

cPa DIXON, WALLER & CO., INC.

BACA COUNTY SCHOOL DISTRICT RE-5

VILAS, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2018

DIXON, WALLER & CO., INC.

TABLE OF CONTENTS

BACA COUNTY SCHOOL DISTRICT RE-5

FINANCIAL STATEMENTS

JUNE 30, 2018

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

	<u>Page</u>
Notes to Basic Financial Statements.....	9-40
 <u>REQUIRED SUPPLEMENTAL INFORMATION:</u>	
Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual:	
General Fund.....	41-44
Pension Trend Data:	
Schedule of Proportionate Share of Net Pension Liability.....	45
Schedule of District Contributions - Pension.....	46
Other Post Employment Benefits (OPEB) Trend Data:	
Schedule of Proportionate Share of Net OPEB Liability.....	47
Schedule of District Contributions – OPEB.....	48
 <u>COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES:</u>	
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	
Combining Balance Sheet – Nonmajor Governmental Fund.....	49
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	50
Food Service – Special Revenue Fund.....	51
Student Activity - Special Revenue Fund.....	52
Capital Reserve – Capital Projects Fund.....	53
 <u>STATE REQUIRED SCHEDULE:</u>	
Auditor’s Integrity Report (Revenues, Expenditures, and Fund Balance by Fund).....	54
Bolded Balance Sheet.....	55-57

BACA COUNTY SCHOOL DISTRICT RE-5
ROSTER OF SCHOOL OFFICIALS
June 30, 2018

BOARD OF EDUCATION

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

SCHOOL OFFICIALS

Corey Doss	Superintendent
Amanda Forgey	Bookkeeper

FINANCIAL SECTION

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TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT

Board of Education
Baca County School District RE-5
Vilas, Colorado 81027

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District RE-5, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District RE-5, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and other post employment benefits trend data on pages i through vii and 41 through 48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Baca County School District RE-5's basic financial statements. The combining and individual fund financial statements, other schedules and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



Trinidad, Colorado
February 14, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Baca County School District RE-5
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

As management of the Vilas School District RE-5, we offer readers of the Baca County School District RE-5 financial statements, this narrative overview and analysis of the financial activities of the District ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the District's financial statements, which follow this section.

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

Financial Highlights

- In government-wide activities, the District's net position totaled \$(1,749,505) at the end of the 2018 fiscal year.
- Government Funds revenue was \$1,031,590; expenditures totaled \$963,559 with an ending fund balance of \$264,510.

Overview of the Financial Statements

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

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

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

District-wide Financial Statements

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

The statement of net position presents information on all of the Baca County District RE-5 assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Baca

County School District RE-5 is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities. In addition, Colorado does provide a 3, 4, or 5 year averaging to ameliorate spikes in enrollment.

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

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

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to track specific sources or funding and spending on particular programs. The Baca County School District RE-5, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's funds are divided into one category: governmental funds.

Governmental Funds: Most of the District's basic services are included in governmental funds, which generally focus on:

- (1) How cash and other financial assets that can readily be converted to cash flow in and out.
- (2) Balances remaining at year-end, which are available for spending.

Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the district-wide statements, additional information in the reconciliation of the governmental funds statements explain the relationship (or differences) between them.

Baca County School District RE-5 maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, because it is considered a major fund.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents supplementary information. Supplementary information includes combining statements mentioned

earlier in connection with non-major governmental funds as well as budget-to-actual information for all funds dictated by state law.

District –wide Financial Analysis

Table 1 provides a summary of the District’s net position at June 30, 2018 with additional comparative June 30, 2017 data.

Table 1
Condensed Statement of Net Position

	Governmental Activities		Total 2018 School District	Total 2017 School District
	2018	2017		
Current & Other Assets	\$432,035	\$317,665	\$432,035	\$317,665
Capital Assets/Net of Depreciation	\$803,780	\$831,109	\$803,780	\$831,109
Total Assets	\$1,235,815	\$1,148,774	\$1,235,815	\$1,148,774
Deferred Outflows	\$974,542	\$1,229,069	\$974,542	\$1,229,069
Current Liabilities	\$167,525	\$124,152	\$167,525	\$124,152
Non-current Liabilities (including pension obligation for 2016 & 2017)	\$3,228,718	\$3,201,745	\$3,228,718	\$3,201,745
Total Liabilities	\$3,396,243	\$3,325,897	\$3,396,243	\$3,325,897
Deferred Inflows	\$563,619	\$350,078	\$563,619	\$350,078
Invested in Capital Assets/Net related debt	\$803,780	\$828,143	\$803,780	\$828,143
Restricted	\$60,441	\$53,857	\$60,441	\$53,857
Unrestricted (Deficit)	\$(2,613,726)	\$(2,180,132)	\$(2,613,726)	\$(2,180,132)
Total Net Position at June 30	\$(1,749,505)	\$(1,298,132)	\$(1,749,505)	\$(1,298,132)

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

Table 2
Changes in Net Position from Operating Results

Revenues	2018	2017
Program Revenues		
Charges for Service	\$24,719	\$52,013
Operating Grants & Contributions BOCES Grants	\$143,733	\$132,763
Investment Earnings	\$1,882	\$1,317
General Revenue		
Property Tax	\$204,031	\$203,443
State Equalization	\$590,922	\$549,073
Other	\$66,303	\$93,709
Insurance Reimbursement	-	-
Grants BOCES	-	\$50,043
Total Revenue	\$1,031,590	\$969,095
Expenses		
Instruction	\$442,349	\$395,613
Support Services		
Students	\$26,556	\$31,256
Instructional Staff	\$21,945	\$12,885
General, School, Business	\$211,309	\$212,846
Operations/Maintenance	\$123,473	\$126,186
Student Transportation	\$45,253	\$60,238
Central Support/Other	\$33,452	\$42,109
Food Service Operations	\$51,347	\$56,740
Depreciation Expenses	\$54,788	\$59,814
Interest Expenses	\$449	\$477
Debt Services	-	\$6070
Pension and OPEB Expense	\$410,814	\$349,788
Total Expenses	\$1,422,005	\$1,347,952
Increase/Decrease	\$(390,415)	\$(378,857)

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

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

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

District Capital Assets

Depreciable Assets 2018:	Accumulated Depreciation 2018	Current Value 2018	Depreciable Assets 2017	Accumulated Depreciation 2017	Current Value 2017
Land					
\$31,928	-	\$31,928	\$31,928	-	\$31,928
Construction in Process					
\$9,628	-	\$9,628			
Buildings					
\$1,517,242	\$786,743	\$730,539	\$1,517,242	\$755,605	\$761,637
Vehicles					
\$489,880	\$468,160	\$21,720	\$514,386	\$494,112	\$20,274
Equipment					
\$1,216,283	\$1,208,149	\$8,134	\$1,216,283	\$1,201,086	\$78,995
Lunch Equipment					
\$53,721	\$51,890	\$1,183	\$53,721	\$51,648	\$2,073
\$3,318,682	\$2,514,902	\$803,780	\$3,333,560	\$2,502,451	\$831,109

The District's total Capital Assets are \$3,318,682. This includes \$41,556 in non-depreciated assets and the current net value of capital assets is \$803,780 as noted in the above table.

