cPa DIXON, WALLER & CO., INC.

BENNETT SCHOOL DISTRICT

NUMBER 29-J

BENNETT, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2019

BENNETT SCHOOL DISTRICT NUMBER 29-J

FINANCIAL STATEMENTS

JUNE 30, 2019

BENNETT SCHOOL DISTRICT NUMBER 29-J
ROSTER OF SCHOOL OFFICIALS
June 30, 2019

BOARD OF EDUCATION

Diane Moler	President
Robert Scoby	Vice President
Kyle Meyer	Treasurer
Nancy Barden	Secretary
James DuBois	Director

SCHOOL OFFICIALS

Robin Purdy	Superintendent
Keith Yaich	Business Manager

FINANCIAL SECTION

cPa DIXON, WALLER & CO., INC. CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

Board of Education
Bennett School District Number 29-J
Bennett, Colorado 80102

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bennett School District Number 29-J, 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 Bennett School District Number 29-J, 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 other post employment benefits trend data on pages i through ix and 45 through 52 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 Bennett School District Number 29-J's basic financial statements. The combining and individual fund financial statements, other schedules, and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Dixon, Waller & Co., P.C.

Trinidad, Colorado
November 29, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Bennett School District No.29J
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019

As management of the Bennett School District, we offer readers of the Bennett School District's financial statements this narrative overview and analysis of the financial activities of the Bennett School District for the year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the District's financial statements, which follows this section.

Financial Highlights

- Total net position increased 31 percent, with net position related to governmental activities generating substantially all of the increase. The increase was caused primarily by a budget cuts and under-spending unrestricted funds.
- General revenues, primarily property taxes and state equalization payments, account for $10,837,605 or 87.89 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions, accounted for $1,493,346 or 12.11 percent of total revenues of $12,330,951.
- The District had $17,257,662 in expenses related to governmental activities; of which $1,493,346 of these expenses were offset by program specific charges for services, grants and contributions. General revenues of $12,330,951 were adequate to provide for these programs, excluding pension expense, leading to an overall decrease in net position.
- Outlays for capital assets were primarily comprised of repairs and maintenance, remodeling to buildings, and acquisitions of miscellaneous equipment.
- The District reduced its outstanding long-term debt approximately $700,000 or 9 percent due to prescribed redemptions of outstanding bond issues.

Overview of the Financial Statements

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

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

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

District-wide Financial Statements

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

The statement of net position presents information on all of the Bennett School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Bennett School District is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave.)

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

The district-wide financial statements can be found following management's discussion and analysis.

Fund Financial Statements

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

Governmental Funds: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and, (2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

Bennett School District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the (1) general fund, (2) the debt service fund, (3) Building Capital Projects Fund and (4) the grants special revenue fund because they are considered major funds. Data from other governmental funds are combined into a single, aggregated presentation. Also included in the other information section is budget-to-actual information for the debt service fund, the capital reserve capital projects fund, and the food services special revenue fund as required by state law.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government, such as student activity funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 10 through 44.

FINANCIAL HIGHLIGHTS

Other information

In addition to the basic financial statements and accompanying notes, this report also presents supplementary information. Supplementary information includes combining statements mentioned earlier in connection with non-major governmental funds as well as budget-to-actual information for all funds as dictated by state law.

District-wide Financial Analysis

Table 1 provides a summary of the District's net position at June 30, 2018 and 2019.

	Governmental Activities		Business-Type Activities		Core District Total	
	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019
Assets						
Current & Other	16,882,869	12,060,796	0	0	16,882,869	12,060,796
Deferred Pension	10,619,578	6,718,631			10,619,578	6,718,631
Capital Assets net	13,787,200	19,567,871	0	0	13,787,200	19,567,871
Total Assets	**41,289,647**	**38,347,298**	**0**	**0**	**41,289,647**	**38,347,298**
Liabilities						
Current Liabilities	2,047,265	2,535,879	0	0	2,047,265	2,535,879
Deferred Pension	1,926,741	12,499,870	0	0	1,926,741	12,499,870
Long-Term Debt	45,293,790	28,852,304	0		45,293,790	28,852,304
Total Liabilities	49,267,796	43,888,053	0	0	49,267,796	43,888,053
Net Position (aka Fund Equity)						
Invested in Capital Assets (net of related debt)	7,272,614	7,985,591	0	0	7,272,614	7,985,591
Restricted	4,061,922	5,920,603	0	0	4,061,922	5,920,603
Unrestricted	19,312,685)	(19,446,949)	0	0	(19,312,685)	(19,446,949)
Total Fund Equity	(7,978,149)	(5,540,755)	0	0	(7,978,149)	(5,540,755)
Total Liabilities & Equity	**41,289,647**	**38,347,298**	**0**	**0**	**41,289,647**	**38,347,298**

Related to overall revenues and expenses.

Table 2
Changes in Net Assets from Operating Results

	Governmental Activities		Business-Type Activities		Total Activities	
	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019
Revenues						
Property & Other Taxes	5,341,421	5,282,847	0	0	5,341,421	5,282,847
State Formula Revenue	4,610,693	4,725,838	0	0	4,610,693	4,725,838
Charges for Services	171,091	183,903	0	0	171,091	183,903
Operating Grants & Other	1,186,663	1,309,443	0	0	1,186,663	1,309,443
Capital Grants & Other	0	0	0	0	0	0
Other Revenues	430,717	814,993	0	0	430,717	814,993
Total Revenue	**11,740,585**	**12,317,024**	**0**	**0**	**11,740,585**	**12,317,024**
Expenses						
Instructional	6,125,356	5,871,705	0	0	6,125,356	5,871,705
Support Services:						
- Students	301,354	321,036	0	0	301,354	321,036
- Instructional Staff	160,897	172,409	0	0	160,897	172,409
- General Admin	381,477	565,914	0	0	381,477	565,914
- School Admin	484,026	589,915	0	0	484,026	589,915
- Business	277,727	238,295	0	0	277,727	238,295
- Ops & Maint.	952,642	1,031,050	0	0	952,642	1,031,050
- Transportation	601,136	651,352	0	0	601,136	651,352
- Central	280,925	400,071	0	0	280,925	400,071
- Community	0	0	0	0	0	0
- Food Svc Ops	288,528	305,208			288,528	305,208
- Pension & Other	5,780,434	-915,300			5,780,434	-915,300
- Capital Outlay	176,300	128,305	0	0	176,300	128,305
- Debt Service	259,548	519,670	0	0	259,548	519,670
Total Expenses	**16,073,350**	**9,879,630**	**0**	**0**	**16,073,350**	**9,879,630**
Incr/(Decr) Net Position	**(4,332,765)**	**2,437,394**	**0**	**0**	**(4,332,765)**	**2,437,394**

Property taxes and per pupil state formula revenue (state equalization) account for most of the District's revenue, contributing about 44 cents and 41 cents respectively for every dollar raised (see Table 3). Another 3 cents came from operating grants and contributions with the remainder from fees charged for services and miscellaneous sources.

The District expenses are predominately related to instruction and support services, which includes support for students and instructional staff, administration, operations and maintenance, and transportation. Given that Bennett School District is a service organization providing education services to students, the majority of expenses are paid in the form of compensation (salaries and benefits) to the District's employees.

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this act, the districts received $8,423.81 per funded student. In fiscal year 2018-2019, the funded pupil count was 1031.8. Funding for the school finance act comes from property taxes, specific ownership taxes and state equalization while the remaining amounts come from property taxes, specific ownership taxes and state equalization. The district receives approximately 40 percent of this funding from state equalization while the remaining amounts come from property taxes, specific ownership tax and other revenues. State law allows school districts to obtain an additional 65 percent of funding from local property taxes. This is accomplished by successfully passing a mill levy override ballot question. At this time the District does not have a mill levy override.

