

# **KARVAL SCHOOL DISTRICT RE-23**

Lincoln County, Colorado

Financial Statements  
For the Year Ended June 30, 2018



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 Lincoln County, Colorado  
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### INDEPENDENT AUDITOR'S REPORT

Board of Education  
Karval School District RE-23  
P O Box 5  
Karval, Colorado 80823

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Karval School District RE-23, as of and for the year ended June 30, 2018, 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, based on our audit, 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 Karval School District RE-23, as of June 30, 2018, and the respective changes in financial position 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, pension information and other post-employment benefit information on pages a-f and 29-33 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. For the management discussion and analysis 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 Karval School District RE-23's basic financial statements. The combining and individual nonmajor fund financial statements and the Auditor's Integrity Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the Auditor's Integrity Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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, based on our audit, the procedures performed as described above, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Winfrey, County & Hays, PC*

Winfrey, County & Hays, PC

November 28, 2018

KARVAL SCHOOL DISTRICT RE-23  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2018

As management of the Karval School District RE-23, we offer readers of the District's Annual Financial Report this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information in the accompanying basic financial statements.

**FINANCIAL HIGHLIGHTS**

The net position of the District decrease by \$311,694 to negative \$1,015,167. Revenues increased by \$65,904 and expenses increased by \$240,200.

At the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$664,092, a decrease of \$1,958. The general fund increased by \$2,274, food service decreased by \$4,110, and the student activity special revenue fund decreased by \$121.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. This discussion and analysis serves as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to basic financial statements.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The financial statements provided are designed to supply the reader an overview of the District's financial activities similar to those statements used in the private sector. The government-wide statements relate to those activities directly related to the education of the students.

The statement of net position presents information on all of the District's assets and liabilities. The difference between the two is reported as net position. Changes in net position from year to year may be used as an indicator of the overall financial position of the District.

The statement of activities presents the current fiscal year revenues and expenses to show how the net position of the district changed during the year. In the statement of activities, changes in net position is recorded when the event occurs. This could mean that information may be reported for revenues and expenses that will result in cash flow differences in the future fiscal years.

Governmental activities consolidate all of the following Karval School District funds: general fund and food service and student activity funds.

KARVAL SCHOOL DISTRICT RE-23  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2018  
(continued)

**FUND FINANCIAL STATEMENTS**

Fund financial statements are designed to display compliance with finance-related legal requirements. A fund is a grouping of related accounts designed to keep control over resources segregated for specific activities or objectives.

**GOVERNMENTAL FUNDS**

Governmental funds account of the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements emphasize short-term financial resources and fund balances (spendable resources available at the end of the fiscal year). The required financial statements are a balance sheet and statement of revenues, expenditures and charges in fund balance. Only assets expected to be used and liabilities that come due during the year or soon thereafter are included. Capital assets are not included as assets. The measurement focus is on current financial resources and modified accrual accounting is used to report revenues and expenses that are received during the year or soon thereafter.

**FIDUCIARY FUNDS**

Fiduciary Funds - acts as a trustee, or fiduciary for student activities. These activities are excluded from the District's other financial statements because the District cannot use these assets to finance its operations.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

**REQUIRED SUPPLEMENTARY INFORMATION**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District. The District adopts an annual budget for all funds. A budgetary comparison schedule has been provided for all major funds to demonstrate compliance with the budget requirements.

KARVAL SCHOOL DISTRICT RE-23  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2018  
(continued)

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

One important question asked about the School's finances is, "Is the School better or worse off as a result of the year's activities?" The information in the government-wide financial statements helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting (and reports depreciation on capital assets), which is similar to the basis of accounting used by most private-sector companies.

Table 1  
Fiscal Year Ended June 30, 2018  
Net Position

	Government Activities	
	6/30/18	6/30/17
Current and other assets	727,812	726,315
Capital assets	<u>990,886</u>	<u>992,589</u>
Total assets	1,718,698	1,718,905
Deferred Outflows	976,495	1,101,950
Current and other liabilities	63,720	85,266
Long-term liabilities	<u>3,286,252</u>	<u>2,855,891</u>
Total liabilities	3,349,972	2,941,156
Deferred Inflows	360,388	583,171
Net Position		
Invested in capital assets	990,886	992,589
Restricted	27,564	27,244
Unassigned	<u>(2,033,617)</u>	<u>(1,723,306)</u>
Total Net Position	<u>(1,015,167)</u>	<u>(703,473)</u>

KARVAL SCHOOL DISTRICT RE-23  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2018  
(continued)

The change in net position (the difference between total assets and total liabilities) over time is one indicator of whether the School's financial health is improving or deteriorating. However, you need to consider other non-financial factors in making an assessment of the School's health, such as changes in enrollment, changes in the State's funding of educational costs, changes in the economy, changes in the School's tax base, etc. to assess the overall health of the School.

Table 2  
Fiscal Year Ended June 30, 2018  
Change in Net Position

	Government Activities	
REVENUES	<u>6/30/18</u>	<u>6/30/17</u>
Program Revenues		
Charges for service	8,173	6,883
Operating grants	144,459	134,903
Capital Grants/Contributions	18,053	0
General Revenues		
Property taxes	177,242	163,156
Auto taxes	19,870	14,168
State Equalization	589,174	572,147
Sale of Assets	1,154	(6,517)
Other	<u>26,490</u>	<u>33,972</u>
Total Revenues	984,614	918,710
EXPENSES		
Instruction	616,606	484,032
Support services	535,506	446,437
Student activities	582	1,325
Food Services	<u>75,607</u>	<u>56,308</u>
Total Expenses	<u>1,228,302</u>	<u>988,101</u>
Increase (decrease) in net position	<u>(243,687)</u>	<u>(69,391)</u>

Program revenues were consistent with the previous year's revenues. The school has compensated to reduce revenue over the last few years due primarily to decreased expenses. Enrollment in the on-site school hit projections and enrollment in the on-line school was not a factor because the on-line school has not been in operation since the 2013-14 school year. Controlling District expenses has helped compensate for decreased state-level funding. Furthermore, Karval School District will benefit from a provision in school finance that will fund the district at the minimum of 50 students.

KARVAL SCHOOL DISTRICT RE-23  
 Management's Discussion and Analysis  
 For Fiscal Year Ended June 30, 2018  
 (continued)

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

The general fund is the major governmental funds of the Karval Public School. The combined general fund under GASB 34 reporting requirements includes the general fund and the preschool fund. As of June 30, 2018, the fund shows an ending fund balance of \$620,191, up \$2,274 from the fund balance of \$617,918 for the prior year.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

	<u>6/30/18</u>	<u>6/30/17</u>
Land	8,000	8,000
Buildings	1,095,836	1,095,836
Improvements	627,571	627,571
Equipment	81,369	66,045
Transportation	<u>220,440</u>	<u>216,890</u>
Total capital assets	2,033,216	2,014,342
Accumulated depreciation	<u>(1,042,330)</u>	<u>(1,021,753)</u>
Total capital assets	<u>990,886</u>	<u>992,589</u>

New door locks were installed this year for \$7,220. Also, a 60 inch range/stove was purchased for \$8,104 as well as a 2008 GMC bus for \$31,500.