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this act, the districts receive funding for each child enrolled. The District receives about 57% of its funding from state equalization while the balance comes from property tax, specific ownership tax, grants and interest. The district receives about 20% from property taxes.

The statement of activities provides the cost of program services and the related charges for services and grants offsetting those costs. Table 3 reflects each program's net cost (total cost less fees generated by the programs and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these programs.

Table 3

Net Cost of Governmental Activities (in dollars)

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
Instruction	\$442,349	\$395,613	\$333,162	\$295,134
Student Support	\$26,556	\$31,256	\$10,599	\$12,210
Instructional Staff	\$21,945	\$12,885	\$21,945	\$12,885
General, School, Business Support	\$211,309	\$212,846	\$211,309	\$212,846
Operations and Maintenance	\$123,743	\$126,186	\$123,743	\$106,416
Student Transportation	\$45,253	\$60,238	\$34,885	\$49,028
Central Support	\$33,452	\$42,209	\$33,452	\$42,209
Depreciation	\$54,788	\$59,814	\$54,788	\$59,814
Interest	\$449	\$477	\$449	\$477
Pension & OPEB	\$410,814	\$349,788	\$410,814	\$349,788
Food Service	\$51,347	\$56,740	\$51,347	\$56,740
Total	\$1,422,005	\$1,347,952	\$1,253,553	\$1,163,176

- The cost of all governmental activities this year was \$1,422,005
- Federal and State government subsidized certain programs with grants and contributions for \$143,733.
- District and State Taxpayers, however, financed most of the District's Costs.
- This portion of governmental activities was financed with \$204,031 in taxes and \$590,922 in state equalization based on the statewide per pupil funding formula.

Financial Analysis of the District's Funds

Information about the District's funds start on page 5. These funds are accounted for using the modified accrual basis of accounting. All governmental funds have a total revenue of \$1,031,590.

General Fund Budgetary Highlights

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

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

The Fund Balance as of June 30, 2018 (budgetary basis) was \$264,510 compared to \$196,479 as of June 30, 2017.

Implementation of GASB 75

The District was required to implement GASB 75 in 2018, resulting in a net other post-employment benefit (OPEB) liability of \$72,084. Under GASB 75 the District's proportionate share of the OPEB liability of the Colorado state retirement system Health Care Trust Fund administered by the Public Employees Retirement Association, is recorded as a liability of the District. At implementation beginning equity is restated and deferred inflows, outflows and the net OPEB liability are reported. Beginning net position of governmental activities decreased as a result of this change.

Upon implementation of GASB 75, the beginning net position of governmental activities decreased \$84,227 to \$(1,382,159) from \$(1,298,132) at the end of the previous fiscal year. Fiscal year 2017 financial information has not been restated because some of the comparable information is not available.

Factors Bearing on the District's Future

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

- There is a steady trend of having below the 50 student floor in the District schools. On October of 2017 we had 43 students and the October count for 2018 was 42 students.
- Due to the sluggish economy, legal spending constraints and state budget constraints, we anticipate further decreases in funding making it more difficult to operate.
- The Colorado Department of Education determined that Baca County School District RE-5 is meeting the intent of the requirements, as set forth in Colorado Board of Education Rules 2202-R-0.00 through 4.02 (5), and has become fully accredited in 2018.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about) or Business Manager (Amanda Forgey) at Vilas School District RE-5, 202 Collingwood, P.O. Box 727, Vilas, CO 81087.

BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT RE-5
STATEMENT OF NET POSITION
June 30, 2018

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash	376,422	376,422
Property Taxes Receivable	14,445	14,445
Grants Receivable	39,211	39,211
Accounts Receivable	1,531	1,531
Inventories	426	426
<u>Total Current Assets</u>	<u>432,035</u>	<u>432,035</u>
<u>Capital Assets:</u>		
Fixed Assets	3,318,682	3,318,682
Accumulated Depreciation	(2,514,902)	(2,514,902)
<u>Capital Assets Net of Depreciation</u>	<u>803,780</u>	<u>803,780</u>
<u>TOTAL ASSETS</u>	<u>1,235,815</u>	<u>1,235,815</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
Pension	971,793	971,793
Other Post Employment Benefits	2,749	2,749
<u>Total Deferred Outflow of Resources</u>	<u>974,542</u>	<u>974,542</u>
 <u>LIABILITIES</u>		
<u>Current Liabilities:</u>		
Accounts Payable	4,658	4,658
Accrued Salaries Payable	62,726	62,726
Due to Other Governments	44,689	44,689
Unearned Grant Payments	55,452	55,452
<u>Total Current Liabilities</u>	<u>167,525</u>	<u>167,525</u>
<u>Non-Current Liabilities</u>		
Net Pension Obligation	3,156,634	3,156,634
Net Other Post Employment Benefits Obligation	72,084	72,084
<u>Total Non-Current Liabilities</u>	<u>3,228,718</u>	<u>3,228,718</u>
<u>TOTAL LIABILITIES</u>	<u>3,396,243</u>	<u>3,396,243</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>		
Pension	556,282	556,282
Other Post Employment Benefits	7,337	7,337
<u>Total Deferred Inflow of Resources</u>	<u>563,619</u>	<u>563,619</u>
 <u>NET POSITION</u>		
Net Investment in Capital Assets	803,780	803,780
Restricted for:		
TABOR (Emergencies)	28,700	28,700
Preschool	12,868	12,868
Food Service	18,873	18,873
Unrestricted	(2,613,726)	(2,613,726)
<u>TOTAL NET POSITION</u>	<u>(1,749,505)</u>	<u>(1,749,505)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