The statement of activities provides the cost of program services and related charges for services and grants offsetting those costs. Table 5 reflects each program's net cost (total cost less fees generated by the programs and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these programs.

Table 3
Net Cost of Governmental Activities (in dollars)

	2017-2018		2018-2019	
	Total Cost Of Services	Net Cost Of Services	Total Cost Of Services	Net Cost Of Services
Instruction	6,125,356	5,162,058	5,871,705	4,629,407
Students	301,354	301,354	321,036	321,036
Instructional Staff	160,897	160,897	172,409	172,409
District Administration	381,477	381,477	565,914	565,914
School Administration	484,026	484,026	589,915	589,915
Business	277,727	277,727	238,235	238,235
Operations and Maintenance	952,642	952,642	1,031,050	1,031,050
Student Transportation	601,136	490,043	651,352	537,876

Central	280,925	280,925	400,071	400,071
Other	0	0	0	0
Food Service Operations	288,528	5,165	305,208	36,653
Capital Outlays/DS	435,848	435,848	647,975	637,475
Pension Expense	5,780,434	5,780,434	-915,300	-915,300
Total	**16,073,350**	**14,715,596**	**9,879,630**	**8,244,801**

- The cost of all governmental activities this year was $9.9 million.
- Some of the cost was financed by the users of the District's programs ($0.183 million). Revenues in this category include items such as athletic fees.
- Federal and State government subsidized certain programs with grants and contributions amounting to $1.309 million.
- Most of the District's costs ($9.9 million), however, were financed by District and State taxpayers.
- This portion of governmental activities was financed with $5.282 million in property taxes, 4.725 million in state aid (equalization) based on the statewide formula for per pupil funding.

Financial Analysis of the District's Funds

Information about the District's funds starts on page 37. These funds are accounted for using a modified accrual basis of accounting. All governmental funds have total revenues 12,330,951, and expenditures of 17,257,662 with a net change in fund balance of (4,926,711.)

General Fund Budgetary Highlights

The District approves a budget in June based on enrollment projections for the following school year. In January, 2019, the District revised the annual operating budget approved by the District's Board of Education in June 2019. The primary reason for the issuance of a supplemental budget was an updated ending fund balance figure.

The actual general fund expenditures were $322,111 under budget, primarily because of the cost saving measures, procurement practices and amount designated for future operations.

The fund balance as of June 30, 2019 (actual basis) was 4,675,232 compared to $4,347,753 as of June 30, 2018.

Capital Assets

By the end of the fiscal year 2019, the District had invested $30.8 million in a broad range of capital assets, including land, buildings, site improvements, vehicles, and other equipment. (See Table 6)

Table 4
Capital Assets

	Governmental Activities	Business-Type Activities	Total
2018-2019			
Land &Const. in Progress	5,969,398		5,969,398
Food	115,136		115,136
Bldg & Site Improvements	22,233,988		22,233,988
Equipment & Vehicles	2,504,337	0	2,504,337
Total	**30,822,859**	**0**	**30,822,859**
2017-2018			
Land & Const. in Progress	184,879		184,879
Food	115,136		115,136
Bldg & Site Improvements	21,799,135		21,799,135
Equipment & Vehicles	2,296,020	0	2,296,020
Total	**24,395,170**	**0**	**24,395,170**

Long-Term Debt

At year-end, the District had approximately $4,615,000 in general obligation bonds and deferred amounts, a reduction of 9 percent from last year, as shown in Table 7. More detail information about the District's long-term liabilities is presented on pages 10 through 44, in the notes to the financial statements.

Table 5
Outstanding Long-Term Debt (in millions)

	2018	2019	% Change
Governmental Activities:			
Bonds Payable	**5,315**	**4,615**	**(9 %)**

During the 2019 fiscal year, the District continued to pay down its debt. Colorado Revised Statue 22-42-104 states that a school district shall have a limit of bonded indebtedness determined by a specific formula. The District's outstanding debt is below the statutory limit.

Factors Bearing on the District's Future

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

- Information from the 2019-2020 student enrollment "October Count" shows that Bennett School District has an increasing student count in 2018-19, resulting in stabilized revenue growth in the funded pupil count.
- Based on historical trends, and an analysis of our current population, student enrollment for fall 2019 will likely show increased enrollment from 2018.
- The United States and the State of Colorado have experienced stable economic conditions in the past couple years. We are anticipating growth and a stable economic condition for the next couple of years

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer's Office, Bennett School District 29J, 615 7th St, Bennett, CO., 80102.

BASIC FINANCIAL STATEMENTS

BENNETT SCHOOL DISTRICT NUMBER 29-J
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities	Total
ASSETS		
Current Assets		
Cash and Equivalents	11,151,535	11,151,535
Investments	641,555	641,555
Property Taxes Receivable	181,468	181,468
Accounts Receivable	75,729	75,729
Accrued Revenue	-	-
Prepaid Expenses	-	-
Inventories	10,509	10,509
Total Current Assets	12,060,796	12,060,796
Capital Assets		
Land	118,000	118,000
Construction in Progress	5,851,398	5,851,398
Depreciable Assets	24,853,461	24,853,461
Accumulated Depreciation	(11,254,988)	(11,254,988)
Capital Assets Net of Depreciation	19,567,871	19,567,871
TOTAL ASSETS	31,628,667	31,628,667
DEFERRED OUTFLOW OF RESOURCES		
Bond Refunding	209,346	209,346
Pension	6,409,065	6,409,065
Other Post Employment Benefits	100,220	100,220
Total Deferred Outflows of Resources	6,718,631	6,718,631
LIABILITIES		
Current Liabilities		
Accounts Payable	370,220	370,220
Accrued Salaries and Benefits	811,743	811,743
Accrued Interest	159,072	159,072
Unearned Grant Payments	92,680	92,680
Capital Leases-Current	366,007	366,007
General Obligation Bonds-Current	715,000	715,000
Unamortized Bond Premium-Current	21,157	21,157
Total Current Liabilities	2,535,879	2,535,879
NonCurrent Liabilities		
Capital Lease	7,823,334	7,823,334
General Obligation Bonds	3,900,000	3,900,000
Net Pension Liability	16,128,516	16,128,516
Net Other Post Employment Benefits Liability	805,521	805,521
Compensated Absences	142,253	142,253
Unamortized Bond Premium	52,680	52,680
Total Noncurrent Liabilities	28,852,304	28,852,304
TOTAL LIABILITIES	31,388,183	31,388,183
DEFERRED INFLOW OF RESOURCES		
Pension	12,488,990	12,488,990
Other Post Employment Benefits	10,880	10,880
Total Deferred Outflows of Resources	12,499,870	12,499,870
NET POSITION		
Net Investment in Capital Assets	7,985,591	7,985,591
Restricted for:		
Debt Service	4,306,763	4,306,763
TABOR	311,450	311,450
Capital Outlay	1,222,061	1,222,061
Preschool	15,825	15,825
Food Services	64,504	64,504
Unrestricted	(19,446,949)	(19,446,949)
TOTAL NET POSITION	(5,540,755)	(5,540,755)

