

**WIGGINS SCHOOL DISTRICT RE-50J  
WIGGINS, COLORADO**

**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2019**

**WIGGINS SCHOOL DISTRICT RE-50J  
WIGGINS, COLORADO**

**ROSTER OF SCHOOL OFFICIALS**

**JUNE 30, 2019**

**BOARD OF EDUCATION**

Kris Musgrave – President

Jerry Wolfswinkel – Vice President

Troy Freauff – Secretary/Treasurer

Sara Kopetzky – Member

Mike Miller – Member

Superintendent – Trent Kerr

Board Clerk/Business Manager - Cary Allen

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**FINANCIAL SECTION**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Required Supplementary Information - Unaudited)

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**Required Supplementary Information (RSI)**  
**June 30, 2019**

The discussion and analysis of Wiggins School District RE-50J's (the "District") financial performance provides an overall review of the district's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the financial statements, financial statement footnotes, budgetary comparison schedules and additional supplementary information to broaden their understanding of the District's financial performance.

**Financial Highlights**

The District's budget continues to remain fairly constant. Any increases in revenue are generally used to offset the cost of salary and benefits for additional staff and/or programs. The District continues to maintain a healthy fund balance in the General Fund. The District budgets sufficient contingencies greater than required by law to cover any unanticipated operational needs.

**Using the Basic Financial Statements**

The basic financial statements consist of the Management Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can first understand the District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. Both provide long and short-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District's operations in more detail. The governmental fund statements tell how general District services were financed in the short term as well as what remains for future spending. Fiduciary fund statements provide information about financial relationships where the District acts solely as a trustee or agent for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**Financial Analysis of the District as a Whole**

The District's total net position was \$468,749 as of June 30, 2019.

The District's governmental net position increased by \$3,151,665 from 2018 to 2019. The net position includes the long-term pension related liabilities with PERA and bonds payable. The general fund had an increase of \$1,050,965 to fund balance and food service fund had a decrease of \$34,328.

## Government-Wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private businesses. The statements of net position include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. The change in net position is important because it tells the reader that for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of various factors, some financial, some not. Non-financial factors include facility conditions and required educational programs.

In the Statement of Net Position and the Statement of Activities, the District is divided into two distinct kinds of activities:

Governmental Activities – The majority of the District's programs and services are reported here including instruction, support services, operations and maintenance of plant, pupil transportation and extracurricular activities.

A condensed summary of the Districts Net Position is as follows:

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
Current Assets	\$ 10,069,168	\$ 23,330,986
Capital Assets - Net	36,445,969	25,663,897
Total Assets	<u>46,515,137</u>	<u>48,994,883</u>
Deferred Outflows of Financial Resources	<u>4,127,034</u>	<u>6,447,872</u>
Current Liabilities	786,690	3,769,330
Long-Term Liabilities	40,889,940	53,061,182
Total Liabilities	<u>41,676,630</u>	<u>56,830,512</u>
Deferred Inflows of Financial Resources	<u>8,496,792</u>	<u>1,295,159</u>
Net Investment in Capital Assets	7,980,969	(3,836,103)
Restricted Net Position	4,594,476	1,884,745
Unrestricted Net Position	<u>(12,106,696)</u>	<u>(73,1558)</u>
<b>Total Net Position</b>	<b><u>\$ 468,749</u></b>	<b><u>\$ (2,682,916)</u></b>

Most of the district's net position is invested in capital assets (buildings, land, and equipment). The remaining net position is a combination of restricted and unrestricted amounts. The restricted balances are primarily amounts legally restricted to finance future purchases or capital projects as planned by the District and for debt repayment.

A condensed Statement of Activities and Changes in Net Position is as follows:

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
<b>Program Revenues:</b>		
Charges for Services	\$ 195,253	\$ 144,314
Operating Grants	931,214	681,903
Capital Grants & Contributions	344,887	17,390
Total Program Revenues	<u>1,471,354</u>	<u>843,607</u>
<b>General Revenues:</b>		
Taxes	6,493,411	6,894,693
State Equalization	1,508,914	497,883
Investment Income	256,703	434,641
Gain (Loss) on Capital Disposals	(66,969)	(827)
Miscellaneous	87,819	59,353
Transfers	144,506	-
Total General Revenues	<u>8,424,384</u>	<u>7,885,743</u>
<b>Total Revenues</b>	<u>9,895,738</u>	<u>8,729,350</u>
<b>Expenses</b>		
Instruction	2,605,625	5,465,983
Supporting Services	3,247,470	3,771,095
Interest on Long Term Debt	962,607	1,204,912
<b>Total Expenses</b>	<u>6,815,702</u>	<u>10,441,990</u>
<b>Change in Net Position</b>	<u>3,080,036</u>	<u>(1,712,640)</u>
<b>Net Position - Beginning</b>	(2,682,916)	(518,847)
Prior Period Adjustments	71,629	(451,429)
Net Position - Beginning (As Restated)	<u>(2,611,287)</u>	<u>(970,276)</u>
<b>Net Position - Ending</b>	<u>\$ 468,749</u>	<u>\$ (2,682,916)</u>

## Reporting the District's Most Significant Funds

The analysis of the District's major funds begins on page 4. Fund financial reports provide detailed information about the District's major funds. The District's major funds are the General, Capital Reserve, Pupil Activity, Bond Redemption and Food Service Funds.

**Governmental Funds.** Most of District's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements of the Governmental Funds. The District's governmental funds consist of the General, Capital Reserve, Bond Redemption Funds, Bond Project and Food Service Fund. The General Fund accounts for the majority of the District's instruction and support operations. The Capital Reserve Fund accounts for the District's capital needs, the Bond Redemption Fund accounts for the repayment of the District's bonded debt and the Food Service Fund accounts for the District's food service program.

**Fiduciary Funds.** Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The District's fiduciary fund is the Pupil Activity Fund. The Pupil Activity Fund generally accounts for student generated revenues and expenditures related to non-classroom activities.

## Fund Financial Statements

As of June 30, 2019, the District's governmental funds reported a combined fund balance of \$9,388,295 which is a decrease of \$10,275,994 from the June 30, 2018 balance. The majority of the decrease is from the building fund for the new school.

## Capital Assets

As of June 30, 2019 the District had \$36,446,969 invested in a broad range of capital assets, including land, buildings, furniture, equipment and construction in progress. This amount represents a net increase (including additions, deletions, and depreciation) of \$10,782,072 which is from the construction of the new school. A summary of the District's Capital Assets is as follows:

	<u>Balance 6/30/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/19</u>
<b>Governmental Activities:</b>				
Capital Assets not being depreciated:				
Land	\$ 175,119	\$ -	\$ -	\$ 175,119
Construction in Progress	<u>19,511,906</u>	<u>782,912</u>	<u>19,511,906</u>	<u>782,912</u>
Total Capital Assets not being depreciated	<u>19,687,025</u>	<u>782,912</u>	<u>19,511,906</u>	<u>958,031</u>
Capital Assets being depreciated:				
Buildings & Improvements	8,991,027	29,597,161	383,930	38,204,258
Equipment	314,290	371,696	-	685,986
Food Service Equipment	12,579	-	-	12,579
Transportation Equipment	<u>880,966</u>	<u>182,520</u>	<u>90,899</u>	<u>972,587</u>
Total Capital Assets being depreciated	<u>10,198,862</u>	<u>30,151,377</u>	<u>474,829</u>	<u>39,875,410</u>
Accumulated Depreciation:				
Land and Buildings	(3,281,835)	(507,697)	(316,961)	(3,472,571)
Equipment	(243,800)	(25,220)	-	(269,020)
Food Service Equipment	(11,321)	(1,258)	-	(12,579)
Transportation Equipment	<u>(685,034)</u>	<u>(39,167)</u>	<u>(90,899)</u>	<u>(633,302)</u>
Total Accumulated Depreciation	<u>(4,221,990)</u>	<u>(573,342)</u>	<u>(407,860)</u>	<u>(4,387,472)</u>
<b>Net Capital Assets</b>	<b><u>\$ 25,663,897</u></b>	<b><u>\$ 30,360,947</u></b>	<b><u>\$ 19,578,875</u></b>	<b><u>\$ 36,445,969</u></b>

## Debt Administration

As of June 30, 2019 the District had total outstanding long-term debt as follows:

	<u>Balance</u> <u>06/30/18</u>	<u>Advances</u>	<u>Payments</u>	<u>Balance</u> <u>06/30/19</u>	<u>Current</u> <u>Portion</u>	<u>Interest</u> <u>Expense</u>
2017 General Obligation Bonds	\$ 29,500,000	\$ -	\$ 1,035,000	\$ 28,465,000	\$ 1,065,000	\$ 1,285,325
2017 GO Bond Premiums	2,710,332	-	320,131	2,390,201	227,222	-
Net OPEB Liability	464,889	10,924	-	475,813	-	-
PERA Net Pension Liability	20,357,947	(10,830,998)	-	9,526,949	-	-
Accrued Leave	28,014	3,963	-	31,977	-	-
<b>Total</b>	<b><u>\$ 53,061,182</u></b>	<b><u>\$ (10,816,111)</u></b>	<b><u>\$ 1,355,131</u></b>	<b><u>\$ 40,889,940</u></b>	<b><u>\$ 1,292,222</u></b>	<b><u>\$ 1,285,325</u></b>

The District passed a bond election in November 2016 which was funded in 2017 in the amount of \$30,720,000. The accrued compensated absences and early retirement liabilities represent the amounts to be funded for earned but unused vacation and sick leave as well as post termination payments to retiring employees that participate in the early retirement program. Additional information related to the District's debt can be found in Note 6 to the financial statements.