Functions	<u>Net (Expenses) Revenue and Changes</u> in Net Position				
	Program Revenues			Primary Government	
	Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Total
<u>Primary Government:</u>					
<u>Governmental Activities</u>					
Instruction	442,349	109,187	-	(333,162)	(333,162)
Student Support	26,556	-	-	(10,599)	(10,599)
Instructional Staff	21,945	-	-	(21,945)	(21,945)
General Administration	108,122	-	-	(108,122)	(108,122)
School Administration	62,001	-	-	(62,001)	(62,001)
Business Support	41,186	-	-	(41,186)	(41,186)
Operation & Maintenance	123,743	-	-	(123,743)	(123,743)
Student Transportation	45,253	10,368	-	(34,885)	(34,885)
Central Support	33,452	-	-	(33,452)	(33,452)
Food Services	51,347	24,178	-	(18,407)	(18,407)
Depreciation Expense	54,788	-	-	(54,788)	(54,788)
Interest Expense	449	-	-	(449)	(449)
Pension and Other Post Employment Benefits Expense	410,814	-	-	(410,814)	(410,814)
<u>Total Governmental Activities</u>	<u>1,422,005</u>	<u>143,733</u>	<u>-</u>	<u>(1,253,553)</u>	<u>(1,253,553)</u>
<u>Total Primary Government</u>	<u>1,422,005</u>	<u>143,733</u>	<u>-</u>	<u>(1,253,553)</u>	<u>(1,253,553)</u>
<u>General Revenues</u>					
Local Property Taxes				182,566	182,566
Specific Ownership Taxes				21,465	21,465
School Finance Act				590,922	590,922
Intergovernmental Not Specific				17,018	17,018
Earnings on Investments				1,882	1,882
Other				49,285	49,285
<u>Total General Revenues</u>				<u>863,138</u>	<u>863,138</u>
<u>Change in Net Position</u>				<u>(390,415)</u>	<u>(390,415)</u>
<u>Net Position, Beginning (as Restated)</u>				<u>(1,382,359)</u>	<u>(1,382,359)</u>
Prior Period Adjustment				23,269	23,269
<u>Net Position, Ending</u>				<u>(1,749,505)</u>	<u>(1,749,505)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash	349,175	27,247	376,422
Property Taxes Receivable	14,445	-	14,445
Due From Other Funds	9,339	-	9,339
Accounts Receivable	-	1,531	1,531
Inventories	-	426	426
Grants Receivable	<u>29,872</u>	<u>9,339</u>	<u>39,211</u>
<u>Total Assets</u>	<u>402,831</u>	<u>38,543</u>	<u>441,374</u>
<u>LIABILITIES:</u>			
Accounts Payable	4,658	-	4,658
Intergovernmental Payable	44,689	-	44,689
Due To Other Funds	-	9,339	9,339
Accrued Salaries Payable	61,129	1,597	62,726
Unearned Grant Payments	<u>55,452</u>	<u>-</u>	<u>55,452</u>
<u>Total Liabilities</u>	<u>165,928</u>	<u>10,936</u>	<u>176,864</u>
<u>DEFERRED INFLOW OF RESOURCES:</u>			
Property Taxes	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Deferred Inflow of Resources</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>			
Nonspendable:			
Inventories	-	426	426
Restricted for:			
TABOR	28,700	-	28,700
Food Service	-	18,447	18,447
Preschool	12,868	-	12,868
Assigned for:			
Pupil Activities	-	8,734	8,734
Unassigned	<u>195,335</u>	<u>-</u>	<u>195,335</u>
<u>Total Fund Balances</u>	<u>236,903</u>	<u>27,607</u>	<u>264,510</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>	<u>402,831</u>	<u>38,543</u>	<u>441,374</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
 RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
 TO STATEMENT OF NET POSITION
 June 30, 2018

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

<u>Total Fund Balance – Governmental Funds</u>	264,510
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$3,318,682 and the accumulated depreciation is \$2,514,902.	803,780
Net pension and other post employment benefits liabilities, along with associated deferred flows, are not recorded at the fund level:	
Net Pension Liability	(3,156,634)
Net Other Post Employment Benefits Liability	(72,084)
Deferred Outflows	974,542
Deferred Inflows	<u>(563,619)</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>(1,749,505)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:			
Taxes	204,031	-	204,031
Intergovernmental	691,609	33,517	725,126
Interest	1,856	26	1,882
Grants - BOCES	28,868	-	28,868
Other	<u>46,964</u>	<u>24,719</u>	<u>71,683</u>
<u>Total Revenues</u>	<u>973,328</u>	<u>58,262</u>	<u>1,031,590</u>
EXPENDITURES:			
Current:			
Instruction	436,911	-	436,911
Student Support	7,347	19,209	26,556
Instructional Staff	21,945	-	21,945
General Administration	111,088	-	111,088
School Administration	62,001	-	62,001
Business Services	41,186	-	41,186
Operations & Maintenance	123,743	-	123,743
Student Transportation	45,253	-	45,253
Central Support	33,452	-	33,452
Debt Service	449	-	449
Food Service	-	51,347	51,347
Capital Outlay	-	<u>9,628</u>	<u>9,628</u>
<u>Total Expenditures</u>	<u>883,375</u>	<u>80,184</u>	<u>963,559</u>
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>89,953</u>	<u>(21,922)</u>	<u>68,031</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In (Out)	<u>(24,067)</u>	<u>24,067</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(24,067)</u>	<u>24,067</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	65,886	2,145	68,031
<u>FUND BALANCES, Beginning</u>	<u>171,017</u>	<u>25,462</u>	<u>196,479</u>
<u>FUND BALANCES, Ending</u>	<u>236,903</u>	<u>27,607</u>	<u>264,510</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2018

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

Net Change in Fund Balances – Total Governmental Funds 68,031

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

	9,628	
Capital Outlays	(54,788)	
Depreciation Expense	<u>(5,438)</u>	(50,598)
Loss on Disposal of Assets		

The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

Capital Lease Payment		2,966
-----------------------	--	-------

The increase in net pension and other post employment benefits liabilities, along with the changes and amortizations of deferred flows associated with those liabilities, are not recorded at the fund level:

Pension and Other Post Employment Benefits Cost		<u>(410,814)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (390,415)

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

NOTES TO BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A. Reporting Entity

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the District's government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

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

- Major Governmental Funds

1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.

E. Cash and Investments

Cash represents amounts on deposit with financial institutions or held by the District. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

F. Receivables

Property taxes levied in 2017 but uncollected in 2018 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2018 are recorded as deferred inflows. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

G. Inventories

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets

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

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

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

I. Long-Term Obligations

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

J. Constitutional Amendment

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Constitutional Amendment (continued)

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2018, the District reserved \$28,700 for this purpose.

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

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

K. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2017 property tax calendar for Baca County was as follows:

Levy Date	December 15, 2017
Lien Date	January 1, 2018
Tax Bills Mailed	January 1, 2018
First Installment Due	February 28, 2018
Second Installment Due	June 15, 2018
If Paid in Full, Due	April 30, 2018

L. Use of Estimates

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

M. Interest Expense

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54

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

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

1. Nonspendable such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

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

Assigned Fund Balance Policy:

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

Order of Fund Balance Spending Policy

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Food Service</u>	<u>Student Activity Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>				
Inventories	-	426	-	426
Prepaid Expenditures	-	-	-	-
<u>Restricted:</u>				
TABOR (Emergencies)	28,700	-	-	28,700
Preschool	12,868	-	-	12,868
Food Services	-	18,447	-	18,447
<u>Assigned:</u>				
Pupil Activities	-	-	8,734	8,734
<u>Unassigned</u>	<u>195,335</u>	<u>-</u>	<u>-</u>	<u>195,335</u>
<u>Total Fund Balances</u>	<u>236,903</u>	<u>18,873</u>	<u>8,734</u>	<u>264,510</u>

O. Deferred Outflows / Inflows of Resources

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

The following items were eliminated:

<u>Governmental Activities:</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	-	24,067
Food Service Fund	23,778	-
Capital Reserve –		
Capital Projects Fund	<u>289</u>	<u>-</u>
<u>Total</u>	<u>24,067</u>	<u>24,067</u>

NOTE 3 BUDGETARY INFORMATION

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

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 3 BUDGETARY INFORMATION (continued)

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

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

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

NOTE 4 CASH AND INVESTMENTS

District Deposits

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

At June 30, 2018, the District's bank balance and corresponding carrying balance were as follows:

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	372,408	384,943
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	-	-
Cash with County Treasurer	2,014	-
Cash on Hand	<u>2,000</u>	<u>-</u>
<u>Total Cash and Deposits</u>	<u>376,422</u>	<u>384,943</u>