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

		Program Revenues			Net (Expenses) Revenue and Changes in Net Position Primary Government	
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Total
Primary Government						
Governmental Activities						
Instruction	5,850,136	50,618	1,170,111	-	(4,629,407)	(4,629,407)
Student Support	321,036	-	-	-	(321,036)	(321,036)
Instructional Staff	172,409	-	-	-	(172,409)	(172,409)
General Administration	565,914	-	-	-	(565,914)	(565,914)
School Administration	589,915	-	-	-	(589,915)	(589,915)
Business Support	238,295	-	-	-	(238,295)	(238,295)
Operation & Maintenance	1,031,050	-	-	-	(1,031,050)	(1,031,050)
Transportation	651,352	-	113,476	-	(537,876)	(537,876)
Central Support	400,071	-	-	-	(400,071)	(400,071)
Food Services	305,208	133,285	135,270	-	(36,653)	(36,653)
Capital Outlay	128,305	-	10,500	-	(117,805)	(117,805)
Interest on Long-Term Debt	519,670	-	-	-	(519,670)	(519,670)
Pension Cost	(939,986)	-	-	-	939,986	939,986
Other Post Employment Benefits Cost	24,686	-	-	-	(24,686)	(24,686)
Total Governmental Activities	9,858,061	183,903	1,429,357	-	(8,244,801)	(8,244,801)
Total Primary Government	9,858,061	183,903	1,429,357	-	(8,244,801)	(8,244,801)
General Revenues						
Local Property Taxes					5,282,847	5,282,847
Specific Ownership Taxes					404,475	404,475
School Finance Act					4,725,838	4,725,838
Earnings on Investments					126,647	126,647
Other Revenues					142,388	142,388
Total General Revenues					10,682,195	10,682,195
Change in Net Position					2,437,394	2,437,394
Net Position, Beginning					(7,978,149)	(7,978,149)
Net Position, Ending					(5,540,755)	(5,540,755)

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	General	Grants Special Revenue Fund	Bond Redemption Debt Service Fund	Building Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Equivalents	4,798,119	79,942	4,267,686	1,501,859	503,929	11,151,535
Investments	641,555	-	-	-	-	641,555
Property Taxes Receivable	125,442	-	56,026	-	-	181,468
Accounts Receivable	74,213	-	-	-	1,516	75,729
Accrued Revenue	-	-	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-	-
Inventories	-	-	-	-	10,509	10,509
Prepaid Expenditures	-	-	-	-	-	-
Due From Other Funds	7,355	41,425	-	-	12,898	61,678
Total Assets	5,646,684	121,367	4,323,712	1,501,859	528,852	12,122,474
LIABILITIES:						
Accounts Payable	90,422	-	-	279,798	-	370,220
Accrued Salaries Payable	769,582	26,823	-	-	15,338	811,743
Due To Other Funds	54,323	1,864	5,491	-	-	61,678
Unearned Grant Payments	-	92,680	-	-	-	92,680
Total Liabilities	914,327	121,367	5,491	279,798	15,338	1,336,321
DEFERRED INFLOW OF RESOURCES						
Deferred Property Tax	41,300	-	11,458	-	-	52,758
FUND BALANCES:						
Nonspendable:						
Prepaid Expenditures	-	-	-	-	-	-
Inventories	-	-	-	-	10,509	10,509
Restricted:						
TABOR (Emergencies)	311,450	-	-	-	-	311,450
Capital Outlay	-	-	-	1,222,061	-	1,222,061
Preschool	15,825	-	-	-	-	15,825
Debt Service	-	-	4,306,763	-	-	4,306,763
Food Services	-	-	-	-	53,995	53,995
Committed:						
Capital Outlay	-	-	-	-	449,010	449,010
Unassigned	4,363,782	-	-	-	-	4,363,782
Total Fund Balances	4,691,057	-	4,306,763	1,222,061	513,514	10,733,395
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	5,646,684	121,367	4,323,712	1,501,859	528,852	12,122,474

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
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:

Total Fund Balance – Governmental Funds		10,733,395
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $30,822,859 and the accumulated depreciation is $11,254,988.		19,567,871
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.		52,758
Interest is recognized when paid in the funds. This is accrued interest payable to year end.		(159,072)
Long-term liabilities, including certificates of participation and general obligation bonds are not due and payable in the current period and therefore are not reported in funds:		
General Obligation Bonds	(4,615,000)	
Capital Leases	(8,189,341)	
Unamortized Bond Premium	(73,837)	
Bond Refunding	209,346	(12,668,832)
Compensated absences are not reported as a liability in the funds.		(142,253)
Net Pension Liability		(16,128,516)
Net Post Employment Benefits Liability		(805,521)
Deferred Flows - Pension		(6,079,925)
Deferred Flows – Post Employment Benefits		89,340
TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES		(5,540,755)

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	General	Grants Special Revenue Fund	Bond Redemption Debt Service Fund	Building Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Local Sources						
Property Taxes	3,652,750	-	1,639,243	-	-	5,291,993
Specific Ownership	404,475	-	-	-	-	404,475
Earnings on Investments	5,030	-	47,831	73,459	327	126,647
Delinquent Taxes & Interest	3,042	-	1,739	-	-	4,781
Tuition/Concurrent Enrollment	48,128	-	-	-	-	48,128
Developer Contributions	10,500	-	-	-	-	10,500
Local /BOCES Grants	269,825	312,088	-	-	-	581,913
Food Sales	-	-	-	-	133,285	133,285
Other	144,878	-	-	-	-	144,878
State Sources						
Equalization	4,725,838	-	-	-	-	4,725,838
Transportation	113,476	-	-	-	-	113,476
Vocational Education	23,903	-	-	-	-	23,903
Special Education	175,576	-	-	-	-	175,576
Additional At Risk	4,102	-	-	-	-	4,102
State ELPA	20,858	-	-	-	-	20,858
ELPA	20,531	-	-	-	-	20,531
State Grants	-	68,221	-	-	6,006	74,227
Direct Distribution Payment	130,983	-	-	-	-	130,983
Federal Source						
Federal Grants	-	144,024	-	-	129,264	273,288
TOTAL REVENUES	9,753,895	524,333	1,688,813	73,459	268,882	12,309,382
EXPENDITURES						
Instructional Services:	5,130,888	204,484	-	-	-	5,335,372
Supporting Services:						
Students	321,036	-	-	-	-	321,036
Instructional Staff	172,409	-	-	-	-	172,409
General Administration	565,914	-	-	-	-	565,914
School Administration	589,915	-	-	-	-	589,915
Business Services	238,295	-	-	-	-	238,295
Operation & Maintenance	1,013,352	-	-	-	-	1,013,352
Student Transportation	543,238	-	-	-	-	543,238
Central Support	392,231	-	-	-	-	392,231
Food Services	-	-	-	-	302,352	302,352
Debt Service:						
Principal	-	-	700,000	-	162,327	862,327
Interest & Fees	-	-	147,830	-	195,828	343,658
Capital Outlay	-	354,849	-	5,851,398	349,747	6,555,994
Total Supporting Services	3,836,390	354,849	847,830	5,851,398	1,010,254	11,900,721
TOTAL EXPENDITURES	8,967,278	559,333	847,830	5,851,398	1,010,254	17,236,093
Revenues Over (Under) Expenditures	786,617	(35,000)	840,983	(5,777,939)	(741,372)	(4,926,711)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In (Out)	(470,313)	35,000	-	(152,082)	587,395	-
Total Other Financing Sources (Uses)	(470,313)	35,000	-	(152,082)	587,395	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	316,304	-	840,983	(5,930,021)	(153,977)	(4,926,711)
FUND BALANCE, Beginning	4,374,753	-	3,465,780	7,152,082	667,491	15,660,106
FUND BALANCE, Ending	4,691,057	-	4,306,763	1,222,061	513,514	10,733,395