## General Fund Budget

The Board of Education adopts the District's budget in June of each year. Changes are then made in October when student enrollment is finalized. The adoption of supplemental budgets is allowed throughout the year when unanticipated additional revenues are received. Program funding is based upon student enrollment on October 1st of each year. This per pupil funding is a combination of Property Tax, State Equalization and Specific Ownership Tax.

General Fund revenues were \$403,046 more than budgeted. Specific Ownership taxes and State Equalization accounted for the most significant revenue increases. General Fund expenditures were under budget after adjusting for budgeted contingency reserves of \$4,441,809. Instructional expenditures accounted for the most significant budget differences. Savings were across most budget areas.

## Next Year's Budgets and Rates

A bond passed in November 2016 for approximately \$31 million. The bond is to build a new middle/high school and repair/improve existing facilities. With the bond fund excluded, the District will be maintaining a similar budget to 2018-19.

## Requests for Information

This financial report is designed to provide a general overview of the Wiggins School District RE-50J's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Director, 320 Chapman Street, Wiggins, Colorado 80654-1374.

# Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants  
Governmental Audit Quality Center  
and Private Company Practice Section

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Board of Education  
Wiggins School District RE-50J  
Wiggins, Colorado

## Independent Auditors' Report

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the related notes to the financial statements of the Wiggins School District RE-50J, Colorado, as of and for the year ended June 30, 2019, which collectively comprise the basic financial statements of the District, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion 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 of 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 controls. 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 opinion.

### *Opinion*

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 Wiggins School District RE-50J, Colorado, as of June 30, 2019, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Report on Summarized Comparative Information***

We have previously audited the Wiggins School District RE-50J's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 13, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Other Matters***

***Emphasis of Matter***

As discussed in Note 15 to the financial statements, the 2018 financial statements have been restated to reflect adjustments for incorrect outstanding disbursements in the General Fund recorded as of June 30, 2018. Our opinion is not modified with respect to this matter.

***Required Supplementary Information – Management Discussion and Analysis and Pension Schedules (Unaudited)***

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1-M5 and pension schedules on pages 43-46 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.

***Required Supplementary Information – Budgetary Comparison Schedule and Other Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on pages 47-49 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. In addition, the combining and individual fund schedules on pages 50-56 and listed as other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Report on Other Legal and Regulatory Requirements***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Colorado Department of Education Auditors' Integrity Report and Bolded Balance Sheet reports on pages 57-60 are presented for state regulatory compliance and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

*Mayberry + Company, LLC*

Englewood, CO  
December 20, 2019

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## **BASIC FINANCIAL STATEMENTS**

The Basic Financial Statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all government-wide and fund level activity as of June 30, 2019.





WIGGINS SCHOOL DISTRICT RE-50J  
 Balance Sheet  
 Governmental Funds  
 June 30, 2019  
 (With Comparative Totals for June 30, 2018)

	General Fund	Debt Service	Capital Projects	
		Bond Redemption Fund	Building Fund	Capital Reserve Project Fund
<b>ASSETS</b>				
Cash and Investments	\$ 5,257,472	\$ -	\$ -	\$ 96,504
Restricted Cash and Investments	-	1,729,853	2,557,341	-
Cash with Fiscal Agent	50,771	11,607	-	-
Taxes Receivable	50,954	34,014	-	-
Interfund Accounts Receivable	21,316	-	-	-
Grants Receivable	73,636	-	-	-
Other Accounts Receivable	26,434	-	-	-
Inventory	-	-	-	-
Deposits	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 5,480,583</b>	<b>\$ 1,775,474</b>	<b>\$ 2,557,341</b>	<b>\$ 96,504</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>				
<b>Liabilities</b>				
Interfund Accounts Payable	\$ -	\$ -	\$ 28,838	\$ -
Accounts Payable	49,764	-	-	-
Retainage Payable	-	-	-	-
Accrued Salaries & Benefits	577,176	-	-	-
Unearned Revenues - Other	-	-	-	-
Unearned Revenue - Grants	90	-	-	-
<b>Total Liabilities</b>	<b>627,030</b>	<b>-</b>	<b>28,838</b>	<b>-</b>
<b>Fund Balance</b>				
Nonspendable Fund Balance	-	-	-	-
Restricted Fund Balance				
Restricted for Debt Service	-	1,775,474	2,528,503	-
Restricted for TABOR Emergencies	287,000	-	-	-
Committed Fund Balance				
Committed for Fund Purposes	-	-	-	-
Assigned Fund Balance				
Other Assigned Fund Balance	-	-	-	96,504
Unassigned Fund Balance	4,566,553	-	-	-
<b>Total Fund Balance</b>	<b>4,853,553</b>	<b>1,775,474</b>	<b>2,528,503</b>	<b>96,504</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<b>\$ 5,480,583</b>	<b>\$ 1,775,474</b>	<b>\$ 2,557,341</b>	<b>\$ 96,504</b>

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

Other Governmental Funds		Totals	
		2019	2018
\$ 143,595	\$ 5,497,571	\$ 4,440,254	
-	4,287,194	18,625,124	
-	62,378	41,104	
-	84,968	106,732	
8,457	29,773	14,348	
377	74,013	73,992	
338	26,772	3,843	
6,499	6,499	3,499	
-	-	36,438	
<u>\$ 159,266</u>	<u>\$ 10,069,168</u>	<u>\$ 23,345,334</u>	
\$ 935	\$ 29,773	\$ 14,348	
134	49,898	2,247,232	
-	-	860,057	
18,579	595,755	553,637	
5,357	5,357	5,681	
-	90	90	
<u>25,005</u>	<u>680,873</u>	<u>3,681,045</u>	
3,499	3,499	39,937	
-	4,303,977	1,701,745	
-	287,000	183,000	
130,762	130,762	165,090	
-	96,504	13,835,381	
-	4,566,553	3,739,136	
<u>134,261</u>	<u>9,388,295</u>	<u>19,664,289</u>	
<u>\$ 159,266</u>	<u>\$ 10,069,168</u>	<u>\$ 23,345,334</u>	

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**WIGGINS SCHOOL DISTRICT RE-50J**  
**Reconciliation of Governmental Fund Balances**  
**to Governmental Activities Net Position**  
**June 30, 2019**

Fund Balance - Governmental Funds		\$	9,388,295
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$	958,031	
Capital assets, being depreciated		39,875,410	
Accumulated depreciation		<u>(4,387,472)</u>	36,445,969
Certain long-term pension and OPEB related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds			
<b>PERA Pension</b>			
Net pension deferred outflows		4,097,775	
Net pension liability		(9,526,949)	
Net pension deferred inflows		<u>(8,480,491)</u>	(13,909,665)
<b>PERA Health Care Trust Fund (OPEB)</b>			
Net OPEB deferred outflows		29,259	
Net OPEB liability		(475,813)	
Net OPEB deferred inflows		<u>(16,301)</u>	(462,855)
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds			
Bond premiums			(2,390,201)
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Bonds payable		(28,465,000)	
Accrued interest payable		(105,817)	
Accrued compensated absences		<u>(31,977)</u>	<u>(28,602,794)</u>
Total Net Position - Governmental Activities			\$ <u>468,749</u>

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

WIGGINS SCHOOL DISTRICT RE-50J  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Year Ended June 30, 2019  
(With Comparative Totals for the Year Ended June 30, 2018)

	General Fund	Debt Service	Capital Projects		Other
		Bond Redemption Fund	Building Fund	Capital Reserve Project Fund	Governmental Funds
<b>REVENUES</b>					
Local Sources	\$ 4,370,137	\$ 2,394,954	\$ 180,483	\$ 60,591	\$ 102,063
Intermediate Sources	1,233	-	-	-	-
State Sources	2,151,983	-	-	344,887	8,801
Federal Sources	197,344	-	-	-	150,231
<b>TOTAL REVENUES</b>	<u>6,720,697</u>	<u>2,394,954</u>	<u>180,483</u>	<u>405,478</u>	<u>261,095</u>
<b>EXPENDITURES</b>					
Instruction	3,370,958	-	-	-	-
Pupil Support	145,005	-	-	-	-
Staff Support	54,805	-	-	-	-
General Administration	285,733	900	-	-	-
School Administration	271,382	-	-	-	-
Operations and Maintenance	738,646	-	-	-	-
Transportation	357,042	-	-	-	-
Other Central Support	176,194	-	-	-	-
Risk Management	85,638	-	-	-	-
Food Service	-	-	-	-	295,423
Facilities	-	-	11,061,168	1,147,111	-
Debt Service	-	2,320,325	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>5,485,403</u>	<u>2,321,225</u>	<u>11,061,168</u>	<u>1,147,111</u>	<u>295,423</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	<u>1,235,294</u>	<u>73,729</u>	<u>(10,880,685)</u>	<u>(741,633)</u>	<u>(34,328)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer In (Out) - net	(255,958)	-	(559,916)	815,874	-
<b>CHANGE IN FUND BALANCE</b>	<u>979,336</u>	<u>73,729</u>	<u>(11,440,601)</u>	<u>74,241</u>	<u>(34,328)</u>
<b>BEGINNING FUND BALANCE</b>	3,802,588	1,701,745	13,969,104	22,263	168,589
Prior Period Adjustment	71,629	-	-	-	-
<b>BEGINNING FUND BALANCE (As Restated)</b>	<u>3,874,217</u>	<u>1,701,745</u>	<u>13,969,104</u>	<u>22,263</u>	<u>168,589</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 4,853,553</u>	<u>\$ 1,775,474</u>	<u>\$ 2,528,503</u>	<u>\$ 96,504</u>	<u>\$ 134,261</u>