As presented above, District deposits with a bank balance of \$-0- and a carrying balance of \$-0- as of June 30, 2018 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	<u>Balance</u> <u>July 1, 2017</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>DISTRICT</u>					
<u>Governmental Activities</u>					
<u>Non-Depreciable Assets:</u>					
Sites	31,928	-	-	-	31,928
Construction Work In Process	<u>-</u>	<u>-</u>	<u>9,628</u>	<u>-</u>	<u>9,628</u>
<u>Total Non-Depreciable Assets</u>	<u>31,928</u>	<u>-</u>	<u>9,628</u>	<u>-</u>	<u>41,556</u>
<u>Depreciable Assets:</u>					
Buildings	1,517,242	-	-	-	1,517,242
Vehicles	514,386	-	-	24,506	489,880
Lunch Equipment	53,721	-	-	-	53,721
Equipment	<u>1,216,283</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,216,283</u>
<u>Total Depreciable Assets</u>	<u>3,301,632</u>	<u>-</u>	<u>-</u>	<u>24,506</u>	<u>3,277,126</u>
<u>Less Accumulated</u>					
<u>Depreciation for:</u>					
Buildings	755,605	-	31,098	-	786,703
Vehicles	494,112	(23,269)	16,385	19,068	468,160
Lunch Equipment	51,648	-	242	-	51,890
Equipment	<u>1,201,086</u>	<u>-</u>	<u>7,063</u>	<u>-</u>	<u>1,208,149</u>
<u>Total Accumulated Depreciation</u>	<u>2,502,451</u>	<u>(23,269)</u>	<u>54,788</u>	<u>19,068</u>	<u>2,514,902</u>
<u>Total Capital Assets, Net</u>	<u>831,109</u>	<u>23,269</u>	<u>(45,160)</u>	<u>5,438</u>	<u>803,780</u>

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

<u>Governmental Activities:</u>	
Unassigned	<u>54,788</u>
<u>Total Depreciation Expense –Governmental Activities</u>	<u>54,788</u>

NOTE 6 ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, and June 30, 2018, are estimated to be \$62,726. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

NOTE 7 COMPENSATED ABSENCES

There is no material liability for compensated absences at June 30, 2018.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 8 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Baca County School District RE-5 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. Governmental accounting standards require the net pension liability and related amounts of the SCHDTF for financial reporting purposes be measured using the plan provisions in effect as of the SCHDTF's measurement date of December 31, 2017. As such, the following disclosures do not include the changes to plan provisions required by SB 18-200 with the exception of the section titled *Changes between the measurement date of the net pension liability and June 30, 2018*.

General Information about the Pension Plan

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

Benefits provided as of December 31, 2017. 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:

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 8 PENSION PLAN (Continued)

- 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.

As of December 31, 2017, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, 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 (AIR) 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.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 8 **PENSION PLAN (Continued)**

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.

Contribution provisions as of June 30, 2018. Eligible employees and Baca County School District RE-5 are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. 24-51-401, et seq. Eligible employees are required to contribute 8 percent of their PERA- includable salary. The employer contribution requirements are summarized in the table below.

	For the Year Ended December 31, 2017	For the Year Ended December 31, 2018
Employer Contribution Rate	10.15 %	10.15 %
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. 24-51-208 (1) (f)	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. 24-51-411	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. 24-51-411	5.000%	5.50%
Total Employer Contribution Rate to the SCHDTF	18.63%	19.13%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Baca County School District RE-5 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Baca County School District RE-5 were \$85,980 for the year ended June 30, 2018.

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

At June 30, 2018, the Baca County School District RE-5 reported a liability of \$3,156,634 for its proportionate share of the net pension liability. The net pension liability for the SCHDTF was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll forward the total pension liability to December 31, 2017. The Baca County School District RE-5 proportion of the net pension liability was based on Baca County School District RE-5 contributions to the SCHDTF for the calendar year 2017 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2017, the Baca County School District RE-5 proportion was 0.0098 percent, which was equal to a decrease of 0.001 percent in its proportion measured as of December 31, 2016.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 8 PENSION PLAN (Continued)

For the year ended June 30, 2018, the Baca County School District RE-5 recognized pension expense of \$418,369. At June 30, 2018, the Baca County School District RE-5 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
Difference between expected and actual experience	58,037	-
Changes of assumptions or other inputs	806,006	(5,114)
Net difference between projected and actual earnings on pension plan investments	62,579	(186,543)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	(364,625)
Contributions subsequent to the measurement date	45,171	N/A
Total	971,793	(556,282)

\$45,171 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, 2019. 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,	
2019	299,714
2020	150,172
2021	(32,911)
2022	(46,635)
2023	-
Thereafter	-

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 8 PENSION PLAN (Continued)

Actuarial assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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

A discount rate of 4.78 percent was used in the roll-forward calculation of the total pension liability to the measurement date of December 31, 2017.

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 based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 8 PENSION PLAN (Continued)

The long-term expected return on pension plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

*In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 5.26 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- 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%.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 8 PENSION PLAN (Continued)

- 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.
- 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 Bond Buyer, was applied to periods on and after 2041 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.43 percent, resulting in a discount rate of 4.78 percent.

As of the prior measurement date, the long-term expected rate of return on plan investments of 7.25 percent and the municipal bond index rate of 3.86 percent were used in the discount rate determination resulting in a discount rate of 5.26 percent, 0.48 percent higher compared to the current measurement date.

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 8 **PENSION PLAN (Continued)**

Sensitivity of the Baca County School District RE-5 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 4.78 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 (3.78 percent) or 1-percentage-point higher (6.78 percent) than the current rate:

	1% Decrease (3.78%)	Current Discount Rate (4.78%)	1% Increase (5.78%)
Proportionate share of the net pension liability	3,987,366	3,156,634	2,479,683

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.

Changes between the measurement date of the net pension liability and June 30, 2018.

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through SB 18-200: Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to the plans administered by PERA with the goal of eliminating the unfunded actuarial accrued liability of the Division Trust Funds and thereby reach a 100 percent funded ratio for each division within the next 30 years.

A brief description of some of the major changes to plan provisions required by SB 18-200 are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates by 0.25 percent on July 1, 2019.
- Increases employee contribution rates by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- Directs the state to allocate \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution will be allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the other divisions eligible for the direct distribution.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, modifying the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, the direct distribution from the state, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 8 **PENSION PLAN (Continued)**

At June 30 2018, the Baca County School District RE-5 reported a liability of \$3,156,634 for its proportionate share of the net pension liability which was measured using the plan provisions in effect as of the pension plan's year-end based on a discount rate of 4.78%. For comparative purposes, the following schedule presents an estimate of what the Baca County School District RE-5's proportionate share of the net pension liability and associated discount rate would have been had the provisions of SB 18-200, applicable to the SCHDTF, become law on December 31, 2017. This pro forma information was prepared using the fiduciary net position of the SCHDTF as of December 31, 2017. Future net pension liabilities reported could be materially different based on changes in investment markets, actuarial assumptions, plan experience and other factors.

Estimated Discount Rate Calculated Using Plan Provisions Required by SB 18-200 (pro forma)	Proportionate Share of the Estimated Net Pension Liability Calculated Using Plan Provisions Required by SB 18-200 (pro forma)
7.25%	1,426,140

Recognizing that the changes in contribution and benefit provisions also affect the determination of the discount rate used to calculate proportionate share of the net pension liability, approximately \$1,473,536 of the estimated reduction is attributable to the use of a 7.25 percent discount rate.