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

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			(4,926,711)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more the $5,000 are capitalized and the cost is allocated over their estimated used lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.			
	Capital outlays more than $5,000	6,427,689	
	Depreciation expense	(647,018)	5,780,671
Property tax revenues are not recognized for amounts levied and due but not "available" at year end and are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities.			(13,927)
The governmental funds report debt proceeds as another financing source, while repayment of debt principal is reported as an expenditure. The effect of premiums is 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	862,327	
	Interest Expense	(132,040)	
	Amortization Expense	(43,972)	686,315
In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount paid). During the year, compensated absences increased by this amount.			(4,254)
The increase in net pension liability, along with the changes and amortizations of deferred flows associated with the net pension liability are not recorded at the fund level:			
	Pension Cost		939,986
	Other Post Employment Benefit Cost		(24,686)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES			2,437,394

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
June 30, 2019

	Student Activities Fund
ASSETS	
Cash	134,656
Accounts Receivable	-
Deposits Held for Others	-
Total Assets	134,656
LIABILITIES	
Due to Student Groups	134,656
Accounts Payable	-
Total Liabilities	134,656
NET POSITION	
Unrestricted	-
Total Net Position	-

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Bennett School District Number 29-J (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 Bennett School District Number 29-J. 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 Statement 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 (as amended by Statement No. 34, No. 39 and No. 61) 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 represent the District (the primary government).

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.

Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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 unearned revenue when levied and as revenues when due for collection in the following year and determined to be available.

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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. Bond Redemption Debt Service Fund – used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.
  3. Special Revenue Funds – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
     a. 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.
  4. Capital Projects Fund – used to account for the construction of District facilities.
     a. Building Fund – this fund accounts for the construction and improvements of District buildings. Debt proceeds are used to finance these projects.

Additionally, the District reports the following fund type:

- Fiduciary Funds

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

- Fiduciary Funds (Continued)

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

E. Cash and Investments

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

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

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 unearned revenue. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

G. Inventories

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

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

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets (Continued)

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 (7-50 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I. Long-Term Obligations

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

J. Constitutional Amendment

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

In November of 1996 the registered voters approved a ballot resolution authorizing Bennett School District Number 29-J to collect, retain and expend all revenues collected during 1995 & 1996 and any subsequent year from any source provided that no property tax mill levy be increased or any new tax imposed without the consent of the voters.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2019 the District reserved $311,450 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. 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 Adams and Arapahoe Counties 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

L. Use of Estimates

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

M. Interest Expense

Interest expense has not been allocated to functions in the Government-wide financial statements.

N. GASB Statement No. 54

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)

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:

	General Fund	Special Revenue Grants Fund	Special Revenue Food Services Fund	Bond Redemption Debt Service Fund	Capital Projects Building Fund	Capital Projects Capital Reserve Fund	Total Governmental Funds
Nonspendable:							
Inventories	-	-	10,509	-	-	-	10,509
Restricted:							
Emergencies	311,450	-	-	-	-	-	311,450
Capital Outlay	-	-	-	-	1,222,061	-	1,222,061
Preschool	15,825	-	-	-	-	-	15,825
Debt Service	-	-	-	4,306,763	-	-	4,306,763
Food Service	-	-	53,995	-	-	-	53,995
Committed:							
Capital Outlay	-	-	-	-	-	449,010	449,010
Unassigned	4,363,782	-	-	-	-	-	4,363,782
Total Fund Balances	4,691,057	-	64,504	4,306,763	1,222,061	449,010	10,733,395

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

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

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

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. The items which were eliminated are as follows:

Governmental Funds	Due From	Due To	Transfer In	Transfer Out
General Fund	7,355	54,323	-	470,313
Grants - Special Revenue Fund	41,425	1,864	35,000	-
Bond – Debt Service Fund	-	5,491	-	-
Capital Reserve Capital Projects Fund	-	-	567,082	-
Building Capital Projects Fund	-	-	-	152,082
Food Services Fund	12,898	-	20,313	-
	61,678	61,678	622,395	622,395

NOTE 3 BUDGETARY INFORMATION

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

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

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public notices are released to obtain taxpayer comments.

3. Prior to June 30, the budget is legally enacted through passage of a resolution.

4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.

5. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Debt Service, Special Revenue and Capital Project Funds.

6. Budgets for the General, Debt Service, Special Revenue and Capital Project 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:

	Carrying Balance	Bank Balance
Insured (FDIC)	500,000	500,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	5,145,020	5,255,653
Cash Equivalents	5,613,462	5,613,462
Cash with County Treasurer	27,709	-
Total Cash and Deposits	11,286,191	11,369,115

As presented above, deposits with a bank balance of $5,255,653 and carrying balance of $5,145,020 as of June 30, 2019 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

Investments

At June 30, 2019, the District had the following investments:

Investment	Maturity	Fair Value	Credit Rating
COLOTRUST Plus	2 Months or Less	641,555	AAA

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

NOTE 4 CASH AND INVESTMENTS (Continued)

Investments (Continued)

Credit Risk – State Law limits the type of investments allowable. The above investments were rated AAA by Standard and Poor's. U.S. Treasury instruments as obligations of the U.S. Government are not considered to have credit risk.

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

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

The District has no recurring fair value measurements as of June 30, 2019:

- COLOTRUST Investment Pool

  Investments in this external investment pool are reported at $1 net asset value per share and are not subject to fair value measurement. The investment is reported at cost.

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Non-Depreciable Assets:				
Land	118,000	-	-	118,000
Construction in Progress	66,879	5,851,398	66,879	5,851,398
Total Non-Depreciable Assets	184,879	5,851,398	66,879	5,969,398
Depreciable Assets:				
Improvements	1,469,688	374,956	-	1,844,644
Buildings	20,329,447	59,897	-	20,389,344
Vehicles and Equipment	2,296,020	208,317	-	2,504,337
Food Service	115,136	-	-	115,136
Total Depreciable Assets	24,210,291	643,170	-	24,853,461
Less Accumulated Depreciation for:				
Improvements	768,413	62,500	-	830,913
Buildings	8,344,949	440,643	-	8,785,592
Vehicles and Equipment	1,405,192	141,019	-	1,546,211
Food Service	89,416	2,856	-	92,272
Total Accumulated Depreciation	10,607,970	647,018	-	11,254,988
Total Capital Assets, Net	13,787,200	5,847,550	66,879	19,567,871

NOTE 5 CAPITAL ASSETS (Continued)

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

Governmental Activities:	
Instruction	510,510
Operations and Maintenance	17,698
Transportation	108,114
Food Services	2,856
Central Support	7,840
Total Depreciation Expense –Governmental Activities	647,018

NOTE 6 ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, and June 30, 2019, are estimated to be $811,743 for the District. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

NOTE 7 GENERAL OBLIGATION BONDS PAYABLE

General Obligation Refunding Series 2011

On December 6, 2011, the District issued $7,020,000 in General Obligation Refunding Bonds with an average interest rate of 3.0 % to advance refund $6,350,000 of outstanding 2004 General Obligation Bonds bearing interest rates ranging from 3.70% to 5.00%. Refunding proceeds of $7,173,810 were deposited with an escrow agent to provide debt service payment of $6,350,000 in principal and $1,663,190 in interest on the 2004 Series Bonds. As a result, that portion of 2004 Bonds is considered to be defeased and the liability for the issue has been removed from the financial statements. The defeased debt balance at June 30, 2019 was $4,515,000.

The District completed the advance refunding to reduce the total debt service payments over the next 13 years by $456,149 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of $362,644.

As a result of the difference between the reacquisition price and the carrying amount of the old debt (including unamortized issue costs and unamortized premium), a deferred refunding was recorded in the amount of $823,810. It will be amortized against interest costs of the refunding issue.

