

cPa DIXON, WALLER & CO., INC.

BACA COUNTY SCHOOL

DISTRICT NUMBER RE-1

WALSH, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2019

DIXON, WALLER & CO., INC.

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FINANCIAL STATEMENTS
JUNE 30, 2019

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BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
ROSTER OF SCHOOL OFFICIALS
June 30, 2019

BOARD OF EDUCATION

Todd Randolph	President
James Dubois	Vice-President
Tim Hume	Treasurer
Janiese Alton	Secretary
Tanner Dunivan	Member

SCHOOL OFFICIALS

Stephanie Hund	Superintendent
Tressa Turner	Business Manager
Kylene Smith	Business Manager

FINANCIAL SECTION

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

INDEPENDENT AUDITOR'S REPORT

Board of Education
Baca County School District Number RE-1
Walsh, Colorado 81090

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District Number RE-1, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District Number RE-1, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and post employment benefits trend data on pages i through ix and 40 through 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Baca County School District Number RE-1's basic financial statements. The combining and individual fund financial statements, other schedules and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



Trinidad, Colorado
October 31, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Walsh School District RE-1

Management's Discussion and Analysis

The discussion and analysis of Walsh School District RE-1's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the notes to the basic financial statements and the financial statements to enhance their understanding of the District's performance.

The Management Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standard Board (GASB) in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued June 1999. The GASB requires certain comparative information between the current year and the prior year to be presented in the MD&A.

As of June 30, 2019, the District's proportionate share of the net PERA pension liability is \$4,044,430. Under GASB 68 the District's proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association (PERA), is recorded as a District liability. The District's proportionate share of the net other post-employment benefits liability (OPEB) was \$201,995. Based on total liabilities, deferred inflows, and deferred inflows, there was a decrease in net position of total governmental funds.

Financial Highlights

- The District's governmental total net position increase by \$781,155 largely as a result of the District's change in proportionate share of the PERA net pension liability. While net position does indicated negative overall fiscal health, the reader should be aware that this is an academic standard and does not reflect the fund-level fiscal health of the district.

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- Expenses from governmental activities totaled \$2,289,511 and were countered by revenues totaling \$3,070,666. Pension changes reduced governmental activities expenses by \$369,207.
- General revenues reported include \$743,932 from property taxes, \$93,557 from specific ownership taxes, \$1,519,354 from state equalization, \$24,006 from earnings on investments, and \$59,554 from other revenues.
- The General Fund Balance as of June 30, 2019 was \$2,616,808, an increase of \$73,119. For the 2019 fiscal year, the District levied 8 mills of the voter approved 10 mill levy override. Only 6 mills of the levy override has been budgeted for the 2020 fiscal year. The revenue to expenditure deficit will be offset by the increase in the general fund balance that has been seen over the past 2 years.

Overview of the Financial Statements

The Walsh School District RE-1 basic financial statements are comprised of three components:

1. Government-wide financial statements - focusing on both short-term and long-term information about the overall financial status of the District. The government-wide financial statements include the General Fund, Insurance Reserve Fund, CPP Fund, Designated Grant Fund, Food Service Fund, and Activity Fund.
2. Fund financial statements – focusing on the individual parts of the government, reporting the District’s operations in more detail than the government-wide statements.
3. Notes to the financial statements – required supplemental information that further explains and supports the information in the financial statements.

Government-wide Statements

The financial statements provided are designed to supply the reader an overview of the District’s financial activities similar to those used in the private sector. The government-wide statements relate to those activities directly related to the education of students. The statement of net position includes all of the government’s assets, liabilities, and deferred flows. All of the current year’s revenues and expenses are accounted for in the statement of activities.

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The two government-wide statements report the District's net position and any changes in net position from one year to the next. Net position is the difference between the District's assets, liabilities, and deferred flows, and is one indicator of the District's overall financial health. Net position indicates whether the District's financial health is improving or deteriorating. The reader should note that the net position includes the District's share of the PERA pension plan liability. Changes in the solvency of PERA affect the net position, sometimes dramatically. Other factors to consider when examining net position include non-financial factors such as changes to the District's tax base, student enrollment, and overall condition of facilities.

The government-wide financial statements of the District include the governmental activities. Most of the district's basic services are included within, such as instruction, support, general administration, and capital outlay. The statements also indicate that funding for these services come primarily from state equalization, property tax, and grant sources.

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. The Walsh School District, like other governments, uses fund accounting to guarantee and demonstrate compliance. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds account for 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, or those available to spend at the end of the fiscal year. Such information is used to evaluate the District's short-term financing requirements. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Comparison of the governmental funds with the government-wide funds may allow the reader to better understand the long-term impact of the District's short-term financing decisions.

Walsh School District maintains the following fund types:

- General Fund – accounts for all financial resources except for those legally required to be accounted for separately.

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- Colorado Preschool Project Fund (CPP) – accounts for all financial resources related to preschool students identified by the CPP program and is reported as part of the General Fund.
- Designated Purpose Grants Fund – accounts for all financial resources tied to specific grant funding.
- Insurance Reserve Fund – accounts for all financial resources legally restricted for specific insurance purposes and is reported as part of the General Fund.
- Pupil Activity Fund – accounts for all financial resources held by special interest groups such as clubs, organizations, and classes.
- Food Service Special Revenue Fund – accounts for all financial resources related to the operation of the school lunch program.

Notes to the Basic Financial Statements

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

Required Supplementary Information

Each year, the District adopts a budget and appropriation resolutions for each of the individual governmental funds. A budgetary comparison for the general fund is included in the fund financial statements to demonstrate compliance with the adopted budget. A comparison of the remaining governmental funds are also reported as supplemental information.

Financial Analysis

As previously stated, net position is one indicator of an entity's financial health. The net position of Walsh School District increased by \$781,155, which was substantially less than the decrease seen in the prior year. The District's net position was -\$1,906,930 as of June 30, 2019.

Walsh School District's current assets total \$2,987,560 with an additional \$1,402,083 in capital assets such as land, buildings, equipment, etc. As capital assets are used to provide services to students, these assets are not available for expenditures. The ratio of current assets to current liabilities is approximately 15:1, indicating that the District is solvent and able to meet its financial obligations.