Defined Contribution Pension Plan

Voluntary Investment Program

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2018, program members contributed \$0.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 9 OTHER POST EMPLOYMENT BENEFITS

Defined Benefit And Other Post Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

OPEB. Baca County School District RE-5 participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan Plan description. Eligible employees of the Baca County School District RE-5 are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, 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 the premium subsidies. 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. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 9

OTHER POST EMPLOYMENT BENEFITS (Continued)

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 9 **OTHER POST EMPLOYMENT BENEFITS (Continued)**

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Baca County School District RE-5 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Baca County School District RE-5 were \$4,643 for the year ended June 30, 2018.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the Baca County School District RE-5 reported a liability of \$72,084 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2017. The Baca County School District RE-5 proportion of the net OPEB liability was based on Baca County School District RE-5 contributions to the HCTF for the calendar year 2017 relative to the total contributions of participating employers to the HCTF.

At December 31, 2017, the Baca County School District RE-5 proportion was 0.0055 percent, which was a decrease of 0.0006 percent from its proportion measured as of December 31, 2016.

For the year ended June 30, 2018, the Baca County School District RE-5 recognized OPEB benefit of \$7,555. At June 30, 2018, the Baca County School District RE-5 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	341	-
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	(1,206)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	(6,131)
Contributions subsequent to the measurement date	2,408	N/A
Total	2,749	(7,337)

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

\$2,408 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2019	(1,440)
2020	(1,440)
2021	(1,440)
2022	(1,439)
2023	(1,138)
Thereafter	(99)

Actuarial assumptions. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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 percent in aggregate
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.00 percent for 2017, gradually rising to 4.25 percent in 2023
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

The calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 9 **OTHER POST EMPLOYMENT BENEFITS (Continued)**

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2017	5.00%	3.00%
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.00%
2023	5.00%	4.25%
2024+	5.00%	4.25%

The Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on 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 for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 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 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on 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 based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The following economic and demographic assumptions were specifically developed for, and used in, the measurement of the obligations for the HCTF:

- The assumed rates of PERACare participation were revised to reflect more closely actual experience.
- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.
- The percentages of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage were revised to more closely reflect actual experience.
- The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage were revised to reflect more closely actual experience.
- Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the “No Part A Subsidy” when they retire were revised to more closely reflect actual experience.
- Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, were revised to more closely reflect actual experience.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- The rates of PERAcare coverage election for spouses of eligible inactive members and future retirees were revised to more closely reflect actual experience.
- The assumed age differences between future retirees and their participating spouses were revised to reflect more closely actual experience.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as needed.

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.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, 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 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 most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

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%.

Sensitivity of the Baca County School District RE-5 proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.00%	3.00%	4.00%
Ultimate Medicare Part A trend rate	3.25%	4.25%	5.25%
Net OPEB Liability	70,101	72,084	74,473

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 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 health care cost trend rates for Medicare Part A premiums as of the December 31, 2017, measurement date.

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

- 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%.
- 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. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- 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.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits 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 HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of the Baca County School District RE-5 proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	81,045	72,084	64,436

OPEB plan fiduciary net position. Detailed information about the HCTF'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.

BACA COUNTY SCHOOL DISTRICT RE-5
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 10 JOINT VENTURE

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

The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The BOCES by-laws indicated that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rata basis determined by the BOCES Board. The joint venture summary audited financial information as of June 30, 2017, the latest year for which audited information is available, is as follows:

Assets	1,073,792
Deferred Outflows of Resources	2,306,774
Liabilities	6,288,945
Deferred Inflow of Resources	<u>268,331</u>
Fund Equity	<u>(3,176,710)</u>
Revenues	2,449,802
Expenditures	<u>3,215,297</u>
Changes in Net Position	<u>(765,495)</u>

The BOCES has no long term debt.

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

NOTE 11 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL

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

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 11 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (Continued)

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

The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2018.

An audited summary of the Colorado School District's Pool financial information at June 30, 2017, and the six months then ended (latest information available) follows:

Total Assets	<u>42,273,940</u>
Total Liabilities	<u>11,655,251</u>
Total Equity	<u>30,618,689</u>
Revenue	7,429,394
Underwriting Expenses	<u>4,126,717</u>
Underwriting Gain (Loss)	3,302,677
Net Investment Income	276,653
Other Income	<u>-</u>
Net Income (Loss) Before Dividend	3,579,330
Dividend	<u>-</u>
Net Income	3,579,330
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>235,606</u>
Capital Contributions from Members	<u>-</u>
Unassigned Surplus	<u>30,618,689</u>

NOTE 12 RISK MANAGEMENT

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

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

BACA COUNTY SCHOOL DISTRICT RE-5
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2018

NOTE 13 INTERFUND BALANCES

	<u>Due From</u>	<u>Due To</u>	<u>Transfers To Other Funds</u>	<u>Transfers From Other Funds</u>
<u>Governmental Activities</u>				
General Fund	9,339	-	24,067	-
Pupil Activity	-	-	-	-
Food Services	-	-	-	23,778
Capital Reserve-				
Capital Projects Fund	-	9,339	-	289
	<u>9,339</u>	<u>9,339</u>	<u>24,067</u>	<u>24,067</u>

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

NOTE 14 RESTATEMENT OF BEGINNING NET POSITION

The net position of the governmental activities has been restated to reflect the implementation of GASB Statement 75. That statement requires that the District report their portion of and post-employment benefit (OPEB) liability, and related deferred flows. The beginning net position of \$(1,238,192) has been changed by the net OPEB liability at June 30, 2017 of \$(79,250) and related deferred flows of \$(4,977), resulting in a restated beginning net position of \$(1,382,359).

NOTE 15 PRIOR PERIOD ADJUSTMENT

The District has recorded a prior period adjustment of \$23,269 to the net position of governmental activities for excess depreciation expense that has been previously recorded.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