NOTE 7 GENERAL OBLIGATION BONDS PAYABLE (Continued)

General Obligation Refunding Series 2011 (Continued)

Payments to maturity are as follows:

	Year Ended June 30,	Principal	Interest	Total
General Obligation Refunding Bonds payable dated December 6, 2011, with interest ranging from 2.0% to 3.5% Original amount of issue $7,020,000.				
	2020	715,000	130,250	845,250
	2021	735,000	111,206	846,206
	2022	755,000	89,775	844,775
	2023	780,000	66,750	846,750
	2024	800,000	42,050	842,050
	2025	830,000	14,525	844,525
	Total	4,615,000	454,556	5,069,556

Changes in General Obligation Bonds

	Beginning Balance July 1, 2018	Additions	Deletions	Ending Balance June 30, 2019	Due Within One Year
Series 2011 G.O. Refunding Bonds	5,315,000	-	700,000	4,615,000	715,000
Total Bonds Payable	5,315,000	-	700,000	4,615,000	715,000
Deferred Amounts:					
Bond Premium 2011 Issue	97,796	-	23,959	73,837	21,157
Bond Refunding 2011 Issue	(277,277)	-	(67,931)	(209,346)	(59,987)
Totals	5,135,519	-	656,028	4,479,491	676,170

NOTE 8 COMPENSATED ABSENCES

The following is a summary of compensated absences transactions of the District for the year ended June 30, 2019, and includes all activities and component units.

District	Balance July 1, 2018	Net Additions (Deductions)	Balance June 30, 2019
Governmental	137,999	4,254	142,253
Total Accumulated Sick & Vacation Leave	137,999	4,254	142,253

NOTE 9 CAPITAL LEASES

The District entered into a capital lease agreement to improve the energy efficiency of the District facilities. The lease term is for sixteen years with interest at 3.179%.

The District entered into a capital lease agreement to acquire computers. The lease term is for five years with interest at 2.931%.

The District entered into a capital lease agreement in the amount of $7,152,082 to pay the costs of acquiring, constructing, equipping and installing a structure for use as school classrooms and including a cafeteria area, office and conference rooms. The lease term is for 20 years and 6 months, with interest at 3.987%.

Capital lease obligations for the fiscal year ended June 30, 2019 is comprised of the following:

Governmental Funds	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due In One Year
Capital Reserve/ Capital Projects Fund:					
Building	7,152,082	-	-	7,152,082	240,503
Energy Retrofit Project	1,032,299	-	108,189	924,110	69,758
Computers	167,287	-	54,138	113,149	55,746
	8,351,668	-	162,327	8,189,341	366,007

Current Liability	366,007
NonCurrent Liability	7,823,334
Total	8,189,341

Annual debt service requirement to maturity for the lease purchase agreements is as follows:

Individual Capital Leases Payable

Energy Improvement

	Fiscal Year	Annual Payment	Principal	Interest
	2020	91,237	69,758	21,479
	2021	124,005	97,999	26,006
	2022	127,215	104,399	22,816
	2023	130,520	111,102	19,418
	2024	133,926	118,122	15,804
	2025-2028	446,312	422,730	23,582
Total Minimum Payments		1,053,215	924,110	129,105
Less Amount Representing Interest		(129,105)		
Net Present Value of Future Minimum Payments		924,110		

NOTE 9 CAPITAL LEASES (Continued)

Computers

	Fiscal Year	Annual Payment	Principal	Interest
	2020	58,318	55,746	2,572
	2021	58,318	57,403	915
Total Minimum Payments		116,636	113,149	3,487
Less Amount Representing Interest		(3,487)		
Net Present Value of Future Minimum Payments		113,149		

Building

	Fiscal Year	Annual Payment	Principal	Interest
	2020	525,657	240,503	285,154
	2021	525,657	250,092	275,565
	2022	525,657	260,064	265,593
	2023	525,657	270,432	255,225
	2024	525,658	281,215	244,443
	2025-2029	2,628,286	1,583,466	1,044,820
	2030-2034	2,628,285	1,925,323	702,962
	2035-2039	2,628,285	2,340,987	287,298
Total Minimum Payments		10,513,142	7,152,082	3,361,060
Less Amount Representing Interest		(3,361,060)		
Net Present Value of Future Minimum Payments		7,152,082		

Summary of annual capital lease purchase requirements to maturity is as follows:

	Fiscal Year	Annual Payment	Principal	Interest
	2020	675,212	366,007	309,205
	2021	707,980	405,494	302,486
	2022	652,872	364,463	288,409
	2023	656,177	381,534	274,643
	2024	1,105,896	822,067	283,829
	2025-2029	2,628,286	1,583,466	1,044,820
	2030-2034	2,628,285	1,925,323	702,962
	2035-2039	2,628,285	2,340,987	287,298
Total Minimum Payments		11,682,993	8,189,341	3,493,652
Less Amount Representing Interest		(3,493,652)		
Net Present Value of Future Minimum Payments		8,189,341		

NOTE 10 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Bennett School District Number 29-J 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.

NOTE 10 PENSION PLAN (Continued)

General Information about the Pension Plan

Plan description. Eligible employees of the Bennett School District Number 29-J 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.

NOTE 10 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, Bennett School District Number 29-J 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).

NOTE 10 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 Bennett School District Number 29-J is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Bennett School District Number 29-J were $940,952 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 Bennett School District Number 29-J proportion of the net pension liability was based on Bennett School District Number 29-J 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 Bennett School District Number 29-J reported a liability of $16,128,516 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 Bennett School District Number 29-J 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 Bennett School District Number 29-J were as follows:

Bennett School District Number 29-J proportionate share of the net pension liability	$ 16,128,516
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Bennett School District Number 29-J	$ 2,205,351
Total	$ 18,333,867

At December 31, 2018, the Bennett School District Number 29-J proportion was 0.091 percent, which was a decrease of 0.006 from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the Bennett School District Number 29-J recognized pension income of $939,986 and revenue of $130,983 for support from the State as a nonemployer contributing entity. At June 30, 2019, the Bennett School District Number 29-J reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 10 PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	547,097	-
Changes of assumptions or other inputs	3,010,458	(10,030,202)
Net difference between projected and actual earnings on pension plan investments	2,184,541	(1,305,437)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	199,706	(1,153,351)
Contributions subsequent to the measurement date	467,263	N/A
Total	6,409,065	(12,488,990)

$467,263 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	(469,899)
2021	(3,194,749)
2022	(3,363,357)
2023	480,817
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

NOTE 10 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.

NOTE 10 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.

NOTE 10 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 Bennett School District Number 29-J 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	20,504,648	16,128,516	12,456,202

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.

NOTE 10 PENSION PLAN (Continued)

Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description – Employees of the Bennett School District Number 29-J 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 $40,682.

NOTE 11 OTHER POST EMPLOYMENT BENEFITS

Defined Benefit Other Post Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

OPEB. Bennett School District Number 29-J 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 Bennett School District Number 29-J 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.

NOTE 11 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.

NOTE 11 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 Bennett School District Number 29-J is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Bennett School District Number 29-J were $50,171 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 Bennett School District Number 29-J reported a liability of $805,521 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 Bennett School District Number 29-J proportion of the net OPEB liability was based on Bennett School District Number 29-J 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 Bennett School District Number 29-J proportion was 0.059 percent, which was an increase of 0.0038 from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the Bennett School District Number 29-J recognized OPEB expense of $24,686. At June 30, 2019, the Bennett School District Number 29-J reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	2,924	(1,226)
Changes of assumptions or other inputs	5,651	-
Net difference between projected and actual earnings on OPEB plan investments	14,286	(9,654)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	52,445	-
Contributions subsequent to the measurement date	24,914	N/A
Total	100,220	(10,880)

$24,914 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	12,849
2021	12,849
2022	12,852
2023	16,070
2024	9,439
Thereafter	367

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

NOTE 11 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.

