deficiency) of revenues over expenditures	(69,356)	(75,137)	2,025	(12,270)	(154,738)
Other financing sources (uses)					
Transfers in	59,804			24,352	84,156
Transfers out		(24,352)	-		(24,352)
Total other financing sources	59,804	(24,352)	-	24,352	59,804
Net change in fund balance	(9,552)	(99,489)	2,025	12,082	(94,934)
Fund balances (deficit) at beginning of year	47,109	99,489	(2,150)	44,349	188,797
Fund balances (deficit) end of year	\$ 37,557	\$ -	\$ (125)	\$ 56,431	\$ 93,863

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Budgetary Comparison Schedule
Food Service Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local sources	\$ 147,250	\$ 147,250	\$ 140,841	\$ (6,409)
State sources	5,700	5,700	6,169	469
Federal sources	205,000	205,000	209,570	4,570
Total revenues	357,950	357,950	356,580	(1,370)
Expenditures				
Supporting services				
Salaries	153,148	153,148	147,384	5,764
Employee benefits	79,695	79,695	63,867	15,828
Purchased services	3,507	3,507	4,620	(1,113)
Supplies and materials	206,404	206,404	210,065	(3,661)
Total expenditures	442,754	442,754	425,936	16,818
Excess (deficiency) of revenues over expenditures	(84,804)	(84,804)	(69,356)	15,448
Other financing sources				
Transfers in	59,804	59,804	59,804	-
Total other financing sources	59,804	59,804	59,804	-
Net change in fund balance	\$ (25,000)	\$ (25,000)	(9,552)	\$ 15,448
Fund balance at beginning of year			47,109	
Fund balance at end of year			\$ 37,557	

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Budgetary Comparison Schedule
Aquatic Center Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local sources	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Supporting services				
Purchased services	40,200	68,989	46,233	22,756
Supplies and materials	57,000	30,500	28,904	1,596
Total expenditures	97,200	99,489	75,137	24,352
Deficiency of revenues over expenditures	(97,200)	(99,489)	(75,137)	(24,352)
Other financing uses				
Transfers out	\$ -	(55,409)	(24,352)	31,057
Total other financing uses	-	(55,409)	(24,352)	31,057
Net change in fund balance	<u>\$ (97,200)</u>	<u>\$ (154,898)</u>	<u>(99,489)</u>	<u>\$ 6,705</u>
Fund balance at beginning of year			<u>99,489</u>	
Fund balance at end of year			<u>\$ -</u>	

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Budgetary Comparison Schedule
Outreach Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local sources	\$ 37,008	\$ 37,008	\$ 51,666	\$ 14,658
Total revenues	37,008	37,008	51,666	14,658
Expenditures				
Support services				
Salaries	7,040	7,040	25,364	(18,324)
Employee benefits	1,468	1,468	5,288	(3,820)
Purchased services	15,000	15,000	14,092	908
Supplies and materials	13,500	13,500	4,897	8,603
Total expenditures	37,008	37,008	49,641	(12,633)
Net change in fund balance	\$ -	\$ -	2,025	\$ 2,025
Fund balance (deficit) at beginning of year			(2,150)	
Fund balance (deficit) at end of year			\$ (125)	

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Budgetary Comparison Schedule
Capital Reserve Capital Projects Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local sources	\$ -	\$ 19,630	\$ 19,630	\$ -
Total revenues	-	19,630	19,630	-
Expenditures				
Capital outlay				
Facilities acquisition	49,318	119,388	31,900	87,488
Total expenditures	49,318	119,388	31,900	87,488
Excess deficiency of revenues over expenditures	(49,318)	(99,758)	(12,270)	87,488
Other financing sources				
Transfers in	-	55,409	24,352	(31,057)
Total other financing sources	-	55,409	24,352	(31,057)
Net change in fund balance	\$ (49,318)	\$ (44,349)	12,082	\$ 56,431
Fund balance at beginning of year			44,349	
Fund balance at end of year			\$ 56,431	

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2017

	Scholarship Agency Fund	Pupil Activity Agency Fund	Total
Assets			
Cash	\$ 40,583	\$ 175,850	\$ 216,433
Investments	6,271	-	6,271
Receivables	-	157	157
Due from other funds	1,000	24,542	25,542
Total assets	\$ 47,854	\$ 200,549	\$ 248,403
Liabilities			
Accounts payable	\$ -	\$ 17,331	\$ 17,331
Due to scholarship recipients	47,854	-	47,854
Due to student groups	-	183,218	183,218
Total Liabilities	\$ 47,854	\$ 200,549	\$ 248,403