Debt - The District owed Colorado Boards of Education Self-Funded Trust (BEST), their former health insurance provider, \$100,000 to be paid in 4 equal annual payments of \$25,000. The District made its final payment to BEST during the 2017-2018 year. The other debt is the accrued net health care trust fund liability for \$73,369 and the accrued net pension liability for \$3,212,883.

KARVAL SCHOOL DISTRICT RE-23  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2018  
(continued)

**THE FUTURE OF THE DISTRICT**

Current (2018/19) on-site enrollment is at 53. The district is being funded at 50 students in thanks to a school finance provision made in 2013. As long as this funding formula remains in place, the district will likely be able to operate in the black for the 2018-19 school year, and hopefully years to follow. There has been growth in the primary grades with increased enrollment in preschool and elementary grades. The District and the Board of Education continue to work diligently with all that will listen at the state level to work to continue to buy down the negative factor and restore state funding levels. This would be a positive financial step not only for Karval School District, but also for all Colorado districts. District administration, staff, and the board are working to provide seamless communications with parents and the community, and to offer high quality 21st century instruction in a safe, rural community. The primary short-term goal for the district is to maintain and grow the enrollment of the district, and focus on instruction and curriculum of the school.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide the citizens, taxpayers, customers and investors and creditors of the Karval School District RE-23 a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about this report or need additional financial information, contact the Karval School District RE-23, P. O. Box 5, Karval, CO, 80823.

## BASIC FINANCIAL STATEMENTS

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
Statement of Net Position  
June 30, 2018

Governmental  
Activities

<b>ASSETS</b>	
Cash and cash equivalents	706,862
Accounts receivable	10,198
Inventory	1,010
Accrued property taxes receivable	9,742
Capital assets, net of accumulated depreciation	<u>990,886</u>
Total Assets	1,718,698
<b>DEFERRED OUTFLOWS</b>	
	976,495
<b>LIABILITIES</b>	
Current Liabilities	
Accrued salaries payable	<u>63,720</u>
Total Current Liabilities	63,720
Long Term Liabilities	
Net Health Care Trust Fund Liability	73,369
Net Pension Liability	<u>3,212,883</u>
Total Long Term Liabilities	<u>3,286,252</u>
Total Liabilities	3,349,972
<b>DEFERRED INFLOWS</b>	
	360,388
<b>NET POSITION</b>	
Invested in capital assets	990,886
Restricted for TABOR	27,564
Unassigned	<u>(2,033,617)</u>
Total Net Position	<u>(1,015,167)</u>

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Statement of Activities  
 For the Year Ended June 30, 2018

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Service</u>	<u>Operating Grants &amp; Contributions</u>	<u>Capital Grants &amp; Contributions</u>
Governmental Activities				
Instructional	616,606		97,050	18,053
Support Services				
Pupils	21,283			
Instructional services	4,818			
General administration	201,805			
School administration	46,192			
Business services	12,063			
Operations & maintenance	115,044			
Pupil transportation	128,318		26,596	
Central services	5,984			
Student activities	582	461		
Food Services	<u>75,607</u>	<u>7,712</u>	<u>20,813</u>	<u>0</u>
Total Governmental Activities	<u>1,228,302</u>	<u>8,173</u>	<u>144,459</u>	<u>18,053</u>

General revenues:

Taxes

  Property taxes, levied for general purposes

  Specific ownership taxes

State Equalization

Miscellaneous

Sale of Assets

Investment earnings

  Total General Revenues

Change in Net Position

Net Position - Beginning

Prior Year Adjustment-Note 2E

Net Position - Ending

Net (Expense) Revenue and  
Changes in Net Position  
Governmental  
Activities

(501,503)

(21,283)

(4,818)

(201,805)

(46,192)

(12,063)

(115,044)

(101,722)

(5,984)

(121)

(47,082)

(1,057,617)

177,242

19,870

589,174

25,448

1,154

1,042

813,930

(243,688)

(703,472)

(68,008)

(1,015,167)

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
Balance Sheet  
Governmental Funds  
June 30, 2018

	<u>General</u>	Nonmajor <u>Funds</u>	Total Governmental <u>Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	656,608	50,255	706,862
Accounts/grants receivable	9,029	1,169	10,198
Inventory	0	1,010	1,010
Accrued property taxes receivable	<u>9,742</u>	<u>0</u>	<u>9,742</u>
Total Assets	<u>675,378</u>	<u>52,434</u>	<u>727,812</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accrued salaries payable	<u>55,187</u>	<u>8,533</u>	<u>63,720</u>
Total Liabilities	55,187	8,533	63,720
Fund Balances			
Restricted for TABOR	27,564	0	27,564
Nonspendable	0	1,010	1,010
Assigned	0	42,891	42,891
Unassigned	<u>592,628</u>	<u>0</u>	<u>592,628</u>
Total Fund Balances	<u>620,191</u>	<u>43,901</u>	<u>664,092</u>
 Total Liabilities and Fund Balances	 <u>675,378</u>	 <u>52,434</u>	 <u>727,812</u>

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
Balance Sheet  
Governmental Funds  
June 30, 2018

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

Total Governmental Fund Balances	664,092
Amounts reported for governmental activities in the statement of net position are different because of the following:	
Deferred outflows of resources are not financial resources and thus are not reported as assets in governmental funds	976,495
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	990,886
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(3,286,252)
Deferred inflows of resources are not financial resources and thus are not reported as assets in governmental funds	<u>(360,388)</u>
Net Position of Governmental Activities	<u>(1,015,167)</u>

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2018

	<u>General</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Local Sources			
Property Taxes	176,997	0	176,997
Specific Ownership Taxes	19,870	0	19,870
Delinquent Taxes & Penalties	245	0	245
Other	35,850	8,174	44,024
Intergovernmental			
State Sources			
Equalization	589,174	0	589,174
Other	82,869	741	83,610
Federal Sources	<u>56,445</u>	<u>20,072</u>	<u>76,517</u>
Total Revenues	961,450	28,987	990,437
<b>EXPENDITURES</b>			
Current			
Instruction	427,354	0	427,354
Supporting Services			
Pupils	21,283	582	21,866
Instructional staff services	4,818	0	4,818
General administration	178,251	0	178,251
School administration	32,423	0	32,423
Business services	12,063	0	12,063
Operations & maintenance	102,728	0	102,728
Pupil transportation	94,566	0	94,566
Central services	5,984	0	5,984
Food Service	0	57,381	57,381
Capital Outlay	<u>54,963</u>	<u>0</u>	<u>54,963</u>
Total Expenditures	<u>934,433</u>	<u>57,963</u>	<u>992,396</u>
Revenues over (under) Expenditures	27,017	(28,975)	(1,958)
Other Financing Uses			
Operating Transfers In (Out)	<u>(24,744)</u>	<u>24,744</u>	<u>0</u>

See auditor's report and notes to the financial statements.