NOTE 11 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.

NOTE 11 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:

NOTE 11 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 Bennett School District Number 29-J 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	783,278	805,521	831,105

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.

NOTE 11 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 Bennett School District Number 29-J 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	901,308	805,521	723,632

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.

NOTE 12 JOINT VENTURE

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

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

Assets and Deferred Outflows	9,232,701
Liabilities and Deferred Inflows	21,284,148
Net Position	(12,051,447)
	9,232,701
Revenues	8,973,067
Expenditures	12,249,299
Excess (Deficiency)	(3,276,232)

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

NOTE 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 fund from which they are paid.

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

NOTE 13 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (Continued)

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

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

NOTE 14 RISK MANAGEMENT

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

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

NOTE 15 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Governmental Funds:	Due From	Due To	Transfer In	Transfer Out
General Fund	7,355	54,323	-	470,313
Grants - Special Revenue Fund	41,425	1,864	35,000	-
Bond – Debt Service Fund	-	5,491	-	-
Capital Reserve Capital Projects Fund	-	-	567,082	-
Building Capital Projects Fund	-	-	-	152,082
Food Services Fund	12,898	-	20,313	-
Total	61,678	61,678	622,395	622,395

Due to and due from accounts are to be repaid within three months after year end. Transfers were for operational purposes.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

OTHER POST EMPLOYMENT BENEFITS TREND DATA

MAJOR GOVERNMENTAL FUNDS

General Fund

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

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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.

Pension Trend Data

Other Post Employment Benefits Trend Data

BENNETT SCHOOL DISTRICT NUMBER 29-J
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2019

	Budgeted Amounts Original & Final	Actual Amounts	Variance- Favorable (Unfavorable)
REVENUES			
Local Sources			
Property Taxes	3,551,463	3,652,750	101,287
Specific Ownership Taxes	315,981	404,475	88,494
Delinquent Taxes & Interest	12,000	3,042	(8,958)
Tuition	35,000	48,128	13,128
Developer Contributions	-	10,500	10,500
BOCES Grants	176,000	269,825	93,825
Earnings on Investments	1,000	5,030	4,030
Other Local	132,500	144,878	12,378
Total Local Revenues	4,223,944	4,538,628	314,684
State Sources			
Equalization	4,743,715	4,725,838	(17,877)
Vocational Education	-	23,903	23,903
Additional at Risk	-	4,102	4,102
State ELPA	20,521	20,858	337
ELPA	21,000	20,531	(469)
Special Education	177,000	175,576	(1,424)
Transportation	110,847	113,476	2,629
Direct Distribution Payment	-	130,983	130,983
Total State Sources	5,073,083	5,215,267	142,184
TOTAL REVENUES	9,297,027	9,753,895	456,868
EXPENDITURES			
INSTRUCTION			
Salaries	3,177,286	3,072,494	104,792
Employee Benefits	760,448	1,153,782	(393,334)
Purchased Services – Professional	132,937	34,370	98,567
Purchased Services – Property	89,720	52,398	37,322
Purchased Services – Other	85,000	491,734	(406,734)
Supplies and Materials	240,339	324,488	(84,149)
Property	5,640	1,251	4,389
Other	5,107	371	4,736
Total Instruction	4,496,477	5,130,888	(634,411)
SUPPORTING SERVICES			
Student Supporting Services			
Salaries	322,025	139,632	182,393
Employee Benefits	43,145	51,209	(8,064)
Purchased Services – Professional	16,247	30,618	(14,371)
Purchased Services – Property	25,000	-	25,000
Purchased Services – Other	32,000	96,397	(64,397)
Supplies & Materials	4,500	3,180	1,320
Total Student Services	442,917	321,036	121,881

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2019

	Budgeted Amounts Original & Final	Actual Amounts	Variance-Favorable (Unfavorable)
SUPPORTING SERVICES (Continued)			
Instructional Staff			
Salaries	145,812	44,383	101,429
Employee Benefits	24,157	16,794	7,363
Purchased Services – Professional	10,964	34,919	(23,955)
Purchased Services – Property	8,500	27,101	(18,601)
Purchased Services – Other	12,500	27,641	(15,141)
Supplies and Materials	28,894	21,571	7,323
Property	24,500	-	24,500
Other	3,040	-	3,040
Total Instructional Staff	258,367	172,409	85,958
General Administration			
Salaries	182,860	157,717	25,143
Employee Benefits	28,591	59,680	(31,089)
Purchased Services – Professional	23,565	37,787	(14,222)
Purchased Services – Property	12,500	11,165	1,335
Purchased Services – Other	13,000	53,980	(40,980)
Supplies and Materials	14,600	156,295	(141,695)
Property	500	-	500
Other	8,749	89,290	(80,541)
Total General Administration	284,365	565,914	(281,549)
School Administration			
Salaries	331,616	427,261	(95,645)
Employee Benefits	140,022	161,673	(21,651)
Supplies and Materials	3,500	981	2,519
Property	26,785	-	26,785
Other	235,952	-	235,952
Total School Administration	737,875	589,915	147,960
Business Services			
Salaries	195,350	140,736	54,614
Employee Benefits	120,686	53,613	67,073
Purchased Services – Professional	6,210	15,059	(8,849)
Purchased Services – Property	3,000	-	3,000
Purchased Services – Other	4,000	29,952	(25,952)
Supplies and Materials	1,895	(1,457)	3,352
Property	500	-	500
Other	-	392	(392)
Total Business Services	331,641	238,295	93,346

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2019

SUPPORTING SERVICES (Continued)	Budgeted Amount Original & Final	Actual Amounts	Variance- Favorable (Unfavorable)
Operations and Maintenance			
Salaries	270,386	343,179	(72,793)
Employee Benefits	74,581	129,857	(55,276)
Purchased Services – Professional	50,846	-	50,846
Purchased Services – Property	50,500	200,587	(150,087)
Purchased Services – Other	27,000	-	27,000
Supplies and Materials	317,417	330,229	(12,812)
Property	7,972	9,500	(1,528)
Total Operations and Maintenance	798,702	1,013,352	(214,650)
Student Transportation			
Salaries	346,812	209,562	137,250
Employee Benefits	84,685	79,298	5,387
Purchased Services – Professional	88,729	1,829	86,900
Purchased Services – Property	35,000	78,119	(43,119)
Purchased Services – Other	50,000	24,143	25,857
Supplies and Materials	119,300	150,287	(30,987)
Property	60	-	60
Other	343	-	343
Total Student Transportation	724,929	543,238	181,691
Central Support			
Salaries	199,625	138,871	60,754
Employee Benefits	40,000	52,548	(12,548)
Purchased Services – Professional	25,376	-	25,376
Purchased Services – Property	36,170	-	36,170
Purchased Services – Other	80,000	200,812	(120,812)
Other	171,632	-	171,632
Total Central Support	552,803	392,231	160,572
Community Services			
Property	28,463	-	28,463
Other	108	-	108
Total Community Services	28,571	-	28,571
TOTAL SUPPORTING SERVICES	4,160,170	3,836,390	323,780
Appropriated Reserve	3,462,040	-	3,462,040
TOTAL EXPENDITURES	12,118,687	8,967,278	3,151,409
Revenues Over (Under) Expenditures	(2,821,660)	786,617	
Other Financing Sources (Uses)			
Transfers (Out)	(370,313)	(470,313)	(100,000)
Total Other Financing Sources (Uses)	(370,313)	(470,313)	(100,000)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(3,191,973)	316,304	
FUND BALANCE, Beginning	3,191,973	4,374,753	
FUND BALANCE, Ending	-	4,691,057	