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

Totals

<u>2019</u>	<u>2018</u>
\$ 7,108,228	\$ 7,547,963
1,233	1,130
2,505,671	888,047
<u>347,575</u>	<u>295,207</u>
<u>9,962,707</u>	<u>8,732,347</u>
3,370,958	2,947,683
145,005	184,266
54,805	68,283
286,633	280,438
271,382	268,691
738,646	663,163
357,042	246,832
176,194	159,432
85,638	48,372
295,423	222,827
12,208,279	18,173,852
<u>2,320,325</u>	<u>2,540,050</u>
<u>20,310,330</u>	<u>25,803,889</u>
<u>(10,347,623)</u>	<u>(17,071,542)</u>
-	-
<u>(10,347,623)</u>	<u>(17,071,542)</u>
19,664,289	36,735,831
71,629	-
<u>19,735,918</u>	<u>36,735,831</u>
<u>\$ 9,388,295</u>	<u>\$ 19,664,289</u>

**WIGGINS SCHOOL DISTRICT RE-50J**  
**Reconciliation of Governmental Changes in Fund Balance**  
**to Governmental Activities Change in Net Position**  
**For the Year Ended June 30, 2019**

Change in Fund Balance - Governmental Funds \$ (10,347,623)

Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level

Capitalized Asset Purchases	\$ 11,422,383	
Depreciation Expense	(573,342)	
Gain (Loss) on Asset Disposals	<u>(66,969)</u>	10,782,072

Pension and OPEB expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.

**PERA Pension**

Change in deferred pension outflows	(2,333,722)	
Change in net pension liability	10,830,998	
Change in deferred pension inflows	<u>(7,200,090)</u>	1,297,186

**PERA Health Care Trust Fund (OPEB)**

Change in deferred OPEB outflows	12,884	
Change in net OPEB liability	(10,924)	
Change in deferred OPEB inflows	<u>(7,314)</u>	(5,354)

Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level

Principal payments on bonds payable	1,035,000	
Change in accrued interest payable	2,587	
Amortization of premiums and discounts	320,131	
Change in accrued compensated absences	<u>(3,963)</u>	<u>1,353,755</u>

Change in Net Position - Governmental Activities \$ 3,080,036

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

**WIGGINS SCHOOL DISTRICT RE-50J**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**Pupil Activity Fund**  
**June 30, 2019**  
**(With Comparative Totals for June 30, 2018)**

	<u>Totals</u>	
	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Cash and Investments	\$ 162,466	\$ 137,819
<b>NET POSITION</b>		
Restricted Net Position (Due to Student Groups)	<u>\$ 162,466</u>	<u>\$ 137,819</u>

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

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Wiggins School District RE-50J (the District) conform to generally accepted accounting principles as applicable to governmental units. Following is a summary of the more significant policies:

**Reporting Entity**

In evaluating how to define the government, for financial reporting purposes, the District's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity* and as subsequently amended.

Based upon the application of these criteria, no additional organizations are includable within the District's reporting entity.

**Basis of Presentation**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information of the District as a whole. The reporting information includes all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues. The effects of interfund activity have been eliminated from the government-wide financial statements.

**Fund Financial Statements**

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Basis of Presentation** (Continued)

Fund Financial Statements (Continued)

The District reports the following major governmental funds:

General Fund – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service (Bond Redemption) Fund – This fund is used to account for the repayment of the District’s general obligation indebtedness.

Building (Capital Reserve Projects) Fund – This fund is used to account for the construction of the District’s Building Project, funded by the issuance of General Obligation Bonds.

Capital Projects Fund (Capital Reserve Projects Fund) – This fund is used to account for the District’s major capital outlay activity.

The District reports the following nonmajor governmental fund:

Special Revenue Fund (Food Service Fund) – The Food Service Fund accounts for the District’s food service program.

The District reports the following fiduciary funds:

Agency Funds (Pupil Activity Fund) – This fund is used to account for the money held in trust by the District for student organizations. This fund is custodial and does not measure the results of operations.

**Measurement Focus and Basis of Accounting**

Government-Wide and Fiduciary Fund Financial Statements

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the same time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Measurement Focus and Basis of Accounting** (Continued)

Governmental Fund Financial Statements

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available as allowed by the per pupil operating revenue formula approved by the State legislature or within sixty days after year end. These revenues could include federal, state, and county grants, and some charges for services. Grants are only recognized to the extent allowable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, they are both restricted and unrestricted net position available to finance the programs. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

**Budgets and Budgetary Accounting**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year-end.

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- o Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- o Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- o Prior to June 30, the budget is adopted by formal resolution.
- o Budgets are required to be filed with the Commissioner of Education within thirty days after the beginning of the fiscal year.
- o Expenditures may not legally exceed appropriations at the fund level.
- o Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- o Budgeted amounts reported in the accompanying financial statements are as originally adopted by the Board of Education or as amended.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Budgets and Budgetary Accounting** (Continued)

Governmental Fund Financial Statements (Continued)

- o Encumbrance accounting is not utilized.

**Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position/Fund Balance**

Cash and Investments – The District pools cash resources of its various funds in order to facilitate the management of cash. Cash is pooled in interest bearing accounts which are comprised of certificates of deposit, savings accounts, and money market accounts which are legally authorized. Investments are stated at fair value.

Receivables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories – Inventories of proprietary funds are valued at the lower of cost (first-in, first-out) or market.

Capital Assets – Capital assets used in governmental activities operations are shown on the government-wide financial statements. These assets are not shown in the governmental funds and are therefore listed as a reconciling item between the two presentations. Property and equipment acquired or constructed for governmental fund operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the government-wide presentation. No depreciation has been provided on capital assets in the governmental funds.

Property and equipment is stated at cost and capitalized on items purchased with a value over \$5,000. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Depreciation has been provided over the estimated useful lives of the asset in the government-wide presentation as well as in the proprietary fund. Depreciation is calculated using the straight-line method over the following useful lives:

Buildings and Site Improvements	10-75 years
Vehicles	15-30 years
Other Equipment	5-20 years

Accumulated unpaid sick and vacation and other pay are serviced from other revenues in the General Fund. These liabilities are only recorded on the government-wide financial statements as they are not expected to be financed from current resources. At June 30, 2019, the District has recorded accrued leave as disclosed in Note 5.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position/Fund Balance** (Continued)

Long-Term Debt – The District’s general obligation bonds are accounted for in the Bond Redemption Fund. Principal repayments are shown as expenditures in the fund level financial statements. For the government-wide presentation, principal payments are reclassified as reductions in the outstanding obligation balances.

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element 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. The government has several items that qualify for reporting in this category, all related to outstanding pension and OPEB obligations and further described in Notes 8 and 10.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element 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. The District reports pension and OPEB related deferrals as further described in Notes 8 and 10 as well as grant carryovers.

Net Position/Fund Balances - In the government-wide financial statements, net position is either shown as net investment in capital assets, these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as “nonspendable” include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balance are reported as “restricted” when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education, and at their highest level of action are reported as “committed” fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as “assigned” fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position/Fund Balance (Continued)**

All remaining fund balance in the General Fund or deficits in other governmental funds are reported as unassigned.

**Net Position/Fund Balance Flow Assumptions**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Revenues and Expenditures/Expenses**

Revenues and Expenditures/Expenses – Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred. Revenues that are directly attributable to a program are shown as program revenues for the statement of activities. These revenues consist of, but are not limited to grants, fees and other charges for services.

Expenditures, where eligible, are first charged to restricted net position prior to being charged against unrestricted net position.

Property Tax Revenues – Property taxes are levied on December 15 based on the assessed value of property as certified by the county assessor on October 1. Assessed values are an approximation of market value. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November.

Under Colorado Law, all property taxes become due and payable on January 1, in the year following that in which they are levied. Property taxes are recognized as revenue when payable to the County Treasurer. Due to the nature of Colorado school district funding, uncollected property taxes levied in the current fiscal year for collection in the subsequent fiscal year are identified as property taxes receivable at June 30, and are presented net of an estimated allowance for uncollectible taxes.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Comparative Data**

Comparative total data for the prior year has been presented in the accompanying basic financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to understand.