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2018  
 (continued)

	<u>General</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Revenues and Other Sources over (under) Expenditures	2,274	(4,232)	(1,958)
Fund Balance - Beginning	<u>617,918</u>	<u>48,132</u>	<u>666,050</u>
Fund Balance - Ending	<u>620,191</u>	<u>43,901</u>	<u>664,092</u>
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities			
Net change in fund balances - total governmental funds			(1,958)
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period.</p>			
Capital outlays		46,824	
Depreciation expense		<u>(42,705)</u>	4,119
<p>The issuance of long-term debt (e.g. bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>			
Note Payments			25,000
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>			
Pension Expenses		(263,585)	
Other post-employment benefit expenses		<u>(1,441)</u>	(265,026)
<p>Gain (loss) on disposal of assets is not recognized in governmental funds, but the sale of the assets is recorded as income.</p>			
Cash received on sale of asset		(6,977)	
Recognized gain(loss)		<u>1,154</u>	<u>(5,823)</u>
Change in net position of governmental activities			<u>(243,688)</u>

See auditor's report and notes to the financial statements.

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
Statement of Fiduciary Net Position  
Student Activity Agency Fund  
June 30, 2018

	Student Activity <u>Fund</u>
<b>ASSETS</b>	
Cash in Bank	23,901
<b>LIABILITIES</b>	
Due to Student Activities	<u>23,901</u>
<b>NET POSITION</b>	<u>0</u>

## Notes to the Financial Statements

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
Notes to the Financial Statements  
For The Year Ended June 30, 2018

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The District is a political subdivision of the State of Colorado which is governed by an elected board of 5 members. A summary of the Karval School District RE-23's significant accounting policies applied in the preparation of these financial statements follows.

A. Reporting Entity

The Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", established the criteria for determining the activities, organizations and functions of government to be included in the financial statements of the reporting entity. In evaluating the school as a reporting entity, management has addressed all potential component units which may or may not fall within the District's financial accountability. The criteria used to evaluate component units for possible inclusion as part of the District's reporting entity are financial accountability and the nature and significance of the relationship. The District is considered to be a primary government because it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. It has no component units. Neither is it a component unit of any other entity.

This report includes all funds of Karval School District RE-23.

B. Basis of Presentation

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 school district. As a general rule, the effect of interfund activity has been eliminated from these statements. Government 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 given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. In addition, program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements are also provided in the report for all of the governmental funds, and the fiduciary funds of the district. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The District reports the following major governmental funds:

The general fund is the district's primary operating fund. It accounts for all financial resources except those required to be in another fund.

NonMajor Funds:

Food Services Special Revenue Fund accounts for the revenues and expenditures to provide students, teachers, and visitors with hot meals.

Student Activity Special Revenue Fund accounts for revenues and expenditures of athletic teams.

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Additionally, the District reports the Student Activity Agency Fund which accounts for cash held by the district for related organizations. It is custodial in nature and does not involve measurement of results of operations.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and the fiduciary 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. Net position (total assets less total liabilities) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net position.

The governmental fund financial statements are reported using the current financial resources measurement focus and 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 with the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year end. Revenues from federal, state, and other grants designated for payment of specific school district expenditures are recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

D. Budgets and Budgetary Accounting

All funds must have budgets to be allowed expenditures. Budgets for all funds except proprietary funds are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at year end.

Budget Calendar -

Submission of a proposed budget to the Board of Education is due by May 31. On June 10 or within ten days after submission of the proposed budget, a notice shall be published stating the proposed budget is on file and available for inspection.

The last date for final adoption of the budget and appropriation resolution is June 30.

January 31 is last date to change adopted budget.

By December 15, the Board of Education certifies to County Commissioners the mill levy against the assessed valuation for the general fund.

The legal level of budgetary control is at the individual fund level.

E. Encumbrances

Encumbrance accounting where purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by the District.

F. Assets, Liabilities and Fund Balances/Net Position

1. Deposits

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

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State statutes authorize the District to deposit funds in institutions who are members of the Federal Deposit Insurance Corporation to the extent that the deposit is insured or is secured by pledge of eligible collateral as required by CRS 11-10.5-107.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/due from other funds”. Accounts receivable and property taxes receivables are shown at gross. Uncollectibles have not been material.

3. Inventories

The purchase method is used to account for inventories in the governmental funds. Under this method, inventories are recorded as expenditures when purchased.

A physical inventory was taken as of June 30, 2018 for the Food Services special revenue fund. The inventory consisted of government donated commodities which were valued at estimated fair market value, and purchased commodities and supplies were both valued at cost using the first-in, first-out (FIFO) method.

4. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the school district as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant and equipment are depreciated in the proprietary funds using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Improvements	15-50
Equipment	5-20
Vehicles	7-10

The District does not have any infrastructure assets.

5. Compensated Absences

Year-round staff that has completed 12 months of service receive one week of paid vacation. Year-round staff that has completed 24 months of service receive two weeks of paid vacation. There is no limit to the accumulation of days. Employees who resign or are terminated shall be paid out all of their unused days.

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Contracted employees receive sick leave at the rate of one day per month of the length of the employee's contract. Four days bereavement will be granted per contract year. Two days of professional leave is granted per contract year. Discretionary leave is a minimum of 6 days contract year. Employees may accumulate 36 days and there is no pay for unused days unless the employee has completed at least 20 years of service with the District.

#### 6. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds issuance costs are reported as deferred charges and amortized over the term of the debt.

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

#### 7. 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. Actual results could differ from those estimates.

#### 8. Fund Balances and Net Position

In the government-wide financial statements, net position are classified in the following categories;

Invested in Capital Assets – this category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding debt balances that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position – indicates that portion of net position which has been legally segregated for specific purposes or is not available for appropriation

Unrestricted Net Position – represents the amount which is not reserved for any purpose and is available for appropriation and expenditure in future periods.

When restricted and unrestricted funds are available, restricted are deemed first spent.