OTHER POST EMPLOYMENT
BENEFITS TREND DATA

MAJOR GOVERNMENTAL FUNDS

General Fund

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

BACA COUNTY SCHOOL DISTRICT RE-5
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
<u>Local Sources</u>				
Property Taxes	179,004	179,004	181,718	2,714
Specific Ownership Taxes	22,705	22,705	21,465	(1,240)
Earnings on Investments	168	168	1,856	1,688
Delinquent Taxes	1,000	1,000	848	(152)
Other	<u>78,015</u>	<u>125,276</u>	<u>56,964</u>	<u>(68,312)</u>
<u>Total Local Revenues</u>	<u>280,892</u>	<u>328,153</u>	<u>262,851</u>	<u>(65,302)</u>
<u>State Sources</u>				
Equalization	542,029	574,341	590,922	16,581
Transportation	22,726	10,344	10,368	24
Special Education	27,728	40,815	33,368	(7,447)
Other	<u>67,807</u>	<u>48,794</u>	<u>32,082</u>	<u>(16,712)</u>
<u>Total State Sources</u>	<u>660,290</u>	<u>674,294</u>	<u>666,740</u>	<u>(7,554)</u>
<u>Federal Sources</u>				
Other	<u>65,444</u>	<u>70,460</u>	<u>43,737</u>	<u>(26,723)</u>
<u>Total Federal Sources</u>	<u>65,444</u>	<u>70,460</u>	<u>43,737</u>	<u>(26,723)</u>
<u>TOTAL REVENUES</u>	<u>1,006,626</u>	<u>1,072,907</u>	<u>973,328</u>	<u>(99,579)</u>
<u>EXPENDITURES</u>				
<u>Instruction</u>				
Salaries	285,308	297,523	273,312	24,211
Employees Benefits	89,048	90,620	81,703	8,917
Purchased Services – Property	3,500	3,500	-	3,500
Purchased Services-Other	54,754	59,057	21,721	37,336
Supplies and Materials	24,492	23,850	57,672	(33,822)
Property	200	500	-	500
Other	<u>6,345</u>	<u>2,661</u>	<u>2,503</u>	<u>158</u>
<u>Total Instruction</u>	<u>463,647</u>	<u>477,711</u>	<u>436,911</u>	<u>40,800</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Supporting Services</u>				
<u>Students</u>				
Salaries	7,400	7,400	5,755	1,645
Employee Benefits	1,580	1,580	1,230	350
Purchased Services – Professional	500	500	-	500
Purchased Services – Other	-	-	104	(104)
Supplies and Materials	200	200	258	(58)
<u>Total Student Services</u>	<u>9,680</u>	<u>9,680</u>	<u>7,347</u>	<u>2,333</u>
<u>Instructional Staff</u>				
Salaries	9,000	9,000	9,001	(1)
Employee Benefits	3,773	3,773	3,620	153
Purchased Services – Other	50	50	-	50
Supplies and Materials	3,650	3,650	4,576	(926)
Other Objects	658	658	4,748	(4,090)
<u>Total Instructional Staff</u>	<u>17,131</u>	<u>17,131</u>	<u>21,945</u>	<u>(4,814)</u>
<u>General Administration</u>				
Salaries	60,000	60,000	60,000	-
Employee Benefits	17,130	17,130	16,091	1,039
Purchased Services-Professional	20,000	20,000	21,305	(1,305)
Purchased Services – Property	8,400	8,400	6,371	2,029
Purchased Services – Other	4,148	4,148	2,233	1,915
Other Objects	6,000	15,374	5,088	10,286
<u>Total General Administration</u>	<u>115,678</u>	<u>125,052</u>	<u>111,088</u>	<u>13,964</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	61,500	63,000	32,174	30,826
Employee Benefits	23,622	23,942	11,450	12,492
Purchased Services – Other	800	800	312	488
Supplies & Materials	500	500	978	(478)
Other Objects	11,800	11,800	17,087	(5,287)
<u>Total School Administration</u>	<u>98,222</u>	<u>100,042</u>	<u>62,001</u>	<u>38,041</u>
<u>Business Services</u>				
Salaries	-	-	30,825	(30,825)
Employee Benefits	-	-	10,361	(10,361)
Purchased Services – Professional	7,000	7,000	-	7,000
Purchased Services – Other	21,970	21,970	-	21,970
Property	3,500	3,500	-	3,500
Other Objects	100	100	-	100
<u>Total Business Services</u>	<u>32,570</u>	<u>32,570</u>	<u>41,186</u>	<u>(8,616)</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Supporting Services (Continued)</u>				
<u>Operations and Maintenance</u>				
Salaries	37,000	37,000	36,577	423
Employees Benefits	14,380	14,380	13,405	975
Purchased Services-Property	16,548	29,057	9,632	19,425
Purchased Services-Other	-	-	28,762	(28,762)
Supplies and Materials	3,400	3,400	35,253	(31,853)
Property	3,100	3,100	-	3,100
Other Objects	<u>47,200</u>	<u>47,200</u>	<u>114</u>	<u>47,086</u>
<u>Total Operations and Maintenance</u>	<u>121,628</u>	<u>134,137</u>	<u>123,743</u>	<u>10,394</u>
<u>Pupil Transportation Services</u>				
Salaries	23,230	23,230	22,711	519
Employee Benefits	7,121	7,121	7,320	(199)
Purchased Services-Professional	-	-	290	(290)
Purchased Services-Property	9,000	9,000	3,448	5,552
Supplies and Materials	450	450	11,484	(11,034)
Other Objects	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>
<u>Total Pupil Transportation Services</u>	<u>47,301</u>	<u>47,301</u>	<u>45,253</u>	<u>2,048</u>
<u>Central Support</u>				
Purchased Services – Professional	1,500	1,500	-	1,500
Purchased Services - Property	-	-	573	(573)
Purchased Services – Other	33,424	33,424	23,863	9,561
Property	-	-	4,302	(4,302)
Other Objects	<u>3,351</u>	<u>3,351</u>	<u>4,714</u>	<u>(1,363)</u>
<u>Total Central Support</u>	<u>38,275</u>	<u>38,275</u>	<u>33,452</u>	<u>4,823</u>
<u>Food Services</u>				
Salaries	-	-	-	-
Benefits	-	-	-	-
<u>Total Food Services</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Supporting Services</u>	<u>480,485</u>	<u>504,188</u>	<u>446,015</u>	<u>58,173</u>
<u>Appropriated Reserves</u>	<u>159,048</u>	<u>193,186</u>	<u>-</u>	<u>193,186</u>
<u>TOTAL EXPENDITURES</u>	<u>1,103,180</u>	<u>1,175,085</u>	<u>882,926</u>	<u>292,159</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(96,554)</u>	<u>(102,178)</u>	<u>90,402</u>	
<u>Other Financing Sources (Uses)</u>				
Transfers	(20,000)	(30,000)	(24,067)	5,933
Debt Service	-	-	(449)	(449)
<u>Total Other Financing Sources (Uses)</u>	<u>(20,000)</u>	<u>(30,000)</u>	<u>(24,516)</u>	<u>5,484</u>
<u>Revenues Over (Under) Other Financing Sources (Uses) and Expenditures</u>	<u>(116,554)</u>	<u>(132,178)</u>	65,886	
<u>FUND BALANCE, Beginning</u>	<u>116,554</u>	<u>132,178</u>	<u>171,017</u>	
<u>FUND BALANCE, Ending</u>	<u>-</u>	<u>-</u>	<u>236,903</u>	

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

BACA COUNTY SCHOOL DISTRICT RE-5
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
District's proportion of the net pension liability (asset)	0.0098%	0.0108%	0.0129%	0.0135%	0.0161%	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$3,156,634	\$3,201,745	\$1,979,443	\$1,834,487	\$2,049,456	-	-	-	-	-
District's covered payroll	\$455,178	\$457,964	\$514,004	\$595,037	\$577,738	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	693%	699%	385%	308%	355%	-	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	43.96%	43.13%	59.2%	62.80%	64.06%	-	-	-	-	-

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

BACA COUNTY SCHOOL DISTRICT RE-5
 SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION
 For The Last 10 Fiscal Years (As Available)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Contractually required contributions	\$ 85,980	\$ 84,185	\$ 91,235	\$ 100,518	\$ 92,224	\$ 105,388	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$(85,980)</u>	<u>\$(84,185)</u>	<u>\$(91,235)</u>	<u>\$(100,518)</u>	<u>\$(92,224)</u>	<u>\$(105,388)</u>	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-
District's covered payroll	\$455,178	\$457,964	\$514,004	\$595,037	\$577,738	\$698,857	-	-	-	-
Contributions as a percentage of covered payroll	18.89%	18.38%	17.75%	16.89%	15.96%	15.08%	-	-	-	-