**NOTE 2: CASH AND INVESTMENTS**

A summary of deposits and investments at June 30, 2019, follows:

Cash deposits	\$ 774,725
Investments	9,172,171
Cash on hand	<u>335</u>
<b>Total cash and investments</b>	<b><u>\$ 9,947,231</u></b>

These balances are allocated as follows in the financial statements:

Unrestricted	<u>\$ 5,497,571</u>
Restricted	
Restricted for capital projects	2,557,341
Restricted for debt service	<u>1,729,853</u>
Total restricted	<u>4,287,194</u>
Total government-wide cash and investments	9,784,765
Fiduciary	<u>162,466</u>
<b>Total cash and investments</b>	<b><u>\$ 9,947,231</u></b>

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 2: CASH AND INVESTMENTS (Continued)**

**DEPOSITS**

**Custodial Credit Risk - Deposits**

In the case of deposits, this is the risk that in the event of bank failure, the government’s deposits may not be returned to it. The District’s deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. 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 102% of the uninsured deposits. The institution’s internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At June 30, 2019, all of the District’s deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	<u>Bank Balance</u>	<u>Carrying Balance</u>
FDIC Insured	\$ 250,000	\$ 250,000
PDPA Collateralized	<u>828,711</u>	<u>524,725</u>
<b>Total Deposits</b>	<b><u>\$ 1,078,711</u></b>	<b><u>\$ 774,725</u></b>

**INVESTMENTS**

The following are the major categories of assets and liabilities measured at fair value on a recurring basis during the year ended June 30, 2019 using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds - Restricted	<u>\$ -</u>	<u>\$ 1,729,853</u>	<u>\$ -</u>	<u>\$ 1,729,853</u>

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

- **Mutual Funds:** Valued at the proportionate share of ownership of the quoted market prices of the underlying assets.

The District recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. During 2019, there were no changes in methods or assumptions utilized to derive the fair value of the District’s assets and liabilities.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 2: CASH AND INVESTMENTS (Continued)**

**INVESTMENTS (Continued)**

The District has invested in mutual funds offered through UMB Corporate Trust Services, as custodian of the District's Bond Redemption Fund investments. These amounts are held for repayment of the District's general obligation debt. The custodian's internal records identify the investments owned by the mutual funds. The District has also restricted other funds as shown above.

Credit Risk

Colorado statutes specify which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of the U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The District's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

During the year ended June 30, 2019, the District invested funds in Colotrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. This fund is rated AAAM by the Standard and Poor's Corporation.

Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase unless authorized by the local board. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 2: CASH AND INVESTMENTS** (Continued)

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2019, the District did not have any investments requiring safekeeping.

A summary of the District’s investments is as follows:

	<u>Carrying Value</u>	<u>Weighted Average Maturity (in Years)</u>	<u>Rating</u>
Local Government Investment Pools	\$ 7,442,318	-	AAAm
Mutual Funds (Bond Trustee)	<u>1,729,853</u>	-	AAA
<b>Total Investments</b>	<b><u>\$ 9,172,171</u></b>		

**NOTE 3: INVENTORIES**

Food Service Fund inventory as of June 30, 2019 of \$6,499, consisted of purchased inventory and donated commodities. Purchased inventories are stated at cost.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 4: CAPITAL ASSETS**

Activity for capital assets which are capitalized by the District is summarized below:

	<u>Balance 6/30/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/19</u>
<b>Governmental Activities:</b>				
Capital Assets not being depreciated:				
Land	\$ 175,119	\$ -	\$ -	\$ 175,119
Construction in Progress	19,511,906	782,912	19,511,906	782,912
Total Capital Assets not being depreciated	<u>19,687,025</u>	<u>782,912</u>	<u>19,511,906</u>	<u>958,031</u>
Capital Assets being depreciated:				
Buildings & Improvements	8,991,027	29,597,161	383,930	38,204,258
Equipment	314,290	371,696	-	685,986
Food Service Equipment	12,579	-	-	12,579
Transportation Equipment	<u>880,966</u>	<u>182,520</u>	<u>90,899</u>	<u>972,587</u>
Total Capital Assets being depreciated	<u>10,198,862</u>	<u>30,151,377</u>	<u>474,829</u>	<u>39,875,410</u>
Accumulated Depreciation:				
Land and Buildings	(3,281,835)	(507,697)	(316,961)	(3,472,571)
Equipment	(243,800)	(25,220)	-	(269,020)
Food Service Equipment	(11,321)	(1,258)	-	(12,579)
Transportation Equipment	<u>(685,034)</u>	<u>(39,167)</u>	<u>(90,899)</u>	<u>(633,302)</u>
Total Accumulated Depreciation	<u>(4,221,990)</u>	<u>(573,342)</u>	<u>(407,860)</u>	<u>(4,387,472)</u>
<b>Net Capital Assets</b>	<b><u>\$ 25,663,897</u></b>	<b><u>\$ 30,360,947</u></b>	<b><u>\$ 19,578,875</u></b>	<b><u>\$ 36,445,969</u></b>

Depreciation is allocated across the various functions as follows:

Instruction	\$ 107,227
Supporting Services	<u>466,115</u>
<b>Total Depreciation</b>	<b><u>\$ 573,342</u></b>

**NOTE 5: 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, as of June 30, 2019, are as follows:

General Fund	\$ 546,851
Preschool	30,326
Food Service Fund	<u>18,579</u>
<b>Total</b>	<b><u>\$ 595,756</u></b>

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 6: LONG-TERM DEBT**

The District's long-term debt transactions for the year ended June 30, 2019, were as follows:

	<u>Balance</u> <u>06/30/18</u>	<u>Advances</u>	<u>Payments</u>	<u>Balance</u> <u>06/30/19</u>	<u>Current</u> <u>Portion</u>	<u>Interest</u> <u>Expense</u>
2017 General Obligation Bonds	\$ 29,500,000	\$ -	\$ 1,035,000	\$ 28,465,000	\$ 1,065,000	\$ 1,285,325
2017 GO Bond Premiums	2,710,332	-	320,131	2,390,201	227,222	-
Net OPEB Liability	464,889	10,924	-	475,813	-	-
PERA Net Pension Liability	20,357,947	(10,830,998)	-	9,526,949	-	-
Accrued Leave	28,014	3,963	-	31,977	-	-
<b>Total</b>	<b><u>\$ 53,061,182</u></b>	<b><u>\$ (10,816,111)</u></b>	<b><u>\$ 1,355,131</u></b>	<b><u>\$ 40,889,940</u></b>	<b><u>\$ 1,292,222</u></b>	<b><u>\$ 1,285,325</u></b>

**2017 General Obligation Bonds**

The District's 2006 general obligation bonds were partially refunded through the issuance of \$30,720,000 of Series 2017 General Obligation Bonds. The bonds require annual principal payments by December 1<sup>st</sup> of each year and semi-annual interest payments. The bonds bear interest at rates ranging from 3% to 5% and mature December 1, 2036. Payments are made through the District's Bond Redemption Fund.

Annual debt service requirements for the bond is as follow:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,065,000	\$ 1,243,175	\$ 2,308,175
2021	1,120,000	1,188,550	2,308,550
2022	1,175,000	1,131,175	2,306,175
2023	1,235,000	1,070,925	2,305,925
2024	1,200,000	1,010,050	2,210,050
2025-2029	7,310,000	4,085,700	11,395,700
2030-2034	8,995,000	2,505,200	11,500,200
2035-2036	6,365,000	487,625	6,852,625
<b>Total</b>	<b><u>\$ 28,465,000</u></b>	<b><u>\$ 12,722,400</u></b>	<b><u>\$ 41,187,400</u></b>

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 7: RISK MANAGEMENT**

Property and Liability Coverage

The District belongs to the Colorado School District Self Insurance Pool (“CSDSIP”) that was formed in 1981 to give individual school districts more buying power and financial stability. By partnering with districts across the state, members gain better access to essential coverage at a competitive price, and more control over the entire risk management function. The coverage provided by CSDSIP is property, crime, general liability, auto liability and physical damage, and errors and omissions. CSDSIP became self-administered in 1997. The board of directors is comprised of nine persons who are district school board members, superintendents, or district business officials. Each member’s premium contribution is determined by CSDSIP based on factors including, but not limited to, the aggregate CSDSIP claims, the cost of administrative and other operating expenses, the number of participants, operating and reserve fund adequacy, investment income and reinsurance expense and profit sharing. Reporting to the Division of Insurance, as well as an audit and actuarial study is conducted annually. These reports may be obtained by contacting the CSDSIP administrative offices at 6857 South Spruce Street, Centennial, CO 80112. The District has not materially changed its coverage from previous years. The District has not recorded any liability for unpaid claims at June 30, 2019.

CSDSIP has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members.

The ultimate liability to the District resulting from claims not covered by the pool is not recently determinable. Management is of the opinion that the final outcome of such claims, of any, will not have a material adverse effect on the District’s financial statements.

Other Insurance

The District carries commercial insurance for other risks of loss, including workers compensation.

**NOTE 8: DEFINED BENEFIT PENSION PLAN**

**Summary of Significant Accounting Policies**

*Pensions.* The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension 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.