In the fund financial statements, fund balances of governmental funds are classified in the following categories;

Nonspendable – amounts that cannot be spent because they are either in non spendable form such as inventory and prepaid expenses, or legally or contractually required to be maintained intact such as the corpus of a permanent fund which is required to be retained in perpetuity. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale.

Restricted – when constraints placed on the use of resources are either (a) externally imposed by creditors or (b) imposed by law through constitutional provisions or enabling legislation.

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Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s Board of Trustees. These amounts cannot be changed except by taking the same type of action employed to previously commit these amounts.

Assigned – amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the governing body itself, or the Superintendent who has been delegated the authority to assign amounts to be used for specific purposes.

Unassigned – the residual for the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount.

When committed, assigned, and unassigned funds are available, unassigned is deemed first spent, then assigned.

At June 30, 2018 the amounts restricted was \$27,564 for TABOR Reserve. Within the governmental fund financial statements, amount nonspendable for food services is \$1,010; the amount assigned for food services is \$1,931; and the amount assigned for student activities is \$40,959.

## (2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment’s language in order to determine its compliance.  
  
In November 1997, the voters of the District approved a ballot issue which allows the District to collect, retain, and expend all revenues collected or received for the 1997 fiscal year and each subsequent year.
- B. The District is in compliance with Financial Policies and Procedures Handbook prepared by the Colorado Department of Education.
- C. Expenditures in the Food Service Fund of \$57,381 exceeds the budget amount of \$46,693. This may be a violation of state budget laws.
- D. No budget was prepared for the Student Activities Agency Fund. Expenditures totaled \$19,933. This may be a violation of state budget laws.
- E. For the fiscal year ended June 30, 2018, the District implemented GASB 75, reporting for Other Post-Employment Benefits (OPEB) associated with the PERA Health Care Trust Fund (HCTF). As a result, a prior year adjustment was required that included the amount \$70,421 of net HCTF liability for the District as computed by HCTF, less the amount the District submitted to HCTF of \$2,413 after HCTF’s year end. The net prior year adjustment is \$68,008.
- F. The District entered into a contractual agreement with Coaching to the Next Level, LLC, a related party, to provide consulting services, such as marketing and grant writing. The President of Coaching to the Next Level, LLC is the superintendent Chris Whetzel. The total amount paid for the fiscal year ending June 30, 2018 was \$10,000. As of June 30, 2018, no additional fees were due to Coaching to the Next Level, LLC.

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(3) DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits and Investments - in 1 financial institution. Deposits are displayed on the balance sheets as "Cash in Bank" and "Certificates of Deposit". They are carried at cost.

The Colorado Public Deposit Protection Act (PDPA) requires that all political subdivisions of the State 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 specified under the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The Colorado Division of Banking and Financial Services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Custodial Credit Risk - the risk that, in the event of bank failure, the District's deposits may not be returned to it. The District does not have a written deposit policy for custodial credit risk.

At June 30, 2018, the District's cash deposits had a bank balance and carrying balance as follows:

	<u>Bank Balance</u>	<u>Carrying Balance</u>
Insured (FDIC)	325,488	318,401
Deposits Uncollateralized in single institution pools	<u>411,557</u>	<u>412,363</u>
Total Cash	737,046	730,764
Amount in Agency Fund		<u>(23,901)</u>
Net Cash		706,862

As presented above, deposits with a bank balance of \$411,557 and a carrying balance of \$412,363 as of June 30, 2018, are uninsured, are exposed to custodial credit risk, and are collateralized with securities held by the pledging financial institution.

B. Accrued Property Taxes Receivable - the amount budgeted for the current year, not yet collected.

Property Tax Calendar - taxes are levied by December 15, tax bills are mailed January 1 of the following year, creating an enforceable lien on the property. If paid by installments of one-half each, the first is due February 28, the second June 15. If paid in one payment, the due date is April 30. Taxes are delinquent if not paid by those dates. Notice of delinquencies are mailed in September, and tax sales scheduled for November.

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## C. Changes in General Fixed Assets

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Land	8,000	0	0	8,000
Buildings	1,095,836	0	0	1,095,836
Building Improvements	627,571	0	0	627,571
Equipment	66,045	15,324	0	81,369
Vehicles	<u>216,890</u>	<u>31,500</u>	<u>27,950</u>	<u>220,440</u>
Total	2,014,342	46,824	27,950	2,033,216
Less accumulated depreciation				
Land	0	0	0	0
Buildings	520,592	17,913	0	538,505
Building Improvements	274,048	11,757	0	285,805
Equipment	45,287	3,141	0	48,428
Vehicles	<u>181,826</u>	<u>9,894</u>	<u>22,128</u>	<u>169,592</u>
Total	1,021,753	42,705	22,128	1,042,330
Total Net Capital Assets	<u>992,589</u>	<u>4,119</u>	<u>5,822</u>	<u>998,886</u>

Depreciation expense for the governmental activities was allocated \$30,503 to Instruction, \$9,894 to Transportation, and \$2,308 to Food Service.

## D. Changes in Long Term Debt

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Notes Payable-BEST	25,000	0	25,000	0
Net Health Care Turst Fund Liability	70,421	8,871	5,923	73,369
Net Pension Liability	<u>2,855,891</u>	<u>739,345</u>	<u>382,353</u>	<u>3,212,883</u>
Total	<u>2,951,312</u>	<u>748,216</u>	<u>413,276</u>	<u>3,286,252</u>

On or about November 10, 2010, the District entered into a participation agreement with Colorado Boards of Education Self-Funded Trust (BEST) for health insurance.

In May 2012, the District dropped BEST as their health insurance provider. BEST sued and was awarded a settlement of \$164,045 to be paid \$64,045 upon execution of the agreement, and four annual payments of \$25,000 due on the anniversary date (March 26). The amount due at June 30, 2018 is \$0.

No payment was made in the 2015-2016 year. There was a \$25,000 payment made in the 2016-2017 year. This payment was for the 2015-2016 year though. The final payment of \$25,000 was paid in the 2017-2018 year.

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(4) OTHER INFORMATION

- A. Risk Management - the District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has joined Colorado School District Self Insurance Pool (CSDSIP), a public entity risk pool currently operating as a common risk management and insurance program for members. The District pays an annual premium to CSDSIP for its property and casualty insurance coverage. The intergovernmental agreement of formation of CSDSIP provides that the Pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

The District carries commercial insurance for all other risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

- B. Accrued Salaries and Benefits Payable - teachers and certain other instructional employees are budgeted and paid over a twelve month period from September 1 to August 31 but are earned over a school year of approximately a nine month period. The salaries earned but not paid at June 30 are shown as an accrued liability.
- C. Operating Transfers In (Out) -The General Fund transferred \$24,744 to the Food Services Fund to meet its operational requirements.
- D. Defined Benefit Pension Plan

**Summary of Significant Accounting Policies**

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

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 District 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/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

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*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:

- 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.