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Combining Statement of Additions, Deductions and Changes in Fund Liabilities
Agency Funds
Year Ended June 30, 2017

	Scholarship Agency Fund	Pupil Activity Agency Fund	Total
Additions			
Fundraising and other events	\$ -	\$ 397,276	\$ 397,276
Earnings on investments	70	-	70
Total additions	70	397,276	397,346
Deductions			
Pupil activity expenditures	-	407,518	407,518
Scholarship agency expenditures	245	-	245
Total deductions	245	407,518	407,763
Deficiency of additions over deductions	(175)	(10,242)	(10,417)
Due to scholarship recipients/student groups at beginning of year	48,029	193,460	241,489
Due to scholarship recipients/student groups at end of year	\$ 47,854	\$ 183,218	\$ 231,072

See accompanying Independent Auditor's Report.

Estes Park School District R-3
Scholarship Agency Fund
Budgetary Comparison Schedule
Year Ended June 30, 2017

	Original	Final	Actual	Variance Final Budget Postive (Negative)
Additions				
Earnings on investments	\$ 1,300	\$ 1,300	\$ 70	\$ (1,230)
Total additions	1,300	1,300	70	(1,230)
Deductions				
Scholarship awards	1,300	1,300	245	1,055
Total deductions	1,300	1,300	245	1,055
Excess (deficiency) of additions over deductions	\$ -	\$ -	(175)	\$ (175)
Due to scholarship recipients at beginning of year			48,029	
Due to scholarship recipients at end of year			\$ 47,854	

Estes Park School District R-3
Pupil Activity Agency Fund
Budgetary Comparison Schedule
Year Ended June 30, 2017

	Original	Final	Actual	Variance Final Budget Positive (Negative)
Additions				
Fundraising and other events	\$ 424,000	\$ 447,500	\$ 397,276	\$ (50,224)
Total additions	424,000	447,500	397,276	(50,224)
Deductions				
Pupil activity expenditures	467,300	474,800	407,518	67,282
Total deductions	467,300	474,800	407,518	67,282
Excess (deficiency) of additions over deductions	\$ (43,300)	\$ (27,300)	(10,242)	\$ 17,058
Due to student groups at beginning of year			<u>193,460</u>	
Due to student groups at end of year			<u>\$ 183,218</u>	



Colorado Department of Education
Auditors Integrity Report
 District: 1570 - ESTES PARK R-3
 Fiscal Year 2016-17
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental						
10 General Fund	3,282,116		10,713,406	11,225,014		2,770,507
18 Risk Mgmt Sub-Fund of General Fund	0		0	0		0
19 Colorado Preschool Program Fund	0		0	0		0
Sub-Total	3,282,116		10,713,406	11,225,014		2,770,507
11 Charter School Fund	0		0	0		0
20.26-29 Special Revenue Fund	97,339		27,314	124,778		-125
06 Supplemental Cap Const, Tech, Main, Fund	0		0	0		0
21 Food Service Spec Revenue Fund	47,109		416,384	425,936		37,557
22 Govt Designated-Purpose Grants Fund	0		549,616	549,616		0
23 Pupil Activity Special Revenue Fund	0		0	0		0
24 Full Day Kindergarten Mill Levy Override	0		0	0		0
25 Transportation Fund	0		0	0		0
31 Bond Redemption Fund	1,353,102		1,635,812	1,664,579		1,324,335
39 Certificate of Participation (COP) Debt Service Fund	0		0	0		0
41 Building Fund	0		0	0		0
42 Special Building Fund	0		0	0		0
43 Capital Reserve Capital Projects Fund	44,349		43,982	31,900		56,430
46 Supplemental Cap Const, Tech, Main Fund	0		0	0		0
Totals	4,824,015		13,386,514	14,021,824		4,188,704
Proprietary						
50 Other Enterprise Funds	0		0	0		0
64 (63) Risk-Related Activity Fund	0		0	0		0
60.65-69 Other Internal Service Funds	0		0	0		0
Totals	0		0	0		0
Fiduciary						
70 Other Trust and Agency Funds	0		0	0		0
72 Private Purpose Trust Fund	0		0	0		0
73 Agency Fund	48,029		69	245		47,854
74 Pupil Activity Agency Fund	193,460		397,276	407,518		183,218
79 GASB 34/Permanent Fund	0		0	0		0
85 Foundations	0		0	0		0
Totals	241,489		397,346	407,763		231,072

If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your prior period adjustment is added into both your ending and beginning fund balances on this report.