**NOTE 8: DEFINED BENEFIT PENSION PLAN** (Continued)

**General Information about the Pension Plan**

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](http://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.

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

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)**

**General Information about the Pension Plan (Continued)**

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.

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 SB 18-200, 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.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)**

**General Information about the Pension Plan (Continued)**

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.

*Contributions provisions as of June 30, 2019:* Eligible employees the District 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:

	<b>January 1, 2018 Through December</b>	<b>January 1, 2019 Through June 30,</b>
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%
<b>Total employer contribution rate to the SCHDTF</b>	<b>19.13%</b>	<b>19.13%</b>

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

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.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$565,836 for the year ended June 30, 2019.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 8: DEFINED BENEFIT PENSION PLAN** (Continued)

**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 District proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2017 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2019, the District reported a liability of \$9,526,949 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 District 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 the District were as follows:

District's proportionate share of the net	\$	(9,526,949)
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	\$	(1,145,981)
Total	\$	(10,672,930)

At December 31, 2018, the District proportion was 0.05380 percent, which was a decrease of 0.00915 from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the District recognized pension income of \$714,954 primarily related to revisions related to non-employer contributions and other assumption changes and revenue of \$77,370 for support from the State as a non-employer contributing entity. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 348,895	\$ -
Changes of assumptions or other inputs	\$ 2,083,950	\$ (5,924,737)
Net difference between projected and actual earnings on pension plan investments	\$ 1,308,424	\$ (902,297)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 61,780	\$ (1,653,457)
Contributions subsequent to the measurement date	\$ 294,726	\$ -
Total	\$ 4,097,775	\$ (8,480,491)

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

\$294,726 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:	Fiscal Year Totals
2020	\$ (692,520)
2021	(2,546,343)
2022	(1,722,634)
2023	284,055
Total	\$ (4,677,442)

*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%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increase, including wage inflation	3.90-9.70%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	4.78%
Post retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00% compounded annually
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

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%
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 (AIR)

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

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.

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:

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 8: DEFINED BENEFIT PENSION PLAN** (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Rate of Return</b>
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 8: DEFINED BENEFIT PENSION PLAN** (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (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 District’s proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 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 asset (liability)	\$ (12,111,886)	\$ (9,526,949)	\$ (7,357,751)

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

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 9: DEFINED CONTRIBUTION PENSION PLAN**

Voluntary Investment Program

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

*Funding Policy* – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The District does not contribute to the plan. Employees are immediately vested in their own contributions, employer contributions, if any, and investment earnings. For the year ended June 30, 2019 program members contributed \$29,719.

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS**

Health Care Trust Fund

**Summary of Significant Accounting Policies**

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

**General Information about the OPEB Plan**

*Plan description.* Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**General Information about the OPEB Plan** (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.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**General Information about the OPEB Plan** (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 District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$30,170 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 District reported a liability of \$475,813 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 District's proportion of the net OPEB liability was based on the District's 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 District's proportion was 0.03497 percent, which was an increase of 0.00080 from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the District recognized OPEB expense of \$36,398. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 1,767	\$ (724)
Net difference between projected and actual earnings on pension plan investments	\$ 8,439	\$ (5,833)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ -	\$ (9,744)
Contributions subsequent to the measurement date	\$ 15,715	\$ -
<b>Total</b>	<b>\$ 29,259</b>	<b>\$ (16,301)</b>

\$15,715 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:	Fiscal Year Totals
2020	\$ (862)
2021	(862)
2022	(862)
2023	1,082
2024	(1,204)
2025	(49)
<b>Total</b>	<b>\$ (2,757)</b>

*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:

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

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

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

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:

<b>Medicare Plan</b>	<b>Cost for Members Without Medicare Part A</b>	<b>Premiums for Members Without Medicare Part A</b>
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.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

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:

<b>Medicare Plan</b>	<b>Cost for Members Without Medicare Part A</b>
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.

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:

<b>Year</b>	<b>PERACare Medicare Plans</b>	<b>Medicare Part A Premiums</b>
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.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

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.

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.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
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 District’s proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.* The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

<b>Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates</b>			
	1% Decrease	Current Discount Rate	1% Increase
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Proportionate share of the net OPEB asset (liability)	\$ (462,674)	\$ (475,813)	\$ (490,925)

*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.
- 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.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 10: OTHER POST-EMPLOYMENT BENEFITS** (Continued)

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

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

<b>Sensitivity of the Net OPEB Liability to Changes in the Discount Rate</b>			
	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	6.25%	7.25%	8.25%
Proportionate share of the net OPEB asset (liability)	\$ (532,394)	\$ (475,813)	\$ (427,442)

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

**NOTE 11: COMMITMENTS AND CONTINGENCIES**

**Claims and Judgments** – The District participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2019, significant amounts of grant expenditures have not been audited but the District believes that expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**Tabor Amendment** – In November 1992, Colorado voters passed Article X, Section 20, (the Tabor Amendment), to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the Amendment. In November, 1997, voters within the District authorized the District to collect, retain and expend all revenues lawfully received in the 1997-1998 fiscal year and in each fiscal year thereafter from all sources without regard to the limitations imposed by the Amendment. The Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment. The District has established an emergency reserve of \$287,000, as required by the Amendment.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2019**

**NOTE 12: JOINTLY GOVERNED ORGANIZATION**

**Centennial Board of Cooperative Educational Services**

The District in conjunction with other surrounding districts created the Centennial 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 BOCES board is comprised of one member from each participating district. During the fiscal year ended June 30, 2019, the District paid total assessments of \$54,200 to the BOCES. Financial statements for the BOCES can be obtained from the BOCES administrative office at: 2020 Clubhouse Drive, Greeley, CO 80634.

**NOTE 13: INTERFUND ACTIVITY**

The District has the following internal balances as of the year ended June 30, 2019:

<b>General Fund</b>	
Due From Other Funds	\$ 21,316
<b>Food Service Fund</b>	
Due From Other Funds	7,522
<b>Building Fund</b>	
Due to Other Funds	<u>(28,838)</u>
<b>Net Internal Balance</b>	<u><u>\$ -</u></u>

The District has recorded the following routine transfer during the year ended June 30, 2019:

<b>General Fund</b>	
Transfer to Capital Reserve	\$ (255,958)
<b>Building Fund</b>	
Transfer to Capital Reserve	(559,916)
<b>Capital Reserve Project Fund</b>	
Transfer from General Fund	255,958
Transfer from Building Fund	<u>559,916</u>
<b>Net Transfers</b>	<u><u>\$ -</u></u>

**NOTE 14: NET POSITION**

The Governmental Activities has an unrestricted net position deficit of \$12,106,696 and primarily due to the PERA net pension liability of \$9,526,949 as further described in Note 8 and the net OPEB liability of \$475,813 as further described in Note 10. As the District has no control over pension benefits or contribution rates, the District expects this deficit net position to continue for the foreseeable future.

**NOTE 15: PRIOR PERIOD RESTATEMENTS**

The District has restated the General Fund’s beginning fund balance in the prior year financial statements in the amount of \$71,629. The District’s cash balance for the prior fiscal year included old disbursements shown on the bank reconciliation that were not valid. This also resulted in an increase in governmental activities net position in the amount of \$71,629.

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**REQUIRED SUPPLEMENTARY INFORMATION**  
(Pension Schedules - Unaudited)

WIGGINS SCHOOL DISTRICT RE-50J

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
NET PENSION ASSET (LIABILITY)

PERA Pension Plan  
Last 10 Fiscal Years<sup>(1)</sup>

Fiscal Year Ended	District's	District's	Non-employer contributing entity's total	Total	District covered payroll	District's	Plan fiduciary
	proportion of the net Pension asset (liability)	proportionate share of the net Pension asset (liability)	proportionate share of the net Pension asset (liability)	proportionate share associated with District		proportionate share of the net Pension asset (liability)	net position as a percentage of the total Pension liability
June 30, 2014	0.062626%	\$ (7,689,823)	\$ -	\$ (7,689,823)	\$ 2,524,636	304.59%	64.07%
June 30, 2015	0.060289%	\$ (8,114,817)	\$ -	\$ (8,114,817)	\$ 2,525,666	321.29%	62.84%
June 30, 2016	0.059873%	\$ (9,655,152)	\$ -	\$ (9,655,152)	\$ 2,609,256	370.03%	59.16%
June 30, 2017	0.063129%	\$ (18,795,978)	\$ -	\$ (18,795,978)	\$ 2,833,348	663.38%	43.13%
June 30, 2018	0.062957%	\$ (20,357,947)	\$ -	\$ (20,357,947)	\$ 2,904,117	701.00%	43.96%
June 30, 2019	0.053803%	\$ (9,526,949)	\$ (1,145,981)	\$ (10,672,930)	\$ 2,957,846	322.09%	57.01%