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Statement of Net Position

	Governmental Activities 2017-2018	Total 2017-2018	Governmental Activities 2018-2019	Total 2018-2019
ASSETS				
Current & Other	2,865,287	2,865,287	2,987,560	2,987,560
Capital	1,040,204	1,040,204	1,402,083	1,402,083
TOTAL	3,905,491	3,905,491	4,389,643	4,389,643
DEFERRED OUTFLOWS	2,728,635	2,728,635	1,649,196	1,649,196
LIABILITIES				
Current	237,311	237,311	304,898	304,898
Long-term	8,572,814	8,572,814	4,246,425	4,246,425
TOTAL	8,810,125	8,810,125	4,551,323	4,551,323
DEFERRED INFLOWS	512,086	512,086	3,279,239	3,279,239
NET POSITION				
Net Investments-				
Capital Assets	1,040,204	1,040,204	1,402,083	1,402,083
Restricted for:				
Debt	0	0	0	0
TABOR	81,000	81,000	86,500	86,500
Preschool	142,260	142,260	68,754	68,754
Food Service	30,470	30,470	12,086	12,086
Unrestricted	-3,982,019	-3,982,019	-3,476,353	-3,476,353
TOTAL NET POSITION	-2,688,085	-2,688,085	-1,906,930	-1,906,930

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Changes in Net Position

	Governmental Activities 2017-2018	Total 2017-2018	Governmental Activities 2018-2019	Total 2018-2019
REVENUES				
Property Taxes	812,753	812,753	743,932	743,932
Specific Ownership Taxes	93,076	93,076	93,557	93,557
Investment Earnings	13,573	13,573	24,006	24,006
Charges for Services	62,358	62,358	83,818	83,818
State Equalization	1,311,612	1,311,612	1,519,354	1,519,354
Federal & State Grants	285,445	285,445	546,445	546,445
Transfer to Lunch Fund	0	0	0	0
Other	34,890	34,890	59,554	59,554
TOTAL	2,613,707	2,613,707	3,070,666	3,070,666
EXPENSES				
CURRENT:				
Instruction	1,275,308	1,275,308	1,325,906	1,325,906
Support Services:				
Students	59,510	59,510	86,008	86,008
Instructional Staff	53,859	53,859	58,810	58,810
District Admin.	244,315	244,315	306,327	306,327
School Admin.	185,349	185,349	180,759	180,759
Business	50,639	50,639	48,531	48,531
Operation & Maint.	254,567	254,567	244,865	244,865
Transportation	171,086	171,086	120,600	120,600
Community	0	0	0	0
Central	44,001	44,001	116,942	116,942
Pension Cost	1,502,110	1,502,110	(369,207)	(369,207)
Post-employment Cost	7,197	7,197	4,617	4,617
Capital Outlay	2,595	2,595	29,399	29,399
Food Service	117,698	117,698	135,954	135,954
Interest on Debt	0	0	0	0
TOTAL	3,968,234	3,968,234	2,289,511	2,289,511
INCREASE/(DECREASE)	(1,222,911)	(1,222,911)	781,155	781,155

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Governmental Activities

The table below displays the District's major fiscal functions, and the net costs associated with each. As would be expected of a school district, the major functions involve instructional services and related supporting services.

Governmental Activities

	Total Cost of Services 2017-2018	Net Cost of Services 2017-2018	Total Cost of Services 2018-2019	Net Cost of Services 2018-2019
INSTRUCTIONAL SERVICES	1,275,038	1,047,726	1,325,906	1,037,808
SUPPORTING SERVICES:				
Students	59,510	59,510	86,008	55,918
Instructional Staff	53,859	53,859	58,810	59,431
District Admin.	244,315	244,315	306,327	303,581
School Admin.	185,349	185,349	180,759	177,374
Business	50,639	50,639	48,531	47,659
Operations & Maint.	254,567	254,467	244,865	242,496
Transportation	171,086	137,551	120,600	87,601
Central	44,001	44,001	116,942	116,942
Community	0	0	0	0
Capital Outlay	2,595	2,595	29,399	(137,071)
Interest on Long-Term Debt	0	0	0	0
Food Service	117,698	31,112	135,954	33,341
Pension Cost	1,502,110	1,502,110	(369,207)	(369,207)
Other Post-employment Costs	7,197	7,197	4,617	4,617
TOTAL	3,968,234	3,620,431	2,289,511	1,659,248

As table above indicates, the total cost of governmental activities for the fiscal year ending June 30, 2019 was \$2,289,511. The District's total cost of services was offset by charges for services in the amount of \$83,818, operating grants and contributions totaling \$379,975, and capital grants in the amount of \$166,470. Revenue for governmental activities came primarily from state equalization (\$1,519,354) and district tax payers in the form of property taxes and specific ownership taxes (\$837,489). In addition, earnings on investments produced \$24,006 in revenue, and other revenues contributed \$59,554 to supporting District governmental activities.

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General Fund Budgetary Highlights

The Board adopted a final budget on January 21, 2019 with a total appropriation of \$5,523,135. As of June 30, 2019, the District General Fund had actual expenditures totaling \$2,466,019 which was \$2,159,954 less than the budgeted. The unspent appropriations remain in the District's fund balance. Similarly, the District realized \$2,686,541 in revenues, which exceeded the budgeted amount by \$88,668.

Next Year's Budget and Future Economic Status of the District

The 2019-2020 budget will continue to be impacted by the uncertain future of PERA reform and school finance at the State and Federal levels. Furthermore, while enrollment appears to be stabilizing, the trend favors an overall decline. Despite these fiscal concerns, District administration is confident in its ability to maintain overall financial solvency. In the upcoming year, the mill levy override will be certified at 6 mills over the base, and the district is conducting a comprehensive needs assessment to determine where funds are most needed, and areas where cuts can be made. The District will continue to engage in a budget development process that is comprehensive and effective in controlling expenditures while meeting the needs of all students.

Capital Assets and Debt Administration

Walsh School District's investments in capital assets for its governmental and business-type activities as of June 30, 2019 are \$1,402,083. This figure represents the net capital assets, and takes into account \$3,477,926 in total accumulated depreciation. Gross capital assets would therefore total \$4,880,009. The District's governmental capital assets are composed of the following:

	2017-2018	2018-2019
Land & Sites	229,369	229,369
Construction in Progress	0	302,672
Buildings	2,896,373	2,896,373
Vehicles	503,509	559,231
Equipment	787,289	892,364

As of June 30, 2019, the District has no long-term debt.

Walsh School District RE-1

Requests for Information

The purpose of the Management's Discussion and Analysis is to provide the District's citizens, taxpayers, customers, and creditors a general overview of the District's finances. This financial report provides an added layer of fiscal accountability, and as such, may generate questions or concerns. Questions or comments concerning this report may be addressed to Stephanie Hund, Superintendent of Schools, P.O. Box 68, Walsh, CO 81090, or by calling 719-324-5400.

BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF NET POSITION
June 30, 2019

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
Cash	2,845,354	2,845,354
Investments	-	-
Accounts Receivable	2,043	2,043
Accrued Revenue	75,895	75,895
Property Taxes Receivable	59,500	59,500
Inventories	4,768	4,768
Capital Assets	4,880,009	4,880,009
Accumulated Depreciation	(3,477,926)	(3,477,926)
<u>Total Assets</u>	<u>4,389,643</u>	<u>4,389,643</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
Pensions	1,635,227	1,635,227
Other Post Employment Benefits	13,969	13,969
<u>Total Deferred Outflow of Resources</u>	<u>1,649,196</u>	<u>1,649,196</u>
 <u>LIABILITIES</u>		
Accounts Payable	115,214	115,214
Accrued Salaries and Benefits	177,487	177,487
Grant Amounts Received In Advance	12,197	12,197
Net Pension Liability	4,044,430	4,044,430
Net Post Employment Benefits Liability	201,995	201,995
<u>Total Liabilities</u>	<u>4,551,323</u>	<u>4,551,323</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>		
Pensions	3,394,139	3,394,139
Other Post Employment Benefits	307	307
<u>Total Deferred Inflow of Resources</u>	<u>3,394,446</u>	<u>3,394,446</u>
 <u>NET POSITION</u>		
Net Investment in Capital Assets	1,402,083	1,402,083
Restricted for:		
TABOR Reserve	86,500	86,500
Preschool	68,754	68,754
Food Service	12,086	12,086
Unrestricted	(3,476,353)	(3,476,353)
<u>TOTAL NET POSITION</u>	<u>(1,906,930)</u>	<u>(1,906,930)</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	<u>General</u>	<u>Capital Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash	2,795,986	39,325	10,043	2,845,354
Accounts Receivable	-	-	2,043	2,043
Accrued Revenue	-	75,889	6	75,895
Due From Other Funds	6	-	-	6
Property Taxes Receivable	59,500	-	-	59,500
Inventories	-	-	4,768	4,768
<u>TOTAL ASSETS</u>	<u>2,855,492</u>	<u>115,214</u>	<u>16,860</u>	<u>2,987,566</u>
<u>LIABILITIES</u>				
Accounts Payable	-	115,214	-	115,214
Accrued Salaries and Benefits	177,487	-	-	177,487
Due to Other Funds	-	-	6	6
Grant Amounts Received in Advance	12,197	-	-	12,197
<u>Total Liabilities</u>	<u>189,684</u>	<u>115,214</u>	<u>6</u>	<u>304,904</u>
<u>DEFERRED INFLOW OF RESOURCES</u>				
Property Tax	49,000	-	-	49,000
<u>FUND BALANCES</u>				
Nonspendable:				
Inventories	-	-	4,768	4,768
Restricted:				
Emergency Reserve	86,500	-	-	86,500
Food Service	-	-	12,086	12,086
Preschool	68,754	-	-	68,754
Committed:				
Insurance	2,581	-	-	2,581
Assigned:				
-	-	-	-	-
Unassigned:				
-	2,458,973	-	-	2,458,973
<u>Total Fund Balances</u>	<u>2,616,808</u>	<u>-</u>	<u>16,854</u>	<u>2,633,662</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>	<u>2,855,492</u>	<u>115,214</u>	<u>16,860</u>	<u>2,987,566</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2019

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

<u>Total Fund Balance – Governmental Funds</u>	2,633,662
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$4,880,009 and the accumulated depreciation is \$3,477,926.	1,402,083
Property tax revenue is recognized when earned (claim to resources established) rather than when “available.” All of the deferred property tax revenue is not available.	49,000
Long-term liabilities, including loans and capital leases are not due and payable in the current period and therefore are not reported in the funds.	-
Net pension and other post employment benefits liabilities, along with associated deferred flows, are not recorded at the fund level:	
Net Pension Liability	(4,044,430)
Net Other Post Employment Benefits Liability	(201,995)
Deferred Outflows	1,649,196
Deferred Inflows	<u>(3,394,446)</u>
 <u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	 <u>(1,906,930)</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	<u>General</u>	<u>Capital Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>				
Property Taxes	741,632	-	-	741,632
Specific Ownership Taxes	93,557	-	-	93,557
Earnings on Investments	23,916	-	90	24,006
Other Local Sources	108,021	-	35,516	143,537
State Aid	1,718,962	166,470	10,293	1,895,725
Federal Aid	453	-	139,457	139,910
<u>Total Revenues</u>	<u>2,686,541</u>	<u>166,470</u>	<u>185,356</u>	<u>3,038,367</u>
<u>EXPENDITURES</u>				
Current:				
Instructional Services	1,256,930	-	53,710	1,310,640
Supporting Services:				
Students	57,065	-	28,943	86,008
Instructional Staff	58,810	-	-	58,810
District Administration	306,327	-	-	306,327
School Administration	180,759	-	-	180,759
Business	48,531	-	-	48,531
Operation & Maintenance of Facilities	237,611	-	-	237,611
Transportation	146,818	-	-	146,818
Central	116,942	-	-	116,942
Food Service	-	-	134,636	134,636
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	56,226	302,673	-	358,899
<u>Total Expenditures</u>	<u>2,466,019</u>	<u>302,673</u>	<u>217,289</u>	<u>2,985,981</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>220,522</u>	<u>(136,203)</u>	<u>(31,933)</u>	<u>52,386</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	(147,403)	136,203	11,200	-
Insurance Proceeds	-	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>(147,403)</u>	<u>136,203</u>	<u>11,200</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>73,119</u>	<u>-</u>	<u>(20,733)</u>	<u>52,386</u>
<u>FUND BALANCES – BEGINNING</u>	<u>2,543,689</u>	<u>-</u>	<u>37,587</u>	<u>2,581,276</u>
<u>FUND BALANCES – ENDING</u>	<u>2,616,808</u>	<u>-</u>	<u>16,854</u>	<u>2,633,662</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2019

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

Net Change in Fund Balances – Total Governmental Funds 52,386

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

Capital Outlays More Than \$5,000	463,469	
Depreciation Expense	(101,590)	361,879

Property tax revenues are not recognized for amounts levied and due but not “available” at year-end and are reported as deferred inflows in the governmental funds. They are, however, recorded as revenues in the statement of activities. 2,300

The governmental funds report debt proceeds as another financing source, while repayment of debt principal is reported as an expenditure. The effect of premiums are recognized when the debt is issued in governmental funds, whereas these amounts are deferred and amortized in the statement of activities. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

Repayment of Debt Principal		-
-----------------------------	--	---

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

Pension Cost	369,207	
Other Post Employment Benefits Cost	(4,617)	<u>364,590</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES 781,155

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
June 30, 2019

	<u>Student Activities Fund</u>
<u>ASSETS</u>	
Cash	110,045
Investments	-
Deposits Held By Others	-
<u>Total Assets</u>	<u>110,045</u>
<u>LIABILITIES</u>	
Due to Student Groups	110,045
Accounts Payable	-
<u>Total Liabilities</u>	<u>110,045</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Baca County School District Number RE-1 (the District) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

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

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Baca County School District Number RE-1. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

A. Reporting Entity

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

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

- Major Governmental Funds
 1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
 2. Capital Project Fund – this fund accounts for building construction and improvement projects. Funding sources can be general obligation debt proceeds, grants and/or District transfers.