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

BACA COUNTY SCHOOL DISTRICT RE-5
 SCHEDULE OF PROPORTIONATE SHARE OF NET OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
District's proportion of the net OPEB liability (asset)	0.0055%	0.0061%	-	-	-	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset)	\$72,084	\$79,250	-	-	-	-	-	-	-	-
District's covered payroll	\$455,178	\$457,964	-	-	-	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	15.84%	17.30%	-	-	-	-	-	-	-	-
Plan fiduciary net position as a percentage of the total OPEB liability	17.53%	16.72%	-	-	-	-	-	-	-	-

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

BACA COUNTY SCHOOL DISTRICT RE-5
 SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB
 For The Last 10 Fiscal Years (As Available)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Contractually required contributions	\$ 4,643	\$ 4,671	-	-	-	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (4,643)</u>	<u>\$ (4,671)</u>	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	-	-	-	-	-	-	-	-
District's covered payroll	\$455,178	\$457,964	-	-	-	-	-	-	-	-
Contributions as a percentage of covered payroll	1.02%	1.02%	-	-	-	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

Capital Projects Fund

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

BACA COUNTY SCHOOL DISTRICT RE-5
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2018

	<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>	<u>Total</u>
	<u>Food</u>	<u>Student</u>	<u>Capital Reserve</u>	<u>Non-Major</u>
	<u>Services</u>	<u>Activity</u>	<u>Capital Projects</u>	<u>Governmental</u>
			<u>Fund</u>	<u>Funds</u>
<u>ASSETS</u>				
Cash	18,513	8,734	-	27,247
Accounts Receivable	1,531	-	-	1,531
Grants Receivable	-	-	9,339	9,339
Inventories	426	-	-	426
<u>Total Assets</u>	<u>20,470</u>	<u>8,734</u>	<u>9,339</u>	<u>38,543</u>
 <u>LIABILITIES AND FUND</u>				
<u>BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	-	-	-	-
Due To Other Funds	-	-	9,339	9,339
Accrued Salaries	1,597	-	-	1,597
<u>Total Liabilities</u>	<u>1,597</u>	<u>-</u>	<u>9,339</u>	<u>10,936</u>
 <u>Fund Balances:</u>				
Nonspendable:				
Inventories	426	-	-	426
Restricted for:				
Food Services	18,447	-	-	18,447
Assigned for:				
Pupil Activities	-	8,734	-	8,734
Unassigned	-	-	-	-
<u>Total Fund Balances</u>	<u>18,873</u>	<u>8,734</u>	<u>-</u>	<u>27,607</u>
 <u>TOTAL LIABILITIES & FUND</u>				
<u>BALANCES</u>				
	<u>20,470</u>	<u>8,734</u>	<u>9,339</u>	<u>38,543</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2018

	<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>	<u>Total</u>
	<u>Food</u>	<u>Student</u>	<u>Capital Reserve</u>	<u>Non-Major</u>
	<u>Services</u>	<u>Activity</u>	<u>Capital Projects</u>	<u>Governmental</u>
			<u>Fund</u>	<u>Funds</u>
<u>REVENUES</u>				
Local Sources	8,762	15,957	-	24,719
State Sources	650	-	9,339	9,989
Federal Sources	23,528	-	-	23,528
Earnings on Investments	<u>13</u>	<u>13</u>	<u>-</u>	<u>26</u>
<u>Total Revenues</u>	<u>32,953</u>	<u>15,970</u>	<u>9,339</u>	<u>58,262</u>
<u>EXPENDITURES</u>				
Student Support	-	19,209	-	19,209
Food Service	51,347	-	-	51,347
Capital Outlay	<u>-</u>	<u>-</u>	<u>9,628</u>	<u>9,628</u>
<u>Total Expenditures</u>	<u>51,347</u>	<u>19,209</u>	<u>9,628</u>	<u>80,184</u>
<u>Revenues Over (Under) Expenditures</u>	(18,394)	(3,239)	(289)	(21,922)
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In (Out)	<u>23,778</u>	<u>-</u>	<u>289</u>	<u>24,067</u>
<u>Total Other Financing Sources (Uses)</u>	<u>23,778</u>	<u>-</u>	<u>289</u>	<u>24,067</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	5,384	(3,239)	-	2,145
<u>FUND BALANCES, Beginning</u>	<u>13,489</u>	<u>11,973</u>	<u>-</u>	<u>25,462</u>
<u>FUND BALANCES, Ending</u>	<u>18,873</u>	<u>8,734</u>	<u>-</u>	<u>27,607</u>

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

BACA COUNTY SCHOOL DISTRICT RE-5
FOOD SERVICE – SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	8,100	8,409	309
Interest Earnings	10	13	3
Other	<u>-</u>	<u>353</u>	<u>353</u>
<u>Total Local Sources</u>	<u>8,110</u>	<u>8,775</u>	<u>665</u>
<u>State Sources</u>			
State Match	250	213	(37)
Smart Start Breakfast	340	281	(59)
PK Reduced Lunches	<u>90</u>	<u>156</u>	<u>66</u>
<u>Total State Sources</u>	<u>680</u>	<u>650</u>	<u>(30)</u>
<u>Federal Sources</u>			
School Lunches	17,000	22,011	5,011
Commodities	<u>-</u>	<u>1,517</u>	<u>1,517</u>
<u>Total Federal Sources</u>	<u>17,000</u>	<u>23,528</u>	<u>6,528</u>
<u>TOTAL REVENUES</u>	<u>25,790</u>	<u>32,953</u>	<u>7,163</u>
 <u>EXPENDITURES</u>			
Salaries	18,200	18,240	(40)
Employee Benefits	7,126	7,135	(9)
Purchased Services - Other	1,200	469	731
Supplies and Materials	22,200	23,599	(1,399)
Capital Outlay	2,000	387	1,613
Other	-	-	-
Commodities	-	1,517	(1,517)
Appropriated Reserves	<u>4,936</u>	<u>-</u>	<u>4,936</u>
<u>TOTAL EXPENDITURES</u>	<u>55,662</u>	<u>51,347</u>	<u>4,315</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 <u>(29,872)</u>	 <u>(18,394)</u>	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	<u>20,000</u>	<u>23,778</u>	<u>3,778</u>
<u>Total Other Financing Sources (Uses)</u>	<u>20,000</u>	<u>23,778</u>	<u>3,778</u>
 <u>REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES)</u>	 <u>(9,872)</u>	 <u>5,384</u>	
 <u>FUND BALANCE, Beginning</u>	 <u>9,872</u>	 <u>13,489</u>	
 <u>FUND BALANCE, Ending</u>	 <u>-</u>	 <u>18,873</u>	