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
GRANTS – SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	Budgeted Amounts Original & Final	Actual Amounts	Variance- Favorable (Unfavorable)
REVENUES			
Local Sources	520,000	312,088	(207,912)
State Sources	283,845	68,221	(215,624)
Federal Sources	398,490	144,024	(254,466)
Total Revenues	1,202,335	524,333	(678,002)
EXPENDITURES			
Instruction	1,202,335	204,484	997,851
Total Instruction	1,202,335	204,484	997,851
Support Services	-	-	-
Total Support Services	-	-	-
Facilities			
Property	-	354,849	(354,849)
Total Facilities	-	354,849	(354,849)
Total Expenditures	1,202,335	559,333	643,002
Revenues Over (Under) Expenditures	-	(35,000)	
Other Financing Sources (Uses)			
Transfers In (Out)	-	35,000	35,000
Total Other Financing Sources (Uses)	-	35,000	35,000
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	-	-	
FUND BALANCE, Beginning	-	-	
FUND BALANCE, Ending	-	-	

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
For The Last 10 Fiscal Years (As Available)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
District's proportion of the net pension liability (asset)	0.0911%	0.0975%	0.0957%	0.0930%	0.0915%	0.0968%	-	-	-	-
District's proportionate share of the net pension liability (asset)	$16,128,516	$31,535,348	$28,490,464	$14,217,135	$12,400,918	$12,349,740	-	-	-	-
District's covered payroll	$4,918,719	$4,534,425	$4,372,756	$4,426,311	$3,901,954	$3,833,043	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	328%	695%	652%	321%	318%	322%	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	57.01%	43.96%	43.13%	59.16%	62.80%	64.06%	-	-	-	-

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION
For The Last 10 Fiscal Years (As Available)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contributions	$ 940,952	$ 868,493	$ 803,912	$ 784,597	$ 658,806	$ 615,839	$ 590,536	-	-	-
Contributions in relation to the contractually required contributions	$ (940,952)	$ (868,493)	$ (803,912)	$ (784,597)	$ (658,806)	$ (615,839)	$ (590,536)	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	-	-
District's covered payroll	$4,918,719	$4,534,425	$4,372,756	$4,426,311	$3,901,954	$3,833,043	$3,938,068	-	-	-
Contributions as a percentage of covered payroll	19.13%	19.15%	18.38%	17.73%	16.88%	16.07%	15.00%	-	-	-

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

BENNETT SCHOOL DISTRICT NUMBER 29-J

SCHEDULE OF PROPORTIONATE SHARE OF NET OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY

For The Last 10 Fiscal Years (As Available)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
District's proportion of the net OPEB liability (asset)	0.0592%	0.0554%	0.0542%	-	-	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset)	$805,521	$720,134	$702,341	-	-	-	-	-	-	-
District's covered payroll	$4,918,719	$4,534,425	$4,372,756	-	-	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	16.38%	15.88%	16.06%	-	-	-	-	-	-	-
Plan fiduciary net position as a percentage of the total OPEB liability	17.03%	17.53%	16.71%	-	-	-	-	-	-	-

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
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	$ 50,171	$ 46,251	$ 44,602	-	-	-	-	-	-	-
Contributions in relation to the contractually required contributions	$ (50,171)	$ (46,251)	$ (44,602)	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	-	-	-	-	-	-	-
District's covered payroll	$4,918,719	$4,534,425	$4,372,756	-	-	-	-	-	-	-
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 STATEMENTS AND OTHER SCHEDULES

Bond Redemption Fund

Bond Redemption Debt Service Fund – Use to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.

Capital Projects Fund

Building Fund – This fund accounts for the construction and improvements of District buildings. Bond proceeds are used to finance these projects.

NON MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds account for revenues that are legally restricted to expenditures for specified purposes.

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

Capital Project Funds

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

Fiduciary Fund Types

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
BOND REDEMPTION DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	Budgeted Amounts Original &Final	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Property Tax Revenue	950,000	1,639,243	689,243
Delinquent Taxes & Interest	-	1,739	1,739
Interest Earnings	1,800	47,831	46,031
Other	156,793	-	(156,793)
Total Revenues	1,108,593	1,688,813	580,220
EXPENDITURES			
Interest Expenditures	366,500	147,500	219,000
Principal Expenditures	883,500	700,000	183,500
Other Expenditures	-	330	(330)
Appropriated Reserve	2,858,593	-	2,858,593
Total Expenditures	4,108,593	847,830	3,260,763
REVENUES OVER (UNDER) EXPENDITURES	(3,000,000)	840,983	
FUND BALANCES, Beginning	3,000,000	3,465,780	
FUND BALANCES, Ending	-	4,306,763	

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
BUILDING – CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	Budgeted Amounts Original & Final	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Interest Earnings	-	73,459	73,459
Total Revenues	-	73,459	73,459
EXPENDITURES			
Property New Construction	7,160,000	5,851,398	1,308,602
Total Expenditures	7,160,000	5,851,398	1,308,602
REVENUES OVER (UNDER) EXPENDITURES	(7,160,000)	(5,777,939)	
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	-	(152,082)	(152,082)
Total Other Financing Sources (Uses)	-	(152,082)	(152,082)
NET CHANGE IN FUND BALANCES	(7,160,000)	(5,930,021)	
FUND BALANCE, Beginning	7,160,000	7,152,082	
FUND BALANCE, Ending	-	1,222,061	

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019

	Special Revenue Food Services Fund	Capital Projects Capital Reserve Fund	Total Non-Major Governmental Funds
ASSETS			
Cash	54,919	449,010	503,929
Accounts Receivable	1,516	-	1,516
Due From Other Funds	12,898	-	12,898
Inventories	10,509	-	10,509
Prepaid Expenditures	-	-	-
Total Assets	79,842	449,010	528,852
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	-	-	-
Accrued Salaries Payable	15,338	-	15,338
Due To Other Funds	-	-	-
Unearned Grant Payments	-	-	-
Total Liabilities	15,338	-	15,338
Fund Balances:			
Nonspendable:			
Inventories	10,509	-	10,509
Restricted:			
Food Services	53,995	-	53,995
Committed:			
Capital Outlay	-	449,010	449,010
Unassigned:	-	-	-
Total Fund Balances	64,504	449,010	513,514
TOTAL LIABILITIES & FUND BALANCES	79,842	449,010	528,852

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	Special Revenue Food Services Fund	Capital Projects Capital Reserve Fund	Total Non-Major Governmental Funds
REVENUES			
Local Sources	133,285	327	133,612
State Sources	6,006	-	6,006
Federal Sources	129,264	-	129,264
Total Revenues	268,555	327	268,882
EXPENDITURES			
Capital Outlay	-	349,747	349,747
Debt Service	-	358,155	358,155
Food Services	302,352	-	302,352
Total Expenditures	302,352	707,902	1,010,254
REVENUES OVER (UNDER) EXPENDITURES	(33,797)	(707,575)	(741,372)
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	20,313	567,082	587,395
Total Other Financing Sources (Uses)	20,313	567,082	587,395
NET CHANGE IN FUND BALANCES	(13,484)	(140,493)	(153,977)
FUND BALANCES, Beginning	77,988	589,503	667,491
FUND BALANCES, Ending	64,504	449,010	513,514