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.

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.

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

	For the Year Ended December 31, 2017	For the Year Ended December 31, 2018
Employer contribution rate <sup>1</sup>	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) <sup>1</sup>	(1.02)%	(1.02)%
Amount apportioned to the SCHDTF <sup>1</sup>	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	5.00%	5.50%
<b>Total employer contribution rate to the SCHDTF<sup>1</sup></b>	<b>18.63%</b>	<b>19.13%</b>

<sup>1</sup>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 District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$87,394 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 District reported a liability of \$3,212,883 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 District's proportion of the net pension liability was based on the District's 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 District's proportion was 0.0099357958 percent, which was an increase of 0.0003438576 from its proportion measured as of December 31, 2016.

For the year ended June 30, 2018 the District recognized pension expense of \$263,585. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	59,071	-0-
Changes of assumptions or other inputs	820,368	5,206
Net difference between projected and actual earnings on pension plan investments	-0-	126,173
Changes in proportion and differences between contributions recognized and proportionate share of contributions	45,881	227,782
Contributions subsequent to the measurement date	46,026	N/A
Total	971,347	359,160

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There is \$46,026 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, which 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	(172,360)
2020	(17,345)
2021	7,806
2022	-0-
2023	-0-
Thereafter	-0-

*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.

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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.

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 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 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:

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%
<b>Total</b>	<b>100.00%</b>	

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 4.78 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%.
- 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.

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- 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.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 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 (5.78 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	4,058,418	3,212,883	2,523,869

*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](http://www.copera.org/investments/pera-financial-reports).

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**Payables to the pension plan**

**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](http://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.

At June 30, 2018, the District reported a liability of \$3,212,883 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 District'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%	\$ 1,451,553

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 \$1,451,553 of the estimated reduction is attributable to the use of a 7.25 percent discount rate.

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E. Other Post-Employment Benefits

Health Care Trust Fund

**Summary of Significant Accounting Policies**

*OPEB.* The District 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 description.* Eligible employees of the District 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](http://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.

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.

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*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.

*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.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$4,719 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 District reported a liability of \$73,369 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 District's proportion of the net OPEB liability was based on Districts 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 District's proportion was 0.0056454807 percent, which was an increase of 0.0002140240 from its proportion measured as of December 31, 2016.

For the year ended June 30, 2018, the District recognized OPEB expense of \$1,441. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	347	-0-
Changes of assumptions or other inputs	-0-	-0-
Net difference between projected and actual earnings on OPEB plan investments	-0-	1,227
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,347	-0-
Contributions subsequent to the measurement date	2,454	N/A
Total	5,148	1,227

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There is \$2,454 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, 2018. 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	461
2020	461
2021	461
2022	461
2023	461
Thereafter	42

*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 OPEB 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

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.

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.

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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%

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.

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.

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- 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.
- 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:

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%
<b>Total</b>	<b>100.00%</b>	

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(continued)

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 District’s 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	71,350	73,369	75,800

*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.
- 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.

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*Sensitivity of the District’s 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	82,489	73,369	65,584

*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](http://www.copera.org/investments/pera-financial-reports).

F. Joint Venture - The District participates in the East Central Board of Cooperative Educational Services which is not reflected in these financial statements. One member of the board is from the District. The Board has final authority for all budgeting and financing of the joint venture.

Each member pays a \$2,500 membership fee and then contributes additional monies in the relationship their student enrollment is to the total enrollment of all the members.

At June 30, 2017, total assets were \$2,759,621, deferred outflows were \$6,370,494, total liabilities were \$17,087,255, deferred inflows were \$423,405, net position was \$(8,380,545), revenues were \$8,591,775, and expenses were \$10,871,227.

Complete financial statements may be obtained from BOCES office at 820 Second Street, Limon, CO 80828.

REQUIRED SUPPLEMENTARY INFORMATION

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Local sources	184,050	184,050	232,962	48,912
State Sources	686,164	686,164	672,043	(14,121)
Federal Sources	<u>53,456</u>	<u>53,456</u>	<u>56,445</u>	<u>2,989</u>
Total Revenues	923,670	923,670	961,450	37,780
<b>EXPENDITURES</b>				
<b>Current</b>				
Instruction	460,446	460,446	427,354	33,092
Supporting Services				
Pupils	18,560	18,560	21,283	(2,723)
Instructional Staff - Library	400	400	4,818	(4,418)
General Administration	185,375	185,375	178,251	7,124
School Administration	41,349	41,349	32,423	8,926
Business Services	13,500	13,500	12,063	1,438
Operations & Maintenance	100,125	100,125	102,728	(2,603)
Pupil Transportation	85,514	85,514	94,566	(9,052)
Central Support	5,880	5,880	5,984	(104)
Facilities Acquisition	1,500	1,500	0	1,500
Capital Outlay	48,021	48,021	54,963	(6,942)
Appropriated Reserves	<u>571,694</u>	<u>571,694</u>	<u>0</u>	<u>571,694</u>
Total Expenditures	<u>1,532,364</u>	<u>1,532,364</u>	<u>934,433</u>	<u>597,931</u>
Excess of revenues over (under)				
Expenditures	(608,694)	(608,694)	27,017	635,711
Other Financing Sources (Uses)				
Operating Transfers In (Out)	<u>(6,000)</u>	<u>(6,000)</u>	<u>(24,744)</u>	<u>(18,744)</u>
Excess of Revenues over (under)				
Expenditures & Other Uses	(614,694)	(614,694)	2,274	616,968
Fund Balance - Beginning	<u>614,694</u>	<u>614,694</u>	<u>617,918</u>	<u>3,224</u>
Fund Balance - Ending	<u>0</u>	<u>0</u>	<u>620,191</u>	<u>620,191</u>

KARVAL SCHOOL DISTRICT RE-23  
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Schedule of District's Proportionate Share of the Net Pension Liability-PERA School Division Trust Fund

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Proportion (percentage) of the collective net pension liability	0.009936%	0.009592%	0.016450%	0.016450%	0.02001%
Proportionate share of the collective net pension liability	3,212,883	2,855,891	1,760,288	2,223,427	2,552,149
Covered payroll	458,327	428,868	464,511	541,389	804,725
Proportionate share of the net pension liability as a percentage of its covered employee payroll	701.00%	665.91%	378.95%	410.69%	317.15%
Plan fiduciary net position as a percentage of the total pension liability	43.96%	43.10%	59.20%	62.80%	64.06%

Note 1: The amounts presented for each year were determined as of December 31.

Note 2: Information is not currently available for years prior to 2013; additional years will be displayed as they become available.