Additionally, the District reports the following fund type: Trust and Agency

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

E. Cash and Investments

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

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

F. Receivables

Property taxes levied in 2018 but uncollected in 2019 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2019 are recorded as deferred inflows in the fund financial statements, and are presented net of an allowance for uncollectible taxes. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventories

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

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

H. Capital Assets

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

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

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-30 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I. Deferred Outflows / Inflows of Resources

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Obligations

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

The District records long-term debt of governmental funds at the face value. Notes payable and capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

K. Constitutional Amendment

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

In November of 1996 the registered voters approved a ballot resolution authorizing Baca County School District Number RE-1 to collect, retain and expend (during 1996 and beyond) all revenues from any source provided that no property tax mill levy be increased or any new tax imposed without the consent of the voters.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending. As of June 30, 2019 the District reserved \$86,500 for this purpose.

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2018 property tax calendar for Baca County was as follows:

Levy Date	December 15, 2018
Lien Date	January 1, 2019
Tax Bills Mailed	January 1, 2019
First Installment Due	February 28, 2019
Second Installment Due	June 15, 2019
If Paid in Full, Due	April 30, 2019
Tax Sale – 2017 Delinquent Property Taxes	October 25, 2018

M. Use of Estimates

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

N. Interest Expense

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

O. GASB Statement No. 54

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

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. GASB Statement No. 54 (Continued)

4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

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

Assigned Fund Balance Policy:

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

Order of Fund Balance Spending Policy

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

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

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Food Service Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>			
Inventories	-	4,768	4,768
<u>Restricted:</u>			
Emergencies	86,500	-	86,500
Preschool	68,754	-	68,754
Food Service	-	12,086	12,086
<u>Committed:</u>			
Insurance	2,581	-	2,581
<u>Unassigned</u>	<u>2,458,973</u>	<u>-</u>	<u>2,458,973</u>
<u>Total Fund Balances</u>	<u>2,616,808</u>	<u>16,854</u>	<u>2,633,662</u>

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

<u>Item Eliminated</u>	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>	<u>Transfer to Other Funds</u>	<u>Transfer from Other Funds</u>
Capital Project Fund	-	-	-	136,203
General Fund	-	6	147,403	-
Designated Purpose Grant Fund	6	-	-	-
Food Service Fund	-	-	-	11,200
	<u>6</u>	<u>6</u>	<u>147,403</u>	<u>147,403</u>

NOTE 3 BUDGETARY INFORMATION

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

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 3 BUDGETARY INFORMATION (Continued)

5. Formal budgetary integration should be employed as a management control device during the year for the General Fund and Special Revenue Funds.
6. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets have been adopted for Trust and Agency Funds although measurement of operations is not required in the financial statements.

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

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

NOTE 4 CASH AND INVESTMENTS

Deposits

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

At June 30, 2019, the District's bank balance and corresponding carrying balance were as follows:

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	250,000	250,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	2,697,621	2,730,279
Cash with County Treasurer	7,228	-
Cash on Hand	550	-
<u>Total Cash and Deposits</u>	<u>2,955,399</u>	<u>2,980,279</u>

As presented above, deposits with a bank balance of \$2,730,279 and a carrying balance of \$2,697,621 as of June 30, 2019 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	Balance <u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2019</u>
<u>Non-Depreciable Assets</u>				
Land	99,902	-	-	99,902
Construction in Progress	-	302,672	-	302,672
<u>Depreciable Assets:</u>				
Buildings	2,896,373	-	-	2,896,373
Site Improvements	129,467	-	-	129,467
Vehicles	503,509	55,722	-	559,231
Equipment	787,289	105,075	-	892,364
<u>Total Assets</u>	<u>4,416,540</u>	<u>463,469</u>	<u>-</u>	<u>4,880,009</u>
<u>Less Accumulated</u>				
<u>Depreciation for:</u>				
Buildings	2,246,476	43,414	-	2,289,890
Site Improvements	2,697	6,473	-	9,170
Equipment & Vehicles	1,127,163	51,703	-	1,178,866
<u>Total Accumulated</u>				
Depreciation	3,376,336	101,590	-	3,477,926
<u>Total Capital Assets, Net</u>	<u>1,040,204</u>	<u>361,879</u>	<u>-</u>	<u>1,402,083</u>

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

Governmental Activities:

Instruction	63,154
Operations and Maintenance	7,254
Transportation	29,864
Food Service	1,318
<u>Total Depreciation Expense –Governmental Activities</u>	<u>101,590</u>

NOTE 6 ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine or ten months. The salaries and benefits earned, but unpaid at June 30, 2019, are estimated to be \$177,487. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements in the appropriate fund.

NOTE 7 LONG-TERM DEBT

The District has no long-term debt as of June 30, 2019.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 8 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Baca County School District Number RE-1 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan 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.

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*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. A brief description of some of the major changes to plan provisions required by SB 18-200 for the SCHDTF are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates for the SCHDTF by 0.25 percent on July 1, 2019.
- Increases employee contribution rates for the SCHDTF by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019)
- As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, increases the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, the direct distribution from the State, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 8 PENSION PLAN (Continued)

General Information about the Pension Plan

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

Benefits provided as of December 31, 2018. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 8 PENSION PLAN (Continued)

As of December 31, 2018, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB18-200, there are no annual increases (AI) for 2018 and 2019 for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5 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 will receive the lesser of an annual increase of 1.5 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. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

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 lifetime retirement benefit formula(s) 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.

Contribution provisions as of June 30, 2019. Eligible employees, Baca County School District Number RE-1 and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Eligible employees are required to contribute 8 percent of their PERA-includable salary during the period of July 1, 2018 through June 30, 2019. Employer contribution requirements are summarized in the table below.

	July 1, 2018 Through December 31, 2018	January 1, 2019 Through June 30, 2019
Employer Contribution Rate	10.15 %	10.15 %
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208 (1)(f)	(1.02)%	(1.02)%
Amount apportioned to the SCHDTF	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%	5.50%
Total employer contribution rate to the SCHDTF	19.13%	19.13%

Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 8 PENSION PLAN (Continued)

As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Baca County School District Number RE-1 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Baca County School District Number RE-1 were \$241,104 for the year ended June 30, 2019.