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOOD SERVICE – SPECIAL REVENUE FUND
BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	Budget Amounts Original & Final	Actual	Variance with Final Budget-Favorable (Unfavorable)
REVENUES			
Local Sources			
Food Sales	300,833	133,285	(167,548)
Interest Earnings	150	-	(150)
Total Local Sources	300,983	133,285	(167,698)
State Sources			
State Match	714	2,451	1,737
Smart Start	-	497	497
PK-2 Reduced Breakfast	-	3,058	3,058
Total State Sources	714	6,006	5,292
Federal Sources			
School Breakfast	8,520	15,671	7,151
School Lunches	85,251	96,527	11,276
Special Milk Program	16,680	1,363	(15,317)
Commodities	15,315	15,703	388
Total Federal Sources	125,766	129,264	3,498
TOTAL REVENUES	427,463	268,555	(158,908)
EXPENDITURES			
Salaries	114,718	92,652	22,066
Employee Benefits	36,924	33,600	3,324
Purchased Services – Professional	1,000	2,085	(1,085)
Purchased Services – Property	700	6,578	(5,878)
Purchased Services – Other	-	195	(195)
Food and Milk	315,121	136,562	178,559
Supplies and Materials	2,000	30,680	(28,680)
Appropriated Reserves	28,000	-	28,000
TOTAL EXPENDITURES	498,463	302,352	196,111
REVENUES OVER (UNDER) EXPENDITURES	(71,000)	(33,797)	
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	21,000	20,313	(687)
TOTAL OTHER FINANCING SOURCES (USES)	21,000	20,313	(687)
REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES) AND EXPENDITURES	(50,000)	(13,484)	
FUND BALANCE, Beginning	50,000	77,988	
FUND BALANCE, Ending	-	64,504	

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
CAPITAL RESERVE – CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	Budgeted Amounts Original & Final	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Interest Revenue	-	327	327
Total Revenues	-	327	327
EXPENDITURES			
Purchased Services – Other	84,990	-	84,990
Equipment	15,000	93,964	(78,964)
Vehicles	239,978	146,960	93,018
Buildings	287,666	107,823	179,843
Other	-	1,000	(1,000)
Debt Service:			
Principal	-	162,327	(162,327)
Interest	-	195,828	(195,828)
Appropriated Reserve	252,366	-	252,366
Total Expenditures	880,000	707,902	172,098
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(880,000)	(707,575)	
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	500,000	567,082	67,082
Total Other Financing Sources (Uses)	500,000	567,082	67,082
NET CHANGE IN FUND BALANCES	(380,000)	(140,493)	
FUND BALANCE, Beginning	380,000	589,503	
FUND BALANCE, Ending	-	449,010	

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

BENNETT SCHOOL DISTRICT NUMBER 29-J
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - BUDGET AND ACTUAL
STUDENT ACTIVITY FUND
For the Year Ended June 30, 2019

	Budget Amounts Original & Final	Actual	Variance - Favorable (Unfavorable)
ADDITIONS			
Local Receipts	430,000	316,177	(113,823)
DEDUCTIONS			
Disbursements	580,000	355,380	224,620
CHANGES IN DUE TO STUDENT GROUPS	(150,000)	(39,203)	
DUE TO STUDENT GROUPS, Beginning	150,000	173,859	
DUE TO STUDENT GROUPS, Ending	-	134,656	

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: 0050 - Bennett 29J
Fiscal Year 2018-19
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number	Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources -	0001-0999 Total Expenditures & Other Uses =	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental				
10 General Fund	4,353,121	9,201,582	8,879,470	4,675,232
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	21,633	82,000	87,808	15,825
Sub- Total	4,374,754	9,283,582	8,967,279	4,691,057
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
21 Food Service Spec Revenue Fund	77,987	288,869	302,352	64,504
22 Govt Designated-Purpose Grants Fund	1	559,334	559,334	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	3,465,781	1,688,812	847,830	4,306,763
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	7,152,082	-78,623	5,851,398	1,222,061
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	589,503	567,409	707,902	449,010
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	**15,660,108**	**12,309,382**	**17,236,095**	**10,733,395**
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	**0**	**0**	**0**	**0**
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	173,859	316,178	355,380	134,656
79 GASB 34 Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	**173,859**	**316,178**	**355,380**	**134,656**

FINAL

Page: 1

Colorado Department of Education

Bolded Balance Sheet Report

District: 0050 - Bennett 29J

Fiscal Year 2018-19

Colorado School District/BOCES

	Governmental								Proprietary				Fiduciary		
ASSETS	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Cash and Investments (8100-8104,8111)	5,386,256	0	28,378	79,941	0	54,919	4,265,016	1,950,869	0	0	0	0	134,656	0	11,900,037
Cash with Fiscal Agent (8105)	25,040	0	0	0	0	0	2,670	0	0	0	0	0	0	0	27,709
Taxes Receivable (8121,8122)	125,443	0	0	0	0	0	56,026	0	0	0	0	0	0	0	181,469
Interfund Loans Receivable (8131,8132)	7,355	0	0	41,425	0	12,898	0	0	0	0	0	0	0	0	61,678
Intergovernmental Accounts Rec (8141)	74,213	0	0	0	0	0	0	0	0	0	0	0	0	0	74,213
Grants Accounts Receivable (8142)	0	0	0	0	0	1,516	0	0	0	0	0	0	0	0	1,516
Other Receivables (8151-8154,8161)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inventories (8171,8172,8173)	0	0	0	0	0	10,509	0	0	0	0	0	0	0	0	10,509
Prepaid Expenses 8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	**5,618,306**	**0**	**28,378**	**121,367**	**0**	**79,842**	**4,323,712**	**1,950,869**	**0**	**0**	**0**	**0**	**134,656**	**0**	**12,257,130**

LIABILITIES & FUND EQUITY

	Governmental								Proprietary				Fiduciary		
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)	54,323	0	0	1,864	0	0	5,491	0	0	0	0	0	0	0	61,678
Other Payables (7421-7423)	90,422	0	0	0	0	0	0	279,798	0	0	0	0	0	0	370,220
Accrued Expenses (7461)	757,029	0	12,553	26,823	0	15,338	0	0	0	0	0	0	0	0	811,743
Payroll Ded and Withholdings (7471-7473)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unearned Revenue (7481)	41,300	0	0	0	0	0	11,459	0	0	0	0	0	0	0	52,759
Grants Deferred Revenue (7482)	0	0	0	92,680	0	0	0	0	0	0	0	0	0	0	92,680
Other Current Liabilities (7491,7492,7499)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Inflow (7800)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	943,074	0	12,553	121,367	0	15,338	16,949	279,798	0	0	0	0	0	0	1,389,080

FUND EQUITY	Governmental								Proprietary				Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Non-spendable Fund Balance 6710	0	0	0	0	0	10,509	0	0	0	0	0	0	0	0	10,509
Restricted Fund Balance 6720	0	0	0	0	0	53,995	4,306,763	1,222,061	0	0	0	0	0	0	5,582,818
TABOR 3% Emergency Reserve 6721	311,450	0	0	0	0	0	0	0	0	0	0	0	0	0	311,450
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	15,825	0	0	0	0	0	0	0	0	0	0	0	15,825
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Committed Fund Balance 6750	0	0	0	0	0	0	0	449,010	0	0	0	0	134,656	0	583,667
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unassigned Fund Balance 6770	4,363,782	0	0	0	0	0	0	0	0	0	0	0	0	0	4,363,782
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	4,675,232	0	15,825	0	0	64,504	4,306,763	1,671,071	0	0	0	0	134,656	0	10,868,052
	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
Total Liabilities & Fund Equity	5,618,306	0	28,378	121,367	0	79,842	4,323,712	1,950,869	0	0	0	0	134,656	0	12,257,131
	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	
For Each Fund Type: Do Assets=Liability+Fund Equity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	