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
Schedule of Contributions and Related Ratios-PERA School Division Trust Fund  
Last 10 Fiscal Years

As of June 30,	<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>
Statutorily required contributions	87,394	84,920	82,036	91,121	128,457	123,305	137,839	129,053	123,442	109,341
Contributions in relation to the statutorily required contribution	<u>87,394</u>	<u>84,920</u>	<u>82,036</u>	<u>91,121</u>	<u>128,457</u>	<u>123,305</u>	<u>137,839</u>	<u>129,053</u>	<u>123,442</u>	<u>109,341</u>
Contribution deficiency (excess)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Covered-employee payroll	462,645	461,873	463,980	541,389	804,725	818,899	971,623	971,322	996,425	951,011
Contributions as a percentage of covered-employee payroll	18.89%	18.39%	17.68%	16.83%	15.96%	15.06%	14.19%	13.29%	12.39%	11.50%

Note 1: Information above is presented as of the District's fiscal year.

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Schedule of District's Proportionate Share of the Net Other Post-Employment  
 Benefit Liability-Health Care Trust Fund

	<u>2017</u>	<u>2016</u>
Proportion (percentage) of the collective net pension liability	0.005645%	0.00543%
Proportionate share of the collective net pension liability	73,369	70,421
Covered payroll	458,327	428,868
Proportionate share of the net pension liability as a percentage of its covered employee payroll	16.01%	16.42%
Plan fiduciary net position as a percentage of the total pension liability	17.53%	N/A

Note 1: The amounts presented for each year were determined as of December 31.

Note 2: Information is not currently available for years prior to 2016; additional years will be displayed as they become available.

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
Schedule of Contributions and Related Ratios-Health Care Trust Fund

As of June 30,	<u>2018</u>	<u>2017</u>
Statutorily required contributions	4,719	4,711
Contributions in relation of the statutorily required contribution	<u>4,719</u>	<u>4,711</u>
Contribution deficiency (excess)	<u>0</u>	<u>0</u>
Covered-employee payroll	462,645	461,873
Contributions as a percentage of covered-employee payroll	1.02%	1.02%

Note 1: Information above is presented as of the District's fiscal year

Note 2: Information is not currently available for years prior to 2017; additional years will be displayed as they become available

## OTHER INFORMATION

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2018

ASSETS	<u>Food Service</u>	<u>Student Activity</u>	<u>Total</u>
Cash in bank	9,296	40,959	50,255
Accounts/Grants receivable	1,169	0	1,169
Inventory	<u>1,010</u>	<u>0</u>	<u>1,010</u>
Total Assets	<u>11,474</u>	<u>40,959</u>	<u>52,434</u>
LIABILITIES AND FUND BALANCE			
Current Liabilities			
Accrued Salaries & Benefits	8,533	0	8,533
FUND BALANCE			
Nonspendable	1,010	0	1,010
Assigned	<u>1,931</u>	<u>40,959</u>	<u>42,891</u>
Total Fund Balance	<u>2,941</u>	<u>40,959</u>	<u>43,901</u>
Total Liabilities and Fund Balance	<u>11,474</u>	<u>40,959</u>	<u>52,434</u>

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 June 30, 2018

REVENUE	<u>Food Service</u>	<u>Student Activity</u>	<u>Total</u>
Local Sources	7,713	461	8,174
State Sources	741	0	741
Federal Sources	<u>20,072</u>	<u>0</u>	<u>20,072</u>
Total Revenue	28,526	461	28,987
EXPENDITURES			
Current			
Student Activities	0	582	582
Food Service	<u>57,381</u>	<u>0</u>	<u>57,381</u>
Total Expenditures	<u>57,381</u>	<u>582</u>	<u>57,963</u>
Excess of Revenues over (under) Expenditures	(28,854)	(121)	(28,975)
Other Financing Sources			
Operating Transfers In	<u>24,744</u>	<u>0</u>	<u>24,744</u>
Excess of Revenues and Other Sources over (under) Expenditures	(4,110)	(121)	(4,232)
Fund Balance - Beginning	<u>7,052</u>	<u>41,081</u>	<u>48,132</u>
Fund Balance - Ending	<u>2,941</u>	<u>40,959</u>	<u>43,901</u>

## GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. It is the most significant fund in relation to the district's overall operation.

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
General Fund  
Comparative Balance Sheet

	<u>6/30/18</u>	<u>6/30/17</u>	<u>Change</u>
<b>ASSETS</b>			
Cash In Bank	656,608	658,389	(1,782)
Cash With Treasurer	0	1,428	(1,428)
Accounts/Grants Receivable	9,029	10,122	(1,092)
Accrued Property Tax Receivable	<u>9,742</u>	<u>5,388</u>	<u>4,354</u>
Total Assets	<u>675,378</u>	<u>675,327</u>	<u>52</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payable	0	5,212	(5,212)
Accrued Salaries and Benefits Payable	<u>55,187</u>	<u>52,197</u>	<u>2,990</u>
Total Liabilities	55,187	57,409	(2,222)
Fund Balance			
Restricted			
TABOR	27,564	27,244	320
Unassigned	<u>592,628</u>	<u>590,674</u>	<u>1,954</u>
Total Fund Balance	<u>620,191</u>	<u>617,918</u>	<u>2,274</u>
 Total Liabilities and Fund Balance	 <u>675,378</u>	 <u>675,327</u>	 <u>52</u>

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018  
With Comparative Actual Amounts for the Year Ended June 30, 2017

REVENUES	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	<u>Prior Year</u>
Local Sources				
Property Taxes	159,322	176,997	17,675	162,800
Specific Ownership Taxes	14,423	19,870	5,447	14,168
Delinquent Taxes & Penalties	22	245	223	356
Investment Interest	980	1,040	60	1,034
Other	<u>9,303</u>	<u>34,810</u>	<u>25,507</u>	<u>90,436</u>
Total Local Sources	184,050	232,962	48,912	268,794
State Sources				
Equalization	600,588	589,174	(11,414)	572,147
Transportation	31,000	26,596	(4,404)	31,147
BOCES Flowthrough	14,576	14,431	(145)	22,871
Other	<u>40,000</u>	<u>41,842</u>	<u>1,842</u>	<u>23,347</u>
Total State Sources	686,164	672,043	(14,121)	649,511
Federal Sources				
Grants	29,465	32,135	2,670	21,132
BOCES Flowthrough	<u>23,991</u>	<u>24,310</u>	<u>319</u>	<u>14,888</u>
Total Federal Sources	<u>53,456</u>	<u>56,445</u>	<u>2,989</u>	<u>36,020</u>
Total Revenues	923,670	961,450	37,780	954,324
Expenditures	<u>1,532,364</u>	<u>934,433</u>	<u>597,931</u>	<u>905,223</u>
Excess of Revenues over (under) Expenditures	(608,694)	27,017	635,711	49,101
Other Financing Sources (Uses)				
Operating Transfers In (Out)	<u>(6,000)</u>	<u>(24,744)</u>	<u>(18,744)</u>	<u>(22,000)</u>
Excess of Revenues over (under) Expenditures & Other Uses	(614,694)	2,274	616,968	27,101
Fund Balance - Beginning	<u>614,694</u>	<u>617,918</u>	<u>3,224</u>	<u>590,816</u>
Fund Balance - Ending	<u>0</u>	<u>620,191</u>	<u>620,191</u>	<u>617,918</u>