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

The net pension liability for the SCHDTF was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total pension liability to December 31, 2018. The Baca County School District Number RE-1 proportion of the net pension liability was based on Baca County School District Number RE-1 contributions to the SCHDTF for the calendar year 2017 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2019, the Baca County School District Number RE-1 reported a liability of \$4,044,430 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the Baca County School District Number RE-1 as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with Baca County School District Number RE-1 were as follows:

Baca County School District Number RE-1 proportionate share of the net pension liability	\$ 4,044,430
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Baca County School District Number RE-1	\$ 553,020
Total	\$ 4,597,450

At December 31, 2018, the Baca County School District Number RE-1 proportion was 0.028 percent, which was a decrease of 0.003 from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the Baca County School District Number RE-1 recognized pension income of \$369,207 and revenue of \$32,846 for support from the State as a nonemployer contributing entity. At June 30, 2019, the Baca County School District Number RE-1 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 8 PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	137,192	-
Changes of assumptions or other inputs	754,910	(2,515,200)
Net difference between projected and actual earnings on pension plan investments	547,801	(327,355)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	72,572	(551,584)
Contributions subsequent to the measurement date	122,752	N/A
Total	1,635,227	(3,394,139)

\$122,752 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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,	
2020	(318,794)
2021	(1,004,099)
2022	(679,360)
2023	120,589
2024	-
Thereafter	-

Actuarial assumptions. The total pension liability in the December 31, 2017 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	4.78 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00 percent compounded annually
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 8 PENSION PLAN (Continued)

The revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2017 to December 31, 2018:

Discount Rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	0% through 2019 and 1.5% compounded annually, thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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

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

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

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

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

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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 8 **PENSION PLAN (Continued)**

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%
Total	100.00%	

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

Discount rate. The discount rate used to measure the total pension liability was 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:

- 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 member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include the 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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 8 PENSION PLAN (Continued)

- As specified in law, the State will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process 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. 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 middle of the year.

Based on the above assumptions and methods, the projection test indicates the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount determination does not use the municipal bond rate, and therefore, the discount rate is 7.25 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 3.43 percent were used in the discount rate determination resulting in a discount rate of 4.78 percent, 2.47 percent lower compared to the current measurement date.

Sensitivity of the Baca County School District Number RE-1 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 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 (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 pension liability	5,141,800	4,044,430	3,125,550

Pension plan fiduciary net position. Detailed information about the SCHDTF's fiduciary net position is available in PERA's CAFR which can be obtained at www.copera.org/investments/pera-financial-reports.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 8

PENSION PLAN (Continued)

Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description – Employees of the Baca County School District Number RE-1 that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report which includes additional information on the Voluntary Investment Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2019, program members contributed \$4,454.

NOTE 9

OTHER POST EMPLOYMENT BENEFITS

Defined Benefit Other Post Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

OPEB. Baca County School District Number RE-1 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 Baca County School District Number RE-1 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 (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9

OTHER POST EMPLOYMENT BENEFITS (Continued)

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.

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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9

OTHER POST EMPLOYMENT BENEFITS (Continued)

DPS Benefit Structure

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Baca County School District Number RE-1 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Baca County School District Number RE-1 were \$12,855 for the year ended June 30, 2019.

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

At June 30, 2019, the Baca County School District Number RE-1 reported a liability of \$201,995 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2018. The Baca County School District Number RE-1 proportion of the net OPEB liability was based on Baca County School District Number RE-1 contributions to the HCTF for the calendar year 2018 relative to the total contributions of participating employers to the HCTF.

At December 31, 2018, the Baca County School District Number RE-1 proportion was 0.015 percent, which was an increase of 0.0001 from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the Baca County School District Number RE-1 recognized OPEB expense of \$4,617. At June 30, 2019, the Baca County School District Number RE-1 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 9

OTHER POST EMPLOYMENT BENEFITS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	733	(307)
Changes of assumptions or other inputs	1,416	-
Net difference between projected and actual earnings on OPEB plan investments	1,162	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	4,113	-
Contributions subsequent to the measurement date	6,545	N/A
Total	13,969	(307)

\$6,545 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, 2020. 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,	
2020	1,434
2021	1,434
2022	1,434
2023	2,241
2024	556
Thereafter	18

Actuarial assumptions. The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.25 percent for 2018, gradually rising to 5.00 percent in 2025
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

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.

The actuarial assumptions used in the December 31, 2017, 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 discussed below.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2018 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$736	\$367
Kaiser Permanente Medicare Advantage HMO	602	236
Rocky Mountain Health Plans Medicare HMO	611	251
United Healthcare Medicare HMO	686	213

The 2018 Medicare Part A premium is \$422 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$289
Kaiser Permanente Medicare Advantage HMO	300
Rocky Mountain Health Plans Medicare HMO	270
United Healthcare Medicare HMO	400

All costs are subject to the health care cost trend rates, as discussed below.

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2017, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

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

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

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

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

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

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- 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 2018 plan year.
- 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 long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

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

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

Sensitivity of the Baca County School District Number RE-1 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	196,417	201,995	208,410

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, 2018, measurement date.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process 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 middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of the Baca County School District Number RE-1 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	226,014	201,995	181,460

OPEB plan fiduciary net position. Detailed information about the HCTF’s fiduciary net position is available in PERA’s CAFR which can be obtained at www.copera.org/investments/pera-financial-reports.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 10 JOINT VENTURE

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

The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The BOCES by-laws indicate that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rata basis determined by the BOCES board. The joint venture summary audited financial information as of June 30, 2018, the latest year for which audited information is available, is as follows:

Assets	1,203,018
Deferred Outflows	2,004,084
Liabilities	6,994,270
Deferred Inflows	<u>516,921</u>
Net Position	<u>(4,304,089)</u>
Revenues	2,634,971
Expenses	<u>3,618,339</u>
Change in Net Position	<u>(983,368)</u>

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

NOTE 11 POLICY REGARDING COMPENSATED ABSENCES

Full-time non-certified personnel are allowed compensated absences in the form of vacations and sick days. Vacations are non-cumulative. Sick days may be accumulated not to exceed forty days. Days in excess of an accumulation of twenty may be sold to the District in the month of December.

The liability for accumulated sick days is not material and is not recorded in the accompanying financial statements.

NOTE 12 RISK MANAGEMENT

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2019

NOTE 13 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL

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

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

The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2019.

An audited summary of the Colorado School District's Pool financial information for the year then ended June 30, 2018 (latest information available) follows:

Total Assets	<u>44,237,852</u>
Total Liabilities	<u>16,614,537</u>
Total Equity	<u>27,623,315</u>
Revenue	15,844,221
Underwriting Expenses	<u>19,487,647</u>
Underwriting Gain (Loss)	(3,643,426)
Net Investment Income	517,310
Other Income	-
Net Income (Loss) Before Dividend	<u>517,310</u>
Dividend	-
Net Income	<u>(3,126,116)</u>
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>130,742</u>
Return of Capital Contributions to Members	-
Unassigned Surplus	<u>27,623,315</u>

NOTE 14 INTERFUND ACTIVITY

Transfers from the general fund to support operational and construction cash requirements were made in the following amounts:

Food Service Fund	\$11,200
Capital Project Fund	\$136,203

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

OTHER POST EMPLOYMENT BENEFITS (OPEB) TREND DATA

MAJOR GOVERNMENTAL FUNDS

General Fund

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2019

<u>REVENUES</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Local Sources</u>				
Property Taxes	775,743	775,743	741,632	(34,111)
Specific Ownership Taxes	75,000	75,000	93,557	18,557
Earnings on Investments	4,970	5,220	23,916	18,696
Delinquent Taxes & Interest	2,600	2,600	3,063	463
Tuition	38,100	38,100	37,721	(379)
Other	39,825	63,334	67,237	3,903
<u>State Sources</u>				
Equalization	1,377,581	1,521,130	1,519,354	(1,776)
Transportation	27,000	27,000	30,617	3,617
Vocational Education	20,000	20,000	15,845	(4,155)
Other	348,072	69,746	153,146	83,400
<u>Federal Sources</u>				
Designated Purpose Grants	-	-	453	453
Other	-	-	-	-
<u>TOTAL REVENUES</u>	<u>2,708,891</u>	<u>2,597,873</u>	<u>2,686,541</u>	<u>88,668</u>
<u>EXPENDITURES</u>				
<u>Instruction</u>				
Salaries	794,225	794,225	762,776	31,449
Employee Benefits	333,589	333,589	309,626	23,963
Purchased Services - Professional	32,350	32,350	27,057	5,293
Purchased Services – Property	-	-	-	-
Purchased Services – Other	57,300	57,300	62,169	(4,869)
Supplies and Materials	68,100	68,100	43,304	24,796
Property	82,325	82,325	51,998	30,327
Other Objects	-	-	-	-
<u>Total Instruction</u>	<u>1,367,889</u>	<u>1,367,889</u>	<u>1,256,930</u>	<u>110,959</u>
<u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	42,890	42,890	39,407	3,483
Employee Benefits	17,118	17,118	16,670	448
Purchased Services – Professional	300	300	-	300
Purchased Services – Property	-	-	-	-
Purchased Services – Other	500	500	-	500
Supplies and Materials	2,500	2,500	988	1,512
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Student Services</u>	<u>63,308</u>	<u>63,308</u>	<u>57,065</u>	<u>6,243</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance -
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Instructional Staff</u>				
Salaries	21,375	21,375	22,708	(1,333)
Employee Benefits	10,426	10,426	9,024	1,402
Purchased Services – Professional	5,500	5,500	4,082	1,418
Purchased Services – Property	-	-	-	-
Purchased Services – Other	1,700	1,700	-	1,700
Supplies and Materials	10,900	10,900	10,384	516
Property	15,500	15,500	12,612	2,888
Other Objects	-	-	-	-
<u>Total Instructional Staff</u>	<u>65,401</u>	<u>65,401</u>	<u>58,810</u>	<u>6,591</u>
<u>General Administration</u>				
Salaries	95,000	95,000	100,432	(5,432)
Employee Benefits	28,636	28,636	31,171	(2,535)
Purchased Services – Professional	39,800	39,800	34,215	5,585
Purchased Services – Property	-	-	-	-
Purchased Services – Other	49,409	49,409	47,195	2,214
Supplies and Materials	23,500	23,500	32,373	(8,873)
Property	58,000	58,000	56,082	1,918
Other Objects	6,100	6,100	4,859	1,241
<u>Total General Administration</u>	<u>300,445</u>	<u>300,445</u>	<u>306,327</u>	<u>(5,882)</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	120,200	120,200	123,786	(3,586)
Employee Benefits	60,823	60,823	54,111	6,712
Purchased Services – Professional	2,000	2,000	-	2,000
Purchased Services – Property	-	-	-	-
Purchased Services – Other	2,000	2,000	232	1,768
Supplies and Materials	8,300	8,300	2,230	6,070
Property	1,500	1,500	-	1,500
Other Objects	600	600	400	200
<u>Total School Administration</u>	<u>195,423</u>	<u>195,423</u>	<u>180,759</u>	<u>14,664</u>
<u>Business Services</u>				
Salaries	31,212	31,212	31,891	(679)
Employee Benefits	14,121	14,121	14,811	(690)
Purchased Services – Professional	300	300	-	300
Purchased Services – Property	-	-	-	-
Purchased Services – Other	500	500	-	500
Supplies and Materials	1,500	1,500	1,829	(329)
Property	1,000	1,000	-	1,000
Other Objects	-	-	-	-
<u>Total Business Services</u>	<u>48,633</u>	<u>48,633</u>	<u>48,531</u>	<u>102</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Operations and Maintenance</u>				
Salaries	102,627	102,627	86,649	15,978
Employee Benefits	43,651	43,651	35,342	8,309
Purchased Services – Professional	3,000	3,000	6,539	(3,539)
Purchased Services – Property	21,700	21,700	10,208	11,492
Purchased Services – Other	14,500	14,500	4,654	9,846
Supplies and Materials	106,000	106,000	94,219	11,781
Property	3,000	3,000	-	3,000
Other Objects	20,000	20,000	-	20,000
<u>Total Operations and Maintenance</u>	<u>314,478</u>	<u>314,478</u>	<u>237,611</u>	<u>76,867</u>
<u>Student Transportation</u>				
Salaries	93,856	93,856	87,067	6,789
Employee Benefits	28,501	28,501	32,838	(4,337)
Purchased Services – Professional	3,700	3,700	2,998	702
Purchased Services – Property	-	-	-	-
Purchased Services – Other	1,750	1,750	177	1,573
Supplies and Materials	45,300	45,300	23,738	21,562
Property	1,000	1,000	-	1,000
Other Objects	-	-	-	-
<u>Total Student Transportation</u>	<u>174,107</u>	<u>174,107</u>	<u>146,818</u>	<u>27,289</u>
<u>Central Support</u>				
Employee Benefits	-	-	2,752	(2,752)
Purchased Services – Professional	-	-	38,954	(38,954)
Purchased Services – Other	63,439	63,439	55,018	8,421
Supplies and Materials	45,000	45,000	19,318	25,682
Property	-	-	900	(900)
<u>Total Central Support</u>	<u>108,439</u>	<u>108,439</u>	<u>116,942</u>	<u>(8,503)</u>
<u>Community Services</u>				
Other	-	-	-	-
<u>Total Community Services</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Facilities Acquisition and Construction</u>				
Property	100,000	100,000	56,226	43,774
Debt Service	-	-	-	-
<u>Total Facilities and Construction</u>	<u>100,000</u>	<u>100,000</u>	<u>56,226</u>	<u>43,774</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>1,370,234</u>	<u>1,370,234</u>	<u>1,209,089</u>	<u>161,145</u>
<u>Appropriated Reserves</u>	<u>2,471,447</u>	<u>1,887,850</u>	<u>-</u>	<u>1,887,850</u>
<u>TOTAL EXPENDITURES</u>	<u>5,209,570</u>	<u>4,625,973</u>	<u>2,466,019</u>	<u>2,159,954</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues Over (Under) Expenditures</u>	(2,500,679)	(2,028,100)	<u>220,522</u>	
<u>Other Financing Sources (Uses)</u>				
Transfers	(56,000)	(296,343)	(147,403)	148,940
Insurance Proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(56,000)</u>	<u>(296,343)</u>	<u>(147,403)</u>	<u>148,940</u>
<u>Revenues and Sources Over (Under) Expenditures and Uses</u>	(2,556,679)	(2,324,443)	73,119	
<u>FUND BALANCE, July 1</u>	<u>2,556,679</u>	<u>2,324,443</u>	<u>2,543,689</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>-</u>	<u>2,616,808</u>	