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

BACA COUNTY SCHOOL DISTRICT RE-5
 STUDENT ACTIVITY – SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>REVENUES</u>			
Local Sources	25,008	15,970	(9,038)
<u>Total Revenues</u>	<u>25,008</u>	<u>15,970</u>	<u>(9,038)</u>
 <u>EXPENDITURES</u>			
Student Support	25,008	19,209	5,799
<u>Total Expenditures</u>	<u>25,008</u>	<u>19,209</u>	<u>5,799</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>—</u>	<u>(3,239)</u>	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	<u>—</u>	<u>—</u>	<u>—</u>
<u>Total Other Financing Sources (Uses)</u>	<u>—</u>	<u>—</u>	<u>—</u>
 <u>REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES) AND EXPENDITURES</u>	<u>—</u>	<u>(3,239)</u>	
 <u>FUND BALANCES, Beginning</u>	<u>—</u>	<u>11,973</u>	
 <u>FUND BALANCES, Ending</u>	<u>—</u>	<u>8,734</u>	

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

BACA COUNTY SCHOOL DISTRICT RE-5
 CAPITAL RESERVE – CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 For the Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Earnings on Investments	12	-	(12)
Grants	-	<u>9,339</u>	<u>9,339</u>
<u>Total Revenues</u>	<u>12</u>	<u>9,339</u>	<u>9,327</u>
 <u>EXPENDITURES</u>			
Building & Improvements	12,330	9,628	2,702
Contingency Reserves	<u>5,550</u>	-	<u>5,550</u>
<u>Total Expenditures</u>	<u>17,880</u>	<u>9,628</u>	<u>8,252</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 (17,868)	 (289)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	10,000	<u>289</u>	(9,711)
<u>Total Other Financing Sources (Uses)</u>	<u>10,000</u>	<u>289</u>	<u>(9,711)</u>
 <u>REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES) AND EXPENDITURES</u>	 (7,868)	 -	
 FUND BALANCES, Beginning	 (7,868)	 -	
 FUND BALANCES, Ending	 <u>-</u>	 <u>-</u>	

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

STATE REQUIRED SCHEDULES

Auditor's Integrity Report (Revenues, Expenditures, and Fund Balance by Fund)

Bolded Balance Sheet



Colorado Department of Education
Auditors Integrity Report
 District 0260 – VILAS RE-5
 Fiscal Year 2017-18
 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	158,148		949,261	883,374		224,036
18 Risk Mgmt Sub-Fund of General Fund	0		0	0		0
19 Colorado Preschool Program Fund	12,868		0	0		12,868
Sub-Total	171,016		949,261	883,374		236,904
11 Charter School Fund	0		0	0		0
20,26-29 Special Revenue Fund	0		0	0		0
06 Supplemental Cap Const. Tech. Main. Fund	0		0	0		0
21 Food Service Spec Revenue Fund	13,489		56,732	51,348		18,873
22 Govt Designated-Purpose Grants Fund	0		0	0		0
23 Pupil Activity Special Revenue Fund	11,973		15,970	19,209		8,734
24 Full Day Kindergarten Mill Levy Override	0		0	0		0
25 Transportation Fund	0		0	0		0
31 Bond Redemption Fund	0		0	0		0
35 Certificate of Participation (COP) Debt Service Fund	0		0	0		0
41 Building Fund	0		0	0		0
42 Special Building Fund	0		0	0		0
43 Capital Reserve Capital Projects Fund	0		9,628	9,628		0
46 Supplemental Cap Const. Tech. Main Fund	0		0	0		0
Totals	196,478		1,031,591	963,559		264,510
Proprietary						
50 Other Enterprise Funds	0		0	0		0
64 (63) Risk-Related Activity Fund	0		0	0		0
60,65-69 Other Internal Service Funds	0		0	0		0
Totals	0		0	0		0
Fiduciary						
70 Other Trust and Agency Funds	0		0	0		0
72 Private Purpose Trust Fund	0		0	0		0
73 Agency Fund	0		0	0		0
74 Pupil Activity Agency Fund	0		0	0		0
79 GASB 34-Permanent Fund	0		0	0		0
85 Foundations	0		0	0		0
Totals	0		0	0		0

FINAL



Colorado Department of Education
Bolded Balance Sheet Report
 District: 0260 - VILAS RE-5
 Fiscal Year 2017-18
 Colorado School District/BOCES

ASSETS	Governmental						Proprietary						Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Cash and Investments (8100-8104,8111)	334,292	0	12,868	8,734	0	18,513	0	0	0	0	0	0	0	0	374,407
Cash with Fiscal Agent (8105)	2,014	0	0	0	0	0	0	0	0	0	0	0	0	0	2,014
Taxes Receivable (8121,8122)	14,445	0	0	0	0	0	0	0	0	0	0	0	0	0	14,445
Interfund Loans Receivable (8131,8132)	9,339	0	0	0	0	0	0	0	0	0	0	0	0	0	9,339
Grants Accounts Receivable (8142)	29,872	0	0	0	0	0	0	9,339	0	0	0	0	0	0	39,211
Other Receivables (8151-8154,8161)	0	0	0	0	0	1,531	0	0	0	0	0	0	0	0	1,531
Inventories (8171,8172,8173)	0	0	0	0	0	426	0	0	0	0	0	0	0	0	426
Prepaid Expenses 8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	389,962	0	12,868	8,734	0	20,470	0	9,339	0	0	0	0	0	0	441,373

	Governmental							Proprietary					Fiduciary		
	General Funds 10.12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 45	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
LIABILITIES & FUND EQUITY															
LIABILITIES															
Interfund Payables (7401,7402)	0	0	0	0	0	0	0	9,339	0	0	0	0	0	0	9,339
Intergovernmental Payables (7411)	44,688	0	0	0	0	0	0	0	0	0	0	0	0	0	44,688
Other Payables (7421-7423)	4,657	0	0	0	0	0	0	0	0	0	0	0	0	0	4,657
Accrued Expenses (7461)	61,130	0	0	0	0	1,597	0	0	0	0	0	0	0	0	62,727
Payroll Ded. and Withholdings (7471-7473)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unearned Revenue (7481)	26,511	0	0	0	0	0	0	0	0	0	0	0	0	0	26,511
Grants Deferred Revenue (7482)	28,941	0	0	0	0	0	0	0	0	0	0	0	0	0	28,941
Total Liabilities	165,927	0	0	0	0	1,597	0	9,339	0	0	0	0	0	0	176,863

Governmental Proprietary Fiduciary

FUND EQUITY	Governmental					Proprietary					Fiduciary			
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 53-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85
Non-spending Fund Balance 6710	0	0	0	0	0	426	0	0	0	0	0	0	0	426
Restricted Fund Balance 6720	0	0	0	0	0	18,447	0	0	0	0	0	0	0	18,447
TABOR 3% Emergency Reserve 6721	28,700	0	0	0	0	0	0	0	0	0	0	0	0	28,700
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	12,868	0	0	0	0	0	0	0	0	0	0	12,868
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Committed Fund Balance 6750	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Fund Balance 6760	0	0	0	8,734	0	0	0	0	0	0	0	0	0	8,734
Unassigned Fund Balance 6770	195,336	0	0	0	0	0	0	0	0	0	0	0	0	195,336
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	224,036	0	12,868	8,734	0	18,873	0	0	0	0	0	0	0	264,510

Total Liabilities & Fund Equity	Governmental					Proprietary					Fiduciary			
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 53-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85
389,963	0	0	12,868	8,734	0	20,470	0	9,339	0	0	0	0	0	441,373

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