**Note:** All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

<sup>(1)</sup> - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

**WIGGINS SCHOOL DISTRICT RE-50J**

**SCHEDULE OF DISTRICT'S CONTRIBUTIONS**

**PERA Pension Plan**

**Last 10 Fiscal Years<sup>(1)</sup>**

<u>Fiscal Year Ended</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2014	\$ 392,076	(392,076)	-	\$ 2,524,636	15.53%
June 30, 2015	\$ 414,967	\$(414,967)	-	\$ 2,525,666	16.43%
June 30, 2016	\$ 452,184	\$(452,184)	-	\$ 2,609,256	17.33%
June 30, 2017	\$ 513,686	\$(513,686)	-	\$ 2,833,348	18.13%
June 30, 2018	\$ 541,037	\$(541,037)	-	\$ 2,904,117	18.63%
June 30, 2019	\$ 565,836	\$(565,836)	-	\$ 2,957,846	19.13%

**Note:** All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

<sup>(1)</sup> - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

**COLORADO RIVER BOARD OF COOPERATIVE EDUCATIONAL SERVICES**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
NET OPEB ASSET (LIABILITY)  
PERA Health Care Trust Fund  
Last 10 Fiscal Years<sup>(1)</sup>**

<b>Fiscal Year Ended</b>	<b>District's proportion of the net OPEB asset (liability)</b>	<b>District's proportionate share of the net OPEB asset (liability)</b>	<b>District's covered payroll</b>	<b>District's proportionate share of the net OPEB asset (liability) as a percentage of covered payroll</b>	<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>
June 30, 2018	0.035772%	\$ (464,889)	\$ 2,904,117	16.01%	17.53%
June 30, 2019	0.034972%	\$ (475,813)	\$ 2,957,846	16.09%	17.03%

**Note:** All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

<sup>(1)</sup> - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

**WIGGINS SCHOOL DISTRICT RE-50J**

**SCHEDULE OF DISTRICT'S CONTRIBUTIONS**

**PERA Health Care Trust Fund**

**Last 10 Fiscal Years<sup>(1)</sup>**

<u>Fiscal Year Ended</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2018	\$ 29,622	\$ (29,622)	\$ -	\$ 2,904,117	1.02%
June 30, 2019	\$ 30,170	\$ (30,170)	\$ -	\$ 2,957,846	1.02%

**Note:** All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

<sup>(1)</sup> - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

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**BUDGETARY COMPARISON SCHEDULES**  
(Required Supplementary Information)

WIGGINS SCHOOL DISTRICT RE-50J  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 General Fund  
 For the Year Ended June 30, 2019  
 (With Comparative Totals for the Year Ended June 30, 2018)

	2019			
	Original/ Final		Variance with Final	2018
	Budget	Actual	Budget	Actual
<b>REVENUES</b>				
<b>Local Sources</b>				
Property Taxes	\$ 3,581,225	\$ 3,564,608	\$ (16,617)	\$ 3,989,102
Specific Ownership Taxes	350,273	542,481	192,208	555,789
Delinquent Taxes	-	6,715	6,715	2,439
Tuition From Individuals	-	79,858	79,858	54,530
Investment Earnings	50,100	60,546	10,446	23,055
Pupil Activity Revenues	-	4,567	4,567	-
Donations	34,500	45,045	10,545	12,792
Local BOCES Passthrough	-	1,500	1,500	1,150
Parking Fees	-	805	805	-
Overhead Cost Revenue	-	8,147	8,147	-
Other Local	93,995	55,865	(38,130)	27,383
Total Local Sources	<u>4,110,093</u>	<u>4,370,137</u>	<u>260,044</u>	<u>4,666,240</u>
<b>Intermediate Sources</b>				
Mineral Leases	1,500	1,233	(267)	1,130
<b>State Sources</b>				
State Share (Equalization)	1,584,941	1,543,946	(40,995)	497,883
State Transportation	57,000	58,054	1,054	48,434
State Grants from CDE				
State ELPA: Professional Development and Student Support	-	8,928	8,928	-
State ELPA	30,000	7,822	(22,178)	18,044
State Share - Colorado Preschool Program (CPP)	-	109,474	109,474	-
State Gifted and Talented	6,793	6,793	-	-
School Counselor Grant	80,000	80,000	-	31,400
State Grants to Libraries	3,500	3,500	-	3,500
Small Rural Schools Additional Funding	-	212,787	212,787	199,773
Additional At-Risk Funding	-	2,936	2,936	2,551
READ Act	22,792	10,017	(12,775)	22,792
AP Exam Grant	-	62	62	-
State Grants from Other Agencies				
State Vocational Education	30,997	32,433	1,436	33,224
State Pension Contribution	-	75,231	75,231	-
State Grants Provided through BOCES	199,832	-	(199,832)	6,793
Total State Sources	<u>2,015,855</u>	<u>2,151,983</u>	<u>136,128</u>	<u>864,394</u>
<b>Federal Sources</b>				
Federal Grants from CDE				
Race to the Top - Early Childhood Readiness Assessment	498	-	(498)	368
Direct Federal Revenue				
NCLB, Title VI, Part B, Sub-part I: REAP: Rural Education Initiatives	48,000	39,371	(8,629)	24,092
Federal Provided through BOCES	141,705	157,973	16,268	114,519
Total Federal Sources	<u>190,203</u>	<u>197,344</u>	<u>7,141</u>	<u>138,979</u>
<b>TOTAL REVENUES</b>	<u>6,317,651</u>	<u>6,720,697</u>	<u>403,046</u>	<u>5,670,743</u>

(Continued)

See the accompanying Independent Auditors' Report

WIGGINS SCHOOL DISTRICT RE-50J  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 General Fund  
 For the Year Ended June 30, 2019  
 (With Comparative Totals for the Year Ended June 30, 2018)

	2019		Variance with Final Budget	2018 Actual
	Original/ Final	Actual		
	Budget	Budget		
(Continued)				
<b>EXPENDITURES</b>				
<b>Instruction</b>				
Salaries	2,281,284	2,212,709	68,575	1,991,085
Benefits	831,934	827,563	4,371	677,565
PS - Professional	23,225	24,999	(1,774)	25,839
PS - Property	1,800	5,515	(3,715)	5,522
PS - Other	139,970	145,364	(5,394)	132,900
Supplies	138,063	139,322	(1,259)	112,949
Property	2,000	3,434	(1,434)	833
Other Expenses	1,950	12,051	(10,101)	991
Total Instruction	<u>3,420,226</u>	<u>3,370,957</u>	<u>49,269</u>	<u>2,947,684</u>
<b>Supporting Services</b>				
<b>Pupil Support</b>				
Salaries	123,033	71,029	52,004	104,011
Benefits	29,740	19,114	10,626	28,720
PS - Professional	1,800	-	1,800	795
PS - Other	91,731	54,200	37,531	50,735
Supplies	900	662	238	5
Other Expenses	450	-	450	-
Total Pupil Support	<u>247,654</u>	<u>145,005</u>	<u>102,649</u>	<u>184,266</u>
<b>Staff Support</b>				
Salaries	47,995	30,604	17,391	45,724
Benefits	23,466	19,441	4,025	21,006
PS - Professional	100	-	100	190
PS - Other	1,250	1,827	(577)	1,499
Supplies	4,400	2,933	1,467	(136)
Other Expenses	750	-	750	-
Total Staff Support	<u>77,961</u>	<u>54,805</u>	<u>23,156</u>	<u>68,283</u>
<b>General Administration</b>				
Salaries	157,075	158,910	(1,835)	155,027
Benefits	52,139	74,704	(22,565)	48,065
PS - Professional	27,000	26,080	920	18,276
PS - Other	22,500	15,691	6,809	17,307
Supplies	2,800	2,362	438	993
Other Expenses	2,500	7,986	(5,486)	8,800
Total General Administration	<u>264,014</u>	<u>285,733</u>	<u>(21,719)</u>	<u>248,468</u>
<b>School Administration</b>				
Salaries	188,504	191,225	(2,721)	189,697
Benefits	66,917	59,569	7,348	65,213
PS - Other	2,000	1,467	533	2,271
Supplies	16,000	18,311	(2,311)	10,825
Other Expenses	2,000	810	1,190	685
Total School Administration	<u>275,421</u>	<u>271,382</u>	<u>4,039</u>	<u>268,691</u>

(Continued)  
 See the accompanying Independent Auditors' Report

WIGGINS SCHOOL DISTRICT RE-50J  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
General Fund  
For the Year Ended June 30, 2019  
(With Comparative Totals for the Year Ended June 30, 2018)