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2019</u>	<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>
District's proportion of the net pension liability (asset)	.0228%	.0259%	.0253%	.0253%	.0249%	.0261%	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$4,044,430	\$8,381,418	\$7,545,586	\$3,864,176	\$3,371,880	\$3,325,457	-	-	-	-
District's covered payroll	\$1,260,346	\$1,237,126	\$1,154,207	\$1,110,372	\$1,092,379	\$ 996,186	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	321%	677%	654%	348%	309%	334%	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	57.01%	43.96%	43.13%	59.2%	62.80%	64.06%	-	-	-	-

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION
 For The Last 10 Fiscal Years (As Available)

	<u>2019</u>	<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>
Contractually required contributions	\$ 241,104	\$ 233,661	\$ 212,235	\$ 197,601	\$ 184,603	\$ 159,381	\$ 159,599	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (241,104)</u>	<u>\$ (233,661)</u>	<u>\$ (212,235)</u>	<u>\$ (197,601)</u>	<u>\$ (184,603)</u>	<u>\$ (159,381)</u>	<u>\$ (159,599)</u>	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-
District's covered payroll	\$1,260,346	\$1,237,126	\$1,154,207	\$1,110,372	\$1,092,379	\$ 996,186	\$1,055,590	-	-	-
Contributions as a percentage of covered payroll	19.13%	18.89%	18.39%	17.79%	16.90%	16.00%	15.12%	-	-	-

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 SCHEDULE OF PROPORTIONATE SHARE OF NET OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2019</u>	<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>
District's proportion of the net OPEB liability (asset)	.0148%	.0147%	.0144%	-	-	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset)	\$201,995	\$191,936	\$186,769	-	-	-	-	-	-	-
District's covered payroll	\$1,260,346	\$1,237,126	\$1,154,207	-	-	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	16.03%	15.51%	16.18%	-	-	-	-	-	-	-
Plan fiduciary net OPEB as a percentage of the total pension liability	17.03%	17.53%	16.71%	-	-	-	-	-	-	-

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB
 For The Last 10 Fiscal Years (As Available)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contributions	\$ 12,855	\$ 12,619	\$ 11,773	-	-	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$(12,855)</u>	<u>\$(12,619)</u>	<u>\$(11,773)</u>	-	-	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
District's covered payroll	\$1,260,346	\$1,237,126	\$1,154,207	-	-	-	-	-	-	-
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	-	-	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

AND

OTHER SCHEDULES

CAPITAL PROJECT FUND

Capital Project Fund - This fund accounts for the cost of building improvements and construction along with the associated sources to fund the projects.

SPECIAL REVENUE FUNDS

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

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

FIDUCIARY FUND

Agency Fund

Student Activity – Agency Fund – Used to account for amounts held in a fiduciary capacity for student clubs and organizations.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2019

	<u>Special Revenue Funds</u>		<u>Total</u>
	<u>Food</u>	<u>Designated</u>	<u>Nonmajor</u>
	<u>Service</u>	<u>Purpose</u>	<u>Governmental</u>
<u>ASSETS</u>		<u>Grants</u>	<u>Funds</u>
Cash	10,043	-	10,043
Inventories	4,768	-	4,768
Accounts Receivable	2,043	-	2,043
Accrued Revenue	-	6	6
<u>Total Assets</u>	<u>16,854</u>	<u>6</u>	<u>16,860</u>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities</u>			
Accounts Payable	-	-	-
Accrued Salaries	-	-	-
Due to Other Funds	-	6	6
Grant Amounts Received in Advance	-	-	-
<u>Total Liabilities</u>	<u>-</u>	<u>6</u>	<u>6</u>
<u>Fund Balances</u>			
Nonspendable:			
Inventories	4,768	-	4,768
Restricted:			
Food Service	12,086	-	12,086
<u>Total Fund Balances</u>	<u>16,854</u>	<u>-</u>	<u>16,854</u>
<u>TOTAL LIABILITIES & FUND BALANCES</u>	<u>16,854</u>	<u>6</u>	<u>16,860</u>

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

BACA COUNTY SCHOOL DISTRICT RE-1
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2019

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	Food Service	Designated Purpose Grants	
<u>REVENUES</u>			
Earnings on Investments	90	-	90
Other Local Sources	35,516	-	35,516
State Aid	4,042	6,251	10,293
Federal Aid	<u>63,055</u>	<u>76,402</u>	<u>139,457</u>
<u>Total Revenues</u>	<u>102,703</u>	<u>82,653</u>	<u>185,356</u>
 <u>EXPENDITURES</u>			
Instruction	-	53,710	53,710
Support Services	-	28,943	28,943
Food Service	134,636	-	134,636
Capital Outlay	-	-	-
<u>Total Expenditures</u>	<u>134,636</u>	<u>82,653</u>	<u>217,289</u>
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	 (31,933)	 -	 (31,933)
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>11,200</u>	-	<u>11,200</u>
<u>Total Other Financing Sources (Uses)</u>	<u>11,200</u>	-	<u>11,200</u>
 <u>NET CHANGE IN FUND BALANCES</u>	 (20,733)	 -	 (20,733)
 <u>FUND BALANCE, Beginning</u>	 <u>37,587</u>	 -	 <u>37,587</u>
 <u>FUND BALANCE, Ending</u>	 <u>16,854</u>	 -	 <u>16,854</u>

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 FOOD SERVICE – SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	33,500	35,516	2,016
Earnings on Investments	50	90	40
Other	-	-	-
<u>State Sources</u>			
School Lunches and Breakfast	1,300	4,042	2,742
<u>Federal Sources</u>			
School Lunches and Breakfast	41,000	58,636	17,636
Commodities	-	4,419	4,419
<u>Total Revenues</u>	<u>75,850</u>	<u>102,703</u>	<u>26,853</u>
<u>EXPENDITURES</u>			
Salaries	44,456	40,761	3,695
Employee Benefits	20,894	15,122	5,772
Purchased Services – Professional	2,200	1,805	395
Purchased Services – Property	-	-	-
Purchased Services - Other	-	-	-
Food Purchases	67,000	64,789	2,211
Capital Outlay	3,000	1,297	1,703
Commodities	-	4,419	(4,419)
Non-Food Supplies	6,300	6,443	(143)
Appropriated Reserves	-	-	-
<u>Total Expenditures</u>	<u>143,850</u>	<u>134,636</u>	<u>9,214</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(68,000)	(31,933)	
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>68,000</u>	<u>11,200</u>	<u>(56,800)</u>
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	-	(20,733)	
<u>FUND BALANCE, July 1</u>	<u>-</u>	<u>37,587</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>16,854</u>	