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 General Fund  
 Statement of Expenditures - Budget and Actual  
 For the Year Ended June 30, 2018  
 With Comparative Actual Amounts for the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	<u>Prior Year</u>
<b>INSTRUCTION</b>				
Current				
Salaries	305,850	274,630	31,220	278,910
Employee Benefits	105,054	93,446	11,609	92,226
Purchased Services	9,371	17,586	(8,215)	16,765
Supplies and Material	39,921	40,663	(742)	12,727
Other	250	1,030	(780)	1,189
Capital Outlay	<u>6,000</u>	<u>10,730</u>	<u>(4,730)</u>	<u>559</u>
Total Instruction	466,446	438,084	28,362	402,375
 <b>SUPPORTING SERVICES</b>				
<b>Pupil</b>				
Current				
Salaries	0	0	0	3,627
Purchased Services	18,440	21,259	(2,819)	14,449
Supplies and Material	<u>120</u>	<u>24</u>	<u>96</u>	<u>0</u>
Total Pupil	18,560	21,283	(2,723)	18,076
 <b>Instructional Staff Services</b>				
Current				
Supplies and Material	<u>400</u>	<u>4,818</u>	<u>(4,418)</u>	<u>3,899</u>
Total Instructional Staff	400	4,818	(4,418)	3,899

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 General Fund  
 Statement of Expenditures - Budget and Actual  
 For the Year Ended June 30, 2018  
 With Comparative Actual Amounts for the Year Ended June 30, 2017  
 (continued)

SUPPORTING SERVICES (continued)			Variance	
General Administration	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable)	Prior Year
Current				
Salaries	84,030	80,807	3,223	61,960
Employee Benefits	23,435	18,793	4,642	16,141
Purchased Services	62,410	63,646	(1,236)	55,225
Supplies and Material	12,500	12,566	(66)	11,876
Other	3,000	2,438	562	1,835
Capital Outlay	<u>2,750</u>	<u>1,540</u>	<u>1,210</u>	<u>2,416</u>
Total General Administration	188,125	179,790	8,334	149,453
 School Administration				
Current				
Salaries	32,000	23,666	8,334	66,419
Employee Benefits	9,253	6,632	2,621	13,901
Purchased Services	96	75	21	199
Supplies and Material	<u>0</u>	<u>2,050</u>	<u>(2,050)</u>	<u>0</u>
Total School Administration	41,349	32,423	8,926	80,519
 Business Services				
Purchased Services	13,500	12,063	1,438	12,771
 Operations and Maintenance				
Current				
Salaries	18,284	15,859	2,425	12,933
Employee Benefits	4,106	3,377	729	2,716
Purchased Services	36,735	44,282	(7,547)	30,713
Supplies and Material	41,000	39,210	1,790	30,508
Capital Outlay	<u>10,000</u>	<u>3,089</u>	<u>6,911</u>	<u>0</u>
Total Operations & Maintenance	110,125	105,817	4,308	76,869

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 General Fund  
 Statement of Expenditures - Budget and Actual  
 For the Year Ended June 30, 2018  
 With Comparative Actual Amounts for the Year Ended June 30, 2017  
 (continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Prior Year
SUPPORTING SERVICES (continued)				
Pupil Transportation				
Current				
Salaries	38,315	41,007	(2,692)	31,344
Employee Benefits	8,602	11,606	(3,004)	6,515
Purchased Services	11,197	16,733	(5,536)	18,008
Supplies and Material	27,400	25,220	2,180	21,253
Capital Outlay	<u>29,271</u>	<u>31,500</u>	<u>(2,229)</u>	<u>62,517</u>
Total Transportation	114,785	126,066	(11,281)	139,637
Central Support Services				
Current				
Purchased Services	5,880	5,984	(104)	5,880
Capital Outlays	<u>0</u>	<u>8,104</u>	<u>(8,104)</u>	<u>15,697</u>
Total Central Support Services	<u>5,880</u>	<u>14,088</u>	<u>(8,208)</u>	<u>21,577</u>
TOTAL SUPPORTING SERVICES	492,724	496,348	(3,625)	502,800
Facilities Acquisition	1,500	0	1,500	48
Appropriated Reserves	<u>571,694</u>	<u>0</u>	<u>571,694</u>	<u>0</u>
TOTAL EXPENDITURES	<u>1,532,364</u>	<u>934,433</u>	<u>597,931</u>	<u>905,223</u>



## SPECIAL REVENUE FUNDS

Food Services Fund - to account for revenue and expenditures associated with providing hot meals to students, teachers, and visitors.

Student Activity Fund - to account for the disbursements for various classes and activities of the district. Financing is provided by fund raising activities and in some cases, an operating transfer from the General Fund.

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Food Services Special Revenue Fund  
 Comparative Balance Sheet

	<u>6/30/18</u>	<u>6/30/17</u>	<u>Change</u>
<b>ASSETS</b>			
Current Assets			
Cash In Bank	9,296	2,104	7,191
Accounts/Grants Receivable	1,169	4,826	(3,657)
Inventory	<u>1,010</u>	<u>2,978</u>	<u>(1,968)</u>
Total Assets	<u>11,474</u>	<u>9,908</u>	<u>1,566</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accrued Salaries & Benefits Payable	8,533	2,856	5,677
<b>FUND BALANCE</b>			
Nonspendable	1,010	2,978	(1,968)
Assigned	<u>1,931</u>	<u>4,074</u>	<u>(2,143)</u>
Total Fund Balance	<u>2,941</u>	<u>7,052</u>	<u>(4,110)</u>
Total Liabilites and Fund Balance	<u>11,474</u>	<u>9,908</u>	<u>1,566</u>

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Food Services Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 For the Year Ended June 30, 2018  
 With Comparative Actual Amounts for the Year Ended June 30, 2017