	2019			2018
	Original/ Final Budget	Actual	Variance with Final Budget	Actual
(Continued)				
<b>EXPENDITURES (Continued)</b>				
<b>Supporting Services (Continued)</b>				
<b>Operations and Maintenance</b>				
Salaries	314,851	301,251	13,600	300,586
Benefits	133,311	109,091	24,220	99,824
PS - Property	69,600	51,444	18,156	73,068
PS - Other	13,400	9,745	3,655	8,301
Supplies	245,000	267,116	(22,116)	181,384
Other Expenses	15,035	-	15,035	-
Total Operations and Maintenance	<u>791,197</u>	<u>738,647</u>	<u>52,550</u>	<u>663,163</u>
<b>Transportation</b>				
Salaries	135,349	147,833	(12,484)	128,716
Benefits	34,490	38,349	(3,859)	33,516
PS - Property	20,000	10,266	9,734	14,338
PS - Other	15,856	13,629	2,227	34
Supplies	82,000	73,435	8,565	70,228
Property	-	73,530	(73,530)	-
Other Expenses	400	-	400	-
Total Transportation	<u>288,095</u>	<u>357,042</u>	<u>(68,947)</u>	<u>246,832</u>
<b>Other Central Support</b>				
Salaries	49,440	52,390	(2,950)	48,398
Benefits	17,229	11,350	5,879	15,733
PS - Professional	20,000	17,319	2,681	15,406
PS - Other	32,000	30,720	1,280	31,447
Supplies	20,500	25,881	(5,381)	20,381
Property	25,000	38,534	(13,534)	28,067
Total Other Central Support	<u>164,169</u>	<u>176,194</u>	<u>(12,025)</u>	<u>159,432</u>
<b>Risk Management</b>				
PS - Other	83,332	85,638	(2,306)	48,372
<b>Contingency</b>	<u>4,441,809</u>	<u>-</u>	<u>4,441,809</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>10,053,878</u>	<u>5,485,403</u>	<u>4,568,475</u>	<u>4,835,191</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	(3,736,227)	1,235,294	4,971,521	835,552
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers	(109,966)	(255,958)	(145,992)	(50,000)
<b>CHANGE IN FUND BALANCE</b>	<u>(3,846,193)</u>	<u>979,336</u>	<u>4,825,529</u>	<u>785,552</u>
<b>BEGINNING FUND BALANCE</b>	3,802,588	3,802,588	-	3,017,036
PRIOR PERIOD RESTATEMENT	-	71,629	71,629	-
<b>BEGINNING FUND BALANCE (As Restated)</b>	<u>3,802,588</u>	<u>3,874,217</u>	<u>71,629</u>	<u>3,017,036</u>
<b>ENDING FUND BALANCE</b>	<u>\$ (43,605)</u>	<u>\$ 4,853,553</u>	<u>\$ 4,897,158</u>	<u>\$ 3,802,588</u>

See accompanying Independent Auditors' Report.

**OTHER SUPPLEMENTARY INFORMATION**

**WIGGINS SCHOOL DISTRICT RE-50J**  
**Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2019**  
**(With Comparative Totals for June 30, 2018)**

	<u>Special Revenue</u>	<u>Totals</u>	
	<u>Food Service</u>		
	<u>Fund</u>	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>			
Cash and Investments	\$ 143,595	\$ 143,595	\$ 196,984
Interfund Accounts Receivable	8,457	8,457	-
Grants Receivable	377	377	409
Other Accounts Receivable	338	338	45
Inventory	6,499	6,499	3,499
<b>TOTAL ASSETS</b>	<u>\$ 159,266</u>	<u>\$ 159,266</u>	<u>\$ 200,937</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Accounts Payable	\$ 935	\$ 935	\$ 14,348
Accounts Payable	134	134	-
Accrued Salaries & Benefits	18,579	18,579	12,319
Unearned Revenues - Other	5,357	5,357	5,681
<b>Total Liabilities</b>	<u>25,005</u>	<u>25,005</u>	<u>32,348</u>
<b>Fund Balance</b>			
Nonspendable Fund Balance	3,499	3,499	3,499
Committed for Fund Purposes	130,762	130,762	165,090
<b>Total Fund Balance</b>	<u>134,261</u>	<u>134,261</u>	<u>168,589</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<u>\$ 159,266</u>	<u>\$ 159,266</u>	<u>\$ 200,937</u>

See accompanying Independent Auditors' Report.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2019**  
**(With Comparative Totals for the Year Ended June 30, 2018)**

	<u>Special Revenue</u>	<u>Totals</u>	
	<u>Food Service</u>		
	<u>Fund</u>	<u>2019</u>	<u>2018</u>
<b>REVENUES</b>			
Local Sources	\$ 102,063	\$ 102,063	\$ 90,931
State Sources	8,801	8,801	6,264
Federal Sources	150,231	150,231	156,227
<b>TOTAL REVENUES</b>	<u>261,095</u>	<u>261,095</u>	<u>253,422</u>
<b>EXPENDITURES</b>			
Food Service	<u>295,423</u>	<u>295,423</u>	<u>222,827</u>
<b>CHANGE IN FUND BALANCE</b>	(34,328)	(34,328)	30,595
<b>BEGINNING FUND BALANCE</b>	<u>168,589</u>	<u>168,589</u>	<u>137,994</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 134,261</u>	<u>\$ 134,261</u>	<u>\$ 168,589</u>

See accompanying Independent Auditors' Report.

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**SPECIAL REVENUE FUND**

The Food Service Fund accounts for the District's food service program.

WIGGINS SCHOOL DISTRICT RE-50J  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Food Service Fund  
For the Year Ended June 30, 2019  
(With Comparative Totals for the Year Ended June 30, 2018)

	2019		Variance with Final Budget	2018 Actual
	Original/ Final Budget	Actual		
<b>REVENUES</b>				
<b>Local Sources</b>				
Investment Earnings	\$ 100	\$ 233	\$ 133	\$ 126
Food Service Revenue	94,000	100,376	6,376	88,634
Other Local	250	1,454	1,204	2,171
Total Local Sources	<u>94,350</u>	<u>102,063</u>	<u>7,713</u>	<u>90,931</u>
<b>State Sources</b>				
State Matching Child Nutrition	2,500	2,292	(208)	2,471
Start Smart Nutrition	1,500	1,019	(481)	1,405
School Lunch Protection Program: Free and Reduced for Pre-K th 2	2,400	3,351	951	2,388
State Grants from Other Agencies				
State Pension Contribution	-	2,139	2,139	-
Total State Sources	<u>6,400</u>	<u>8,801</u>	<u>2,401</u>	<u>6,264</u>
<b>Federal Sources</b>				
Federal Grants from CDE				
School Breakfast Program	32,000	24,530	(7,470)	34,902
National School Lunch Program	100,000	107,582	7,582	101,692
Federal Grants from Other State Agencies				
National School Lunch Program - Commodities	15,000	18,119	3,119	19,633
Total Federal Sources	<u>147,000</u>	<u>150,231</u>	<u>3,231</u>	<u>156,227</u>
<b>TOTAL REVENUES</b>	<u>247,750</u>	<u>261,095</u>	<u>13,345</u>	<u>253,422</u>
<b>EXPENDITURES</b>				
<b>Supporting Services</b>				
<b>Food Service</b>				
Salaries	100,940	94,407	6,533	69,794
Benefits	48,003	31,629	16,374	22,285
PS - Property	4,000	4,044	(44)	2,778
Supplies	9,700	10,181	(481)	6,258
Food	145,320	137,043	8,277	102,079
Commodities	15,000	18,119	(3,119)	19,633
Property	5,000	-	5,000	-
Other Expenses	88,376	-	88,376	-
<b>TOTAL EXPENDITURES</b>	<u>416,339</u>	<u>295,423</u>	<u>120,916</u>	<u>222,827</u>
<b>CHANGE IN FUND BALANCE</b>	(168,589)	(34,328)	134,261	30,595
<b>BEGINNING FUND BALANCE</b>	168,589	168,589	-	137,994
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 134,261</u>	<u>\$ 134,261</u>	<u>\$ 168,589</u>

See accompanying Independent Auditors' Report.

**DEBT SERVICE FUND**

This fund is used to account for the repayment of the District's bonded debt.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Bond Redemption Fund**  
**For the Year Ended June 30, 2019**  
**(With Comparative Totals for the Year Ended June 30, 2018)**

	2019			2018 Actual
	Original/ Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>				
<b>Local Sources</b>				
Property Taxes	\$ 2,384,078	\$ 2,375,297	\$ (8,781)	\$ 2,346,124
Specific Ownership Taxes	-	345	345	-
Delinquent Taxes	-	3,965	3,965	1,240
Investment Earnings	20,000	15,347	(4,653)	4,731
Other Local	-	-	-	31,969
<b>TOTAL REVENUES</b>	<u>2,404,078</u>	<u>2,394,954</u>	<u>(9,124)</u>	<u>2,384,064</u>
<b>EXPENDITURES</b>				
<b>Supporting Services</b>				
<b>General Administration</b>				
Other Expenses	<u>1,785,498</u>	<u>900</u>	<u>1,784,598</u>	<u>-</u>
<b>Debt Service</b>				
Principal	1,035,000	1,035,000	-	1,220,000
Interest	<u>1,285,325</u>	<u>1,285,325</u>	<u>-</u>	<u>1,320,050</u>
Total Debt Service	<u>2,320,325</u>	<u>2,320,325</u>	<u>-</u>	<u>2,540,050</u>
<b>TOTAL EXPENDITURES</b>	<u>4,105,823</u>	<u>2,321,225</u>	<u>1,784,598</u>	<u>2,540,050</u>
<b>CHANGE IN FUND BALANCE</b>	(1,701,745)	73,729	1,775,474	(155,986)
<b>BEGINNING FUND BALANCE</b>	<u>1,701,745</u>	<u>1,701,745</u>	<u>-</u>	<u>1,857,731</u>
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 1,775,474</u>	<u>\$ 1,775,474</u>	<u>\$ 1,701,745</u>

See accompanying Independent Auditors' Report.

### **CAPITAL PROJECTS FUND**

This fund is used to account for the District's capital outlay activity.