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
DESIGNATED PURPOSE GRANTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues</u>			
Local Sources	-	-	-
State Sources	7,300	6,251	(1,049)
Federal Sources	<u>76,403</u>	<u>76,402</u>	<u>(1)</u>
<u>Total Revenues</u>	<u>83,703</u>	<u>82,653</u>	<u>(1,050)</u>
<u>Expenditures</u>			
Salaries	38,857	40,260	(1,403)
Employee Benefits	25,455	23,382	2,073
Purchased Services – Professional	3,750	4,145	(395)
Purchased Services – Property	-	-	-
Purchased Services – Other	3,000	2,605	395
Supplies and Materials	12,641	12,261	380
Property	-	-	-
Other Objects	-	-	-
<u>Total Expenditures</u>	<u>83,703</u>	<u>82,653</u>	<u>1,050</u>
<u>Revenues Over (Under) Expenditures</u>	-	-	-
<u>Transfers</u>	-	-	-
<u>Fund Balance, July 1</u>	-	-	-
<u>Fund Balance, June 30</u>	-	-	-

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

BACA COUNTY SCHOOL DISTRICT RE-1
 CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Earnings on Investments	-	-	-
State Grant	<u>279,086</u>	<u>166,470</u>	<u>(112,616)</u>
<u>Total Revenues</u>	<u>279,086</u>	<u>166,470</u>	<u>(112,616)</u>
<u>EXPENDITURES</u>			
Land and Sites	-	-	-
Building and Improvements	507,429	302,673	204,756
Other	-	-	-
<u>Total Expenditures</u>	<u>507,429</u>	<u>302,673</u>	<u>204,756</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(228,343)	(136,203)	-
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>228,343</u>	<u>136,203</u>	<u>(92,140)</u>
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	-	-	
<u>FUND BALANCE, July 1</u>	-	-	
<u>FUND BALANCE, June 30</u>	-	-	

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1
 STUDENT ACTIVITY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>RECEIPTS</u>			
Other Local	<u>175,730</u>	<u>168,651</u>	<u>(7,079)</u>
<u>Total Receipts</u>	<u>175,730</u>	<u>168,651</u>	<u>(7,079)</u>
 <u>EXPENDITURES:</u>			
Pupil Activities	<u>175,730</u>	<u>175,594</u>	<u>136</u>
<u>Total Expenditures</u>	<u>175,730</u>	<u>175,594</u>	<u>136</u>
 Net Increase (Decrease) in Deposits Held	 -	 (6,943)	
 Deposits Held – Beginning of Year	 -	 <u>116,988</u>	
 Deposits Held – End of Year	 -	 <u>110,045</u>	

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

STATE REQUIRED SCHEDULES

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

Bolded Balance Sheet



Colorado Department of Education
Auditors Integrity Report
 District: 0230 - Walsh RE-1
 Fiscal Year 2018-19
 Colorado School District/BOCES

Fund Type & Number	Revenues, Expenditures, & Fund Balance by Fund		6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	
Governmental			
10 General Fund	2,398,878	2,399,716	2,545,472
18 Risk Mgmt Sub-Fund of General Fund	2,551	55,048	2,581
19 Colorado Preschool Program Fund	142,261	84,374	68,754
Sub-Total	2,543,689	2,539,138	2,616,800
11 Charter School Fund	0	0	0
20.26-29 Special Revenue Fund	0	0	0
06 Supplemental Cap Const. Tech. Main. Fund	0	0	0
21 Food Service Spec. Revenue Fund	37,587	113,903	134,637
22 Govt Designated-Purpose Grants Fund	0	82,653	82,653
23 Pupil Activity Special Revenue Fund	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0
25 Transportation Fund	0	0	0
31 Bond Redemption Fund	0	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0
41 Building Fund	302,672	302,672	302,672
42 Special Building Fund	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0
46 Supplemental Cap Const. Tech. Main Fund	0	0	0
Totals	2,541,277	3,039,356	2,633,652
Proprietary			
50 Other Enterprise Funds	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0
60.65-69 Other Internal Service Funds	0	0	0
Totals	0	0	0
Fiduciary			
70 Other Trust and Agency Funds	0	0	0
72 Private Purpose Trust Fund	0	0	0
73 Agency Fund	0	0	0
74 Pupil Activity Agency Fund	116,988	168,651	110,045
79 GASB 34 Permanent Fund	0	0	0
85 Foundations	0	0	0
Totals	116,988	168,651	110,045
FINAL	2,658,265	3,208,007	2,743,697



Colorado Department of Education
Bolded Balance Sheet Report
 District 0230 - Walsh RE-1
 Fiscal Year 2018-19
 Colorado School District/BOCES

ASSETS	Governmental						Proprietary						Fiduciary	
	General Funds 10-12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20-22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85
Cash and Investments (8100-8104,8111)	2,038,091	0	83,752	0	0	10,043	0	39,324	0	0	0	110,045	0	2,281,256
Cash with Fiscal Agent (8105)	7,228	0	0	0	0	0	0	0	0	0	0	0	0	7,228
Other Investment Accounts (8112-8115)	666,915	0	0	0	0	0	0	0	0	0	0	0	0	666,915
Taxes Receivable (8121,8122)	59,500	0	0	0	0	0	0	0	0	0	0	0	0	59,500
Interfund Loans Receivable (8131,8132)	7,515	0	0	0	0	0	0	0	0	0	0	0	0	7,515
Grants Accounts Receivable (8142)	0	0	0	6	0	0	0	75,889	0	0	0	0	0	75,895
Other Receivables (8151-8154,8161)	0	0	0	0	0	2,042	0	0	0	0	0	0	0	2,042
Inventories (8171,8172,8173)	0	0	0	0	0	4,768	0	0	0	0	0	0	0	4,768
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	2,779,249	0	83,752	6	0	16,854	0	115,214	0	0	0	110,045	0	3,105,120

Governmental

Proprietary

Fiduciary

LIABILITIES & FUND EQUITY

LIABILITIES

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Interfund Payables (7401,7402)	0	0	7,509	6	0	0	0	0	0	0	0	0	0	0	7,515
Other Payables (7421-7423)	0	0	0	0	0	0	0	115,214	0	0	0	0	0	0	115,214
Accrued Expenses (7461)	169,998	0	7,489	0	0	0	0	0	0	0	0	0	0	0	177,487
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Deferred Revenue (7482)	12,197	0	0	0	0	0	0	0	0	0	0	0	0	0	12,197
Deferred Inflow (7800)	49,000	0	0	0	0	0	0	0	0	0	0	0	0	0	49,000
Total Liabilities	231,195	0	14,998	6	0	0	0	115,214	0	0	0	0	0	0	361,413