REVENUES	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Prior Year
Charges for Service				
Student Meals	2,700	3,198	498	3,031
Adult Meals	2,700	4,243	1,543	2,336
Other	90	271	181	317
Interest Income	3	2	(1)	2
State Grant	700	741	41	768
Federal Aid				
Breakfast & Lunch	14,500	17,961	3,461	17,581
Donated Commodities	<u>0</u>	<u>2,112</u>	<u>2,112</u>	<u>1,669</u>
Total Revenues	20,693	28,526	7,833	25,704
EXPENDITURES				
Salaries	15,263	27,360	(12,097)	17,446
Benefits	3,427	5,864	(2,437)	3,649
Food & Milk	24,450	16,099	8,351	24,829
Commodities	2	2,112	(2,110)	1,669
Purchased Services	121	3,175	(3,054)	2,785
Non-Food	1,720	2,770	(1,050)	1,756
Other	0	0	0	0
Noncapital Equipment	0	0	0	0
Contingency Reserve	<u>1,710</u>	<u>0</u>	<u>1,710</u>	<u>0</u>
Total Expenditures	<u>46,693</u>	<u>57,381</u>	<u>(10,688)</u>	<u>52,134</u>
Excess of Revenues over (under) Expenditures	(26,000)	(28,854)	(2,854)	(26,430)
Other Financing Sources				
Operating Transfer In	<u>22,000</u>	<u>24,744</u>	<u>2,744</u>	<u>22,000</u>
Excess of Revenues and Other Sources over (under) Expenditures	(4,000)	(4,110)	(110)	(4,430)
Fund Balance - Beginning	<u>4,000</u>	<u>7,052</u>	<u>3,052</u>	<u>11,482</u>
Fund Balance - Ending	<u>0</u>	<u>2,941</u>	<u>2,941</u>	<u>7,052</u>

See Auditor's report and notes to the financial statements.

KARVAL SCHOOL DISTRICT RE-23  
Lincoln County, Colorado  
Student Activity Special Revenue Fund  
Comparative Balance Sheet

	<u>6/30/18</u>	<u>6/30/17</u>	<u>Change</u>
ASSETS			
Current Assets			
Cash	<u>40,959</u>	<u>41,081</u>	<u>(121)</u>
ASSIGNED FUND BALANCE	<u>40,959</u>	<u>41,081</u>	<u>(121)</u>

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018  
With Comparative Actual Amounts for the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	<u>Prior Year</u>
REVENUES				
Yearbook Fundraisers	2,966	200	(2,766)	825
Other	<u>50</u>	<u>261</u>	<u>211</u>	<u>374</u>
Total Revenues	3,016	461	(2,555)	1,199
EXPENDITURES				
Purchased Services	2,300	501	1,799	1,217
Supplies	0	81	(81)	108
Contingency Reserve	<u>24,080</u>	<u>0</u>	<u>24,080</u>	<u>0</u>
Total Expenditures	<u>26,380</u>	<u>582</u>	<u>25,798</u>	<u>1,325</u>
Excess of Revenues over (under) Expenditures	(23,364)	(121)	23,243	(127)
Other Financing Sources (Uses)				
Operating Transfers In	<u>5,600</u>	<u>0</u>	<u>(5,600)</u>	<u>0</u>
Excess of Revenues over (under) Expenditures & Other Sources	(17,764)	(121)	17,643	(127)
Fund Balance - Beginning	<u>17,764</u>	<u>41,081</u>	<u>23,317</u>	<u>41,207</u>
Fund Balance - Ending	<u>0</u>	<u>40,959</u>	<u>40,959</u>	<u>41,081</u>

See Auditor's report and notes to the financial statements.



## AGENCY FUND

Student Activity Fund - to act as custodian for the classes and activities of the district.

KARVAL SCHOOL DISTRICT RE-23  
 Lincoln County, Colorado  
 Student Activity Agency Fund  
 Statement of Changes in Assets and Liabilities-Budget and Actual  
 For the Year Ended June 30, 2018

	Balance <u>July 1</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30</u>
Drama Club	505	298	299	505
Dance Team	181	0	0	181
FFA	5,390	9,243	11,213	3,420
Music	1,385	542	0	1,927
Booster Club	1,074	0	1,142	(68)
Book Fair-Library	0	3,218	3,218	0
Trojan Club	1,014	0	0	1,014
Exchange	2,297	0	0	2,297
G&T J Savage	84	0	0	84
Metal Works	188	0	0	188
Elementary Playground	5,925	0	1,375	4,551
Preschool	655	100	0	755
K/1 Grades	675	32	0	707
JH	411	15	0	426
Class of 2015	206	0	0	206
Class of 2016	50	0	0	50
Class of 2017	69	0	0	69
Class of 2018	1,418	348	1,073	694
Freshman Class of 2019	1,735	1,048	1,103	1,680
Class of 2020	59	296	0	355
Class of 2021	0	296	0	296
3/4/5 Grades	649	132	0	781
Miscellaneous	1,184	24	0	1,208
Student Council	764	2,108	0	2,872
Knowledge Bowl	<u>(328)</u>	<u>543</u>	<u>511</u>	<u>(296)</u>
Total	25,591	18,243	19,933	23,901
 Budget	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Variance - Favorable (Unfavorable)	<u>25,591</u>	<u>18,243</u>	<u>(19,933)</u>	<u>23,901</u>

## AUDITOR'S INTEGRITY REPORT



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 1810 - KARVAL RE-23  
 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
<b>Governmental</b>						
10 General Fund	617,918		928,899	926,626		620,191
18 Risk Mgmt Sub-Fund of General Fund	0		0	0		0
19 Colorado Preschool Program Fund	0		7,807	7,807		0
<b>Sub-Total</b>	<b>617,918</b>		<b>936,706</b>	<b>934,433</b>		<b>620,191</b>
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	7,052		53,270	57,381		2,941
22 Govt Designated-Purpose Grants Fund	0		0	0		0
23 Pupil Activity Special Revenue Fund	41,081		461	582		40,959
24 Full Day Kindergarten Mill Levy Override	0		0	0		0
25 Transportation Fund	0		0	0		0
31 Bond Redemption Fund	0		0	0		0
39 Certificate of Participation (COP) Debt Service Fund	0		0	0		0
41 Building Fund	0		0	0		0
42 Special Building Fund	0		0	0		0
43 Capital Reserve Capital Projects Fund	0		0	0		0
46 Supplemental Cap Const, Tech, Main Fund	0		0	0		0
<b>Totals</b>	<b>666,050</b>		<b>950,437</b>	<b>992,396</b>		<b>664,092</b>
<b>Proprietary</b>						
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
<b>Totals</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>
<b>Fiduciary</b>						
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	25,591		18,243	19,933		23,901
79 GASB 34/Permanent Fund	0		0	0		0
85 Foundations	0		0	0		0
<b>Totals</b>	<b>25,591</b>		<b>18,243</b>	<b>19,933</b>		<b>23,901</b>
			<b>FINAL</b>			