WIGGINS SCHOOL DISTRICT RE-50J  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Building Fund  
For the Year Ended June 30, 2019  
(With Comparative Totals for the Year Ended June 30, 2018)

	2019			2018 Actual
	Original/ Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>				
<b>Local Sources</b>				
Investment Earnings	\$ 188,900	\$ 180,483	\$ (8,417)	\$ 406,681
<b>EXPENDITURES</b>				
<b>Supporting Services</b>				
<b>General Administration</b>				
PS - Professional	-	-	-	31,969
<b>Facilities/Capital Outlay</b>				
Supplies	-	907,329	(907,329)	-
Buildings	11,953,585	9,699,915	2,253,670	17,946,364
Equipment	-	453,924	(453,924)	97,360
Total Facilities/Capital Outlay	11,953,585	11,061,168	892,417	18,043,724
<b>TOTAL EXPENDITURES</b>	11,953,585	11,061,168	892,417	18,075,693
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	(11,764,685)	(10,880,685)	884,000	(17,669,012)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers	-	(559,916)	(559,916)	-
<b>CHANGE IN FUND BALANCE</b>	(11,764,685)	(11,440,601)	324,084	(17,669,012)
<b>BEGINNING FUND BALANCE</b>	13,969,104	13,969,104	-	31,638,116
<b>ENDING FUND BALANCE</b>	\$ 2,204,419	\$ 2,528,503	\$ 324,084	\$ 13,969,104

See accompanying Independent Auditors' Report.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Capital Reserve Project Fund**  
**For the Year Ended June 30, 2019**  
**(With Comparative Totals for the Year Ended June 30, 2018)**

	2019		Variance with Final Budget	2018
	Original/ Final Budget	Actual		Actual
<b>REVENUES</b>				
<b>Local Sources</b>				
Investment Earnings	\$ 100	\$ 94	\$ (6)	\$ 48
Donations	-	29,999	29,999	-
Other Local	638,554	30,498	(608,056)	-
Total Local Sources	638,654	60,591	(578,063)	48
<b>State Sources</b>				
State Grants from CDE				
Best Capital Construction Program	322,277	344,887	22,610	17,390
<b>TOTAL REVENUES</b>	<u>960,931</u>	<u>405,478</u>	<u>(555,453)</u>	<u>17,438</u>
<b>EXPENDITURES</b>				
<b>Facilities/Capital Outlay</b>				
PS - Property	924,180	847,844	76,336	113,336
Equipment	314,972	299,267	15,705	16,793
<b>TOTAL EXPENDITURES</b>	<u>1,239,152</u>	<u>1,147,111</u>	<u>92,041</u>	<u>130,129</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	(278,221)	(741,633)	(463,412)	(112,691)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers	255,958	815,874	559,916	50,000
<b>CHANGE IN FUND BALANCE</b>	(22,263)	74,241	96,504	(62,691)
<b>BEGINNING FUND BALANCE</b>	22,263	22,263	-	84,954
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 96,504</u>	<u>\$ 96,504</u>	<u>\$ 22,263</u>

See accompanying Independent Auditors' Report.

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### **FIDUCIARY (TRUST AND AGENCY) FUNDS**

Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private and student groups.

The District has established an agency fund to account for various student activity groups and contributions from private organizations. The agency funds are custodial in nature and do not involve measurement of results of operations.

**WIGGINS SCHOOL DISTRICT RE-50J**  
**Schedule of Revenues, Expenses and Changes in Fiduciary Net Position**  
**Budget and Actual**  
**Fiduciary Funds**  
**Pupil Activity Agency Fund**  
**For the Year Ended June 30, 2019**  
**(With Comparative Totals for the Year Ended June 30, 2018)**

	2019		Variance with Final Budget	2018 Actual
	Final Budget	Actual		
<b>ADDITIONS</b>				
Local Sources	\$ 411,819	\$ 372,299	\$ (39,520)	\$ 337,823
<b>DEDUCTIONS</b>				
Instruction	411,819	347,652	64,167	350,886
<b>CHANGE IN NET POSITION</b>	-	24,647	24,647	(13,063)
<b>BEGINNING NET POSITION</b>	-	137,819	137,819	150,882
<b>ENDING NET POSITION</b>	\$ -	\$ 162,466	\$ 162,466	\$ 137,819

See accompanying Independent Auditors' Report.

## STATE COMPLIANCE



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 2515 - Wiggins RE-50(I)  
 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
	+		-	=
<b>Governmental</b>				
10 General Fund	3,874,217	6,216,659	5,237,323	4,853,553
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	248,080	248,080	0
<b>Sub- Total</b>	<b>3,874,217</b>	<b>6,464,739</b>	<b>5,485,403</b>	<b>4,853,553</b>
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main, Fund	0	0	0	0
21 Food Service Spec Revenue Fund	168,589	261,095	295,423	134,261
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	1,701,745	2,394,954	2,321,225	1,775,474
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	13,969,104	-379,433	11,061,168	2,528,503
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	22,263	1,221,352	1,147,112	96,504
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
<b>Totals</b>	<b>19,735,918</b>	<b>9,962,707</b>	<b>20,310,330</b>	<b>9,388,295</b>
<b>Proprietary</b>				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	137,819	372,299	347,652	162,466
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
<b>Totals</b>	<b>137,819</b>	<b>372,299</b>	<b>347,652</b>	<b>162,466</b>

FINAL



**Colorado Department of Education**

**Bolded Balance Sheet Report**

District: 2515 - Wiggins RE-50(J)

Fiscal Year 2018-19

Colorado School District/BOCES

ASSETS	Governmental							Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Cash and Investments (8100-8104,8111)	5,226,539	0	30,934	0	0	143,595	1,729,853	2,653,845	0	0	0	162,466	0	9,947,231	
Cash with Fiscal Agent (8105)	50,771	0	0	0	0	0	11,607	0	0	0	0	0	0	62,378	
Other Investment Accounts (8112-8115)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Taxes Receivable (8121,8122)	50,954	0	0	0	0	0	34,014	0	0	0	0	0	0	84,968	
Interfund Loans Receivable (8131,8132)	21,316	0	0	0	0	8,457	0	0	0	0	0	0	0	29,773	
Grants Accounts Receivable (8142)	73,636	0	0	0	0	377	0	0	0	0	0	0	0	74,013	
Other Receivables (8151-8154,8161)	25,693	0	741	0	0	338	0	0	0	0	0	0	0	26,772	
Inventories (8171,8172,8173)	0	0	0	0	0	6,499	0	0	0	0	0	0	0	6,499	
Other Current Assets (8191-8194,8199)	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	
<b>Total Assets</b>	<b>5,448,909</b>	<b>0</b>	<b>31,675</b>	<b>0</b>	<b>0</b>	<b>159,265</b>	<b>1,775,474</b>	<b>2,653,845</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>162,466</b>	<b>0</b>	<b>10,231,634</b>	

See accompanying Independent Auditors' Report.

**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
<b>LIABILITIES &amp; FUND EQUITY</b>															
<b>LIABILITIES</b>															
Interfund Payables (7401,7402)	0	0	0	0	0	935	0	28,838	0	0	0	0	0	0	29,773
Other Payables (7421-7423)	48,416	0	1,349	0	0	134	0	0	0	0	0	0	0	0	49,898
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	546,851	0	30,326	0	0	18,579	0	0	0	0	0	0	0	0	595,756
Unearned Revenue (7481)	0	0	0	0	0	5,357	0	0	0	0	0	0	0	0	5,357
Grants Deferred Revenue (7482)	90	0	0	0	0	0	0	0	0	0	0	0	0	0	90
Deferred Inflow Grants (7801)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>595,356</b>	<b>0</b>	<b>31,675</b>	<b>0</b>	<b>0</b>	<b>25,004</b>	<b>0</b>	<b>28,838</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>680,873</b>

See accompanying Independent Auditors' Report.

**Governmental**

**Proprietary**

**Fiduciary**

<b>FUND EQUITY</b>	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	3,499	0	0	0	0	0	0	0	0	3,499
Restricted Fund Balance 6720	0	0	0	0	0	0	1,775,474	2,528,503	0	0	0	0	0	0	4,303,977
TABOR 3% Emergency Reserve 6721	287,000	0	0	0	0	0	0	0	0	0	0	0	0	0	287,000
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	0	0	0	0	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0
Assigned Fund Balance 6760	0	0	0	0	0	130,763	0	96,504	0	0	0	0	0	0	227,267
Unassigned Fund Balance 6770	4,494,924	0	0	0	0	0	0	0	0	0	0	0	162,466	0	4,657,390
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	71,629	0	0	0	0	0	0	0	0	0	0	0	0	0	71,629
<b>Total Fund Equity</b>	<b>4,853,553</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>134,261</b>	<b>1,775,474</b>	<b>2,625,007</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>162,466</b>	<b>0</b>	<b>9,550,761</b>

	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
<b>Total Liabilities &amp; Fund Equity</b>	5,448,909	0	31,675	0	0	159,265	1,775,474	2,653,845	0	0	0	0	162,466	0	10,231,634

	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
<b>Do Assets=Liability+Fund Equity</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes