RIO BLANCO COUNTY SCHOOL DISTRICT RE-1
MEEKER, COLORADO

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
June 30, 2019

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M & H
Maggard
& Hood, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Board of Education
Rio Blanco County (Meeker) School District RE-1
Meeker, Colorado

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and each fiduciary fund type, of the Rio Blanco County (Meeker) School District No. RE-1 (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and each fiduciary fund type of the Rio Blanco County (Meeker) School District No. RE-1 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.

Other Matters

Required Supplementary Information

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

Other Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and additional schedules listed as "other supplemental information" in the table of contents are for purposes of additional analysis and are not a required part of the basic financial statements. The electronic financial data integrity check figures and reconciliation are presented for purposes of additional analysis as required by the Colorado Department of Education, the debt covenant compliance schedules are presented for regulatory purposes, these schedules are not required parts of the basic financial statements. The information is the responsibility of management and is derived from and relate 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 taken as a whole.

MAGGARD & HOOD, P.C.
Glenwood Springs, Colorado
November 7, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Rio Blanco County (Meeker) School District RE-1 is a public-school district located in Rio Blanco County in Northwest Colorado. The District consists of Meeker Elementary, Middle and High School. The District is a political subdivision of the State of Colorado, and serves the town of Meeker, and portions of unincorporated Rio Blanco County.

The discussion and analysis of the Rio Blanco County (Meeker) School District RE-1's financial performance provides an overall review of the District's financial activities. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the District's overall financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2019 are as follows:

- The Districts voters at an election held November 6, 2018 approved the District to issue general obligation bonds totaling $38.7 million to finance the construction, installation and equipping of operating and education facilities within the District. During the fiscal year the District issued $28 million in bonds, the remaining bonds are scheduled to be issued in July 2019.

- The District was awarded the BEST grant *(Building Excellent Schools Today)*. The state funded matching grant will be used to supplement the cost of the District's new construction of facilities and equipment authorized by the District's voters.

- Governmental Accounting Standards require the District to report its proportionate share of the State total PERA net pension liability and its proportionate share of the State total PERA Health Care Trust Fund net OPEB liability in its government-wide financial statements. As of June 30, 2019, the District's share of the PERA net pension liability is approximately $12.52 million and the District's share of the PERA HCTF net OPEB liability is $625 thousand.

- General Revenues accounted for $11,783,138 or 87.4%, of all revenues. These general revenues include taxes, grants and entitlements not restricted to specific programs, and general interest and other revenues not related to specific programs. Program specific revenues, in the form of charges for services and sales, as well as program specific grants and contributions, accounted for $1,701,881 or 12.6%, of the District's total revenues of $13,485,019. The District had $9,755,419 in expenses, of which $1,701,881 were offset by program specific charges for services and sales, grants and contributions.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Rio Blanco County (Meeker) School District RE-1 as a financial whole, or as an entire operating activity.

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds with all other non-major funds presented in total in a single column. For the Rio Blanco County (Meeker) School District RE-1, the General Fund is the most significant fund. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the reporting entity. The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Position and Statement of Activities

While this report contains all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during the fiscal year?" The statement of net position and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. The basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

The focus of these government-wide financial statements is on the overall financial position and activities of the District. These financial statements are constructed around the concept of a primary government, the District, and its component units, except for fiduciary funds. As described below, the financial statements of the District's fiduciary funds are not included in the government-wide financial statements, because resources of these funds cannot be used to finance the District's activities. However, the financial statements of fiduciary funds are included in the District's financial statements because the District is financially accountable for those resources, even though they belong to other parties.

The two statements report the District's net position and changes therein. This change is important because it identifies whether the financial condition of the District has improved or diminished for the District as a whole. The cause of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the District's property tax base, current property tax laws, enrollment levels, statutorily required reserves, facility conditions, required educational programs and other factors.

The School District's activities as reflected on the Statement of Net Position and the Statement of Activities consist of the following:

Governmental Activities – Governmental activities are those that are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. The School District's programs and services are reported here including instruction, support services, operation and maintenance, pupil transportation, and extracurricular activities.

Proprietary Activities – The District currently has no Business-type activities, which are those provided on a charge for goods or services basis to recover all expenses of the goods and services provided.

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

FUND FINANCIAL STATEMENTS

Fund financial reports provide detailed information about the District's major funds. The District considers all funds as significant, or major, funds. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations. Fund financial statements are divided into three broad categories; namely (1) governmental funds; (2) proprietary funds; and, (3) fiduciary funds.

Governmental Funds – The District's activities in governmental funds focus on how monies flow into and out of those funds and the balances left at fiscal year-end 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 School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between government-wide activities and the governmental funds is reconciled in the financial statements. The District's major governmental funds are:

General Fund – The General Fund is the District's primary operating fund and accounts for the majority of the District's instruction and support operations, including preschool operations.

Food Service Fund – The Food Service Fund is a special revenue fund which accounts for the District's general food service activities with revenue sources specifically designated for such activities.

Bond Redemption Fund – The Bond Redemption Fund accounts for property tax collections and transactions related to the District's general obligation indebtedness.

Building Fund – The Building Fund accounts for facilities acquisition and construction from restricted Bond issues and Best Grant monies.

Capital Reserve Project Fund – The Capital Projects Fund accounts for the District's funding for major capital needs.

Proprietary Funds – Proprietary (enterprise) funds use the same basis of accounting as business-type activities. The District currently has no proprietary funds (or business-type) activities.

Fiduciary Funds – Fiduciary (or *Agency)* funds are reported in a separate Statement of Fiduciary Net Position. This type of activity is excluded from governmental funds because the District cannot use these assets to finance its operations, and the District is acting solely as trustee or agent for the benefit of others to whom the resources belong, such as school activity accounts. The District's fiduciary funds are the:

Scholarship Fund – The Scholarship Fund accounts for scholarship funds held in a custodial capacity.

Pupil Activity Fund – The Pupil Activity Fund accounts for student athletic/nonathletic funds held in a custodial capacity.

NOTES TO THE FINANCIAL STATEMENTS

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

SUPPLEMENTAL INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents supplemental information required by U.S. generally accepted accounting principles, as well as other supplemental information to assist the reader in a full understanding of the financial statements and additional schedules required by the Colorado Department of Education.

THE DISTRICT AS A WHOLE

The perspective of the statement of net position is of the District as a whole. Following is a summary of the District's net position for the current compared to the prior fiscal year:

(In Thousands)	Governmental Activities		Business-Type Activities *(NOT APPLICABLE)*		Total	
	2019	2018	2019	2018	2019	2018
ASSETS:						
Current and Other Assets	$ 44,517	$ 9,620	$ -	$ -	$ 44,517	$ 9,620
Capital Assets, Net	30,375	28,356	-	-	30,375	28,356
	74,892	37,976	-		74,892	37,976
DEFERRED OUTFLOWS:						
Charge on Refunding	2,220	2,230	-	-	2,220	2,230
Related to Pensions	3,913	7,805	-	-	3,913	7,805
Related to OPEBs	65	56	-	-	65	56
	6,198	10,091	-	-	6,198	10,091
LIABILITIES:						
Current & Other Liabilities	2,068	694	-	-	2,068	694
Long-term Liabilities	52,500	19,526	-	-	52,500	19,526
Net Pension Liability	12,519	25,810	-	-	12,519	25,810
Net Pension Liability	625	590	-	-	625	590
	67,712	46,620	-	-	67,712	46,620
DEFERRED INFLOWS:						
Related to Pensions	8,971	761	-	-	8,971	761
Related to OPEBs	1	10	-	-	1	10
	8,972	771	-	-	8,972	771
NET POSITION:						
Invested in Capital Assets, Net of Related Debt	9,322	12,426	-	-	9,322	12,426
Restricted	38,043	4,097	-	-	38,043	4,097
Unrestricted	(42,959)	(15,847)	-	-	(42,959)	(15,847)
	$ 4,406	$ 676	$ -	$ -	$ 4,406	$ 676

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and equipment) less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Resources to repay debt on these assets must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Restricted balances are for capital projects and amounts set aside to satisfy debt service requirements and statutorily required emergency reserves.

The District's Statement of Net Position also includes the District's proportionate share of the unfunded liability in the Public Employees Retirement Association (PERA) future retiree pension and PERA Health Care Trust Fund (OPEB). The related negative unrestricted assets balance merely represents that there are *long-term* obligations, including pensions and OPEB benefits, in excess of *currently* available resources.

THE DISTRICT AS A WHOLE -- *CONTINUED*

The statement of activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues and general property taxes, unrestricted state entitlements, and other general revenues, resulting in the overall change in net position for the current fiscal year:

(In Thousands)	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
REVENUES:						
Program Revenues:						
Charges for Services & Sales	$ 262	$ 173	$ -	$ -	$ 262	$ 173
Operating Grants & Contributions	1,028	963	-	-	1,028	963
Capital Grants and Contributions	412	73	-	-	412	73
Total Program Revenues	1,702	1,209	-	-	1,702	1,209
General Revenues:						
Property & Ownership Taxes	8,627	6,505	-	-	8,627	6,505
Grants and Entitlements	2,372	1,995	-	-	2,372	1,995
Federal Mineral & Forest Leasing	240	273	-	-	240	273
Interest & Investment Earnings	540	101	-	-	540	101
Other General Revenues	4	3	-	-	4	3
Total General Revenues	11,783	8,877	-	-	11,783	8,877
Total Revenues	13,485	10,086	-	-	13,485	10,086
PROGRAM EXPENSES:						
Instruction	5,695	5,411	-	-	5,695	5,411
Support Services:						
Students	159	31	-	-	159	31
Instructional Staff	209	163	-	-	209	163
General Administration	409	362	-	-	409	362
School Administration	595	561	-	-	595	561
Business Support Services	131	121	-	-	131	121
Operations and Maintenance	765	801	-	-	765	801
Student Transportation	296	177	-	-	296	177
Central Support Services	464	6	-	-	464	6
Food Services	281	276	-	-	281	276
Facilities Non-capitalized Expenses	5	57	-	-	5	57
Unallocated PERA Actuarial Adj.	(1,189)	4,643	-		(1,189)	4,643
Unallocated PERA OPEB Actuarial Adj.	18	15	-	-	18	15
Interest and Fiscal Charges	1,917	1,102	-	-	1,917	1,102
Total (Expenses)	9,755	13,726	-	-	9,755	13,726
Increase (Decrease) in Net Position	$ 3,730	$ (3,640)	$ -	$ -	$ 3,730	$ (3,640)

Most of the District's revenues come from the Public-School Finance Act of 1994 (SFA), which is comprised of general property taxes, specific ownership taxes and state equalization based on the statewide formula for pupil funding. In fiscal year 2019, approximately 38.6% of SFA funding came from state equalization and 61.4% from taxes. For the fiscal year 2019 the net position of the District's governmental activities increased by approximately $3.73 million primarily resulting from the District's allocated portion of actuarial adjustments to PERA net pension and OPEB liabilities. The District currently has no business-type activities.

THE DISTRICT AS A WHOLE -- NET COST OF SERVICES

As indicated above, the statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table summarizes the information from the statement of activities, reflecting the total cost of program services and the remaining net cost of program services supported by taxes and other general revenues:

	Fiscal Year 2019		Fiscal Year 2018	
(In Thousands)	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	$ 5,695	$ 4,644	$ 5,411	$ 4,560
Support Services:				
Students	159	155	31	28
Instructional Staff	209	209	163	163
General Administration	409	409	362	362
School Administration	595	595	561	561
Business Support Services	131	131	121	121
Operations and Maintenance	765	751	801	786
Student Transportation	296	254	177	75
Central Support Services	464	464	6	6
Food Services	281	60	276	38
Risk Management	-	-	-	-
Facilities Non-capitalized Expenses	5	(364)	57	57
Unallocated PERA Actuarial Adj.	(1,189)	(1,189)	4,643	4,643
Unallocated PERA OPEB Actuarial Adj.	18	18	15	15
Interest and Fiscal Charges	1,917	1,917	1,102	1,102
Total Expenses	$ 9,755	$ 8,054	$ 13,726	$ 12,517

The dependence on general revenues for governmental activities is apparent, whereas approximately 82% and 84% of instruction activities were supported through taxes and other general revenues in 2019 and 2018, respectively. The community as a whole is the primary support for District students.

THE DISTRICT'S FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds are accounted for using the modified accrual basis of accounting.

Governmental Funds –

The *General Fund* had an overall decrease in fund balance of $266,289. The ending fund balance of $4,398,911 is the amount available for future spending.

The *Food Service Redemption Fund* had an overall increase in fund balance of $3,521. The ending fund balance of $28,237 is the amount available for future spending.

The *Bond Redemption Fund* had an overall increase in fund balance of $2,149,651. The ending fund balance of $6,052,613 is the amount available for future spending.

The *Building Fund* had an overall increase of $31,766,200. The ending balance of $31,766,200 is the amount available for future spending.

The *Capital Reserve Projects Fund* had an overall decrease in fund balance of $29,979. The ending fund balance of $302,310 is the amount available for future spending.

Fiduciary (Agency) Funds –

The *Scholarship Fund* ended the year with $184,282 available for future spending.

The *Pupil Activity Fund* ended the year with $186,373 available for future spending.

GENERAL FUND BUDGETING HIGHLIGHTS

The District's procedures in establishing the budgetary data reflected in the financial statements is summarized in *Note 1(F)* of the financial statements. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). The District uses a line-item based budget which is designed to control line-item expenditures, but provide flexibility for overall budgetary management. During the course of the current fiscal year, the District amended its budget as needed.

For the General Fund, actual revenues and other financing sources in the amount of $7,868,940 were above budgetary expectations of $7,506,812 by $362,128.

The District's General Fund actual expenditures and other financing uses of $8,135,229 were $4,036,781 below budgeted expenditures of $12,172,010. The major differences between budgeted amounts and actual expenditures were primarily due to excess amounts budgeted for appropriated reserves and general support services.

The Board of Directors and District management continue to strive to budget appropriate amounts for each individual line item. It is not anticipated that this year's budgetary variances will have a significant impact on future services or liquidity. The overall savings are indicative of the efforts to provide services in the most economical manner. This year's savings will have a positive impact on future year's fund balances.

CAPITAL ASSETS

At the end of fiscal year 2019, the District had a total of $30,374,937 invested in capital assets for *governmental activities*. Additional information on the District's capital assets can be found in *Note 4* of the financial statements.

The following reflects the balances of fiscal year 2019 compared to fiscal year 2018:

(In Thousands)	Governmental Activities	
	2019	2018
Net of Depreciation:		
Land	$ 725	$ 725
Construction in Progress	2,652	-
Buildings & Improvements	26,743	27,311
Transportation Equipment	193	239
Food Service Equipment	3	3
Other Equipment	59	77
	$ 30,375	$ 28,355

DEBT ADMINISTRATION

At June 30, 2019 the School District's governmental activities had: 1) outstanding bonds of $43,775,000 plus $182,505 accrued interest thereon and deferred premium of $8,432,902; 2) capital leases of $9,292; and 3) accrued compensated absences of $262,438. Other long-term obligations consist of the District's proportionate share of the aforementioned State PERA Net Pension Liability (see Note 1, 10) in the amount of $12,519,323 and the PERA HCTF net OPEB liability (see Note 1 &13) in the amount of $625,264.

The bonds are being paid from a mill levy in the Bond Redemption fund while other long-term obligations are satisfied from the General Fund

Additional debt information can be found in *Note 5* of the financial statements.

CURRENT ISSUES, ECONOMIC CONDITION AND OUTLOOK

The Public-School Finance Act of 1994 (SFA) is the largest source of revenue for the District's operating funds. The SFA calculates per-pupil funding by school district based upon a formula using a number of factors including cost of living, number of students, district size, personnel vs. non-personnel costs, and number of at-risk students. The purpose of the SFA was to establish a financial base of support for public education, to move towards a uniform mill levy tax state-wide for all districts, and to limit future growth of and reliance upon property tax to support public education. Funding sources for the SFA are derived by the following formula:

Total Program Funding = local property taxes + general specific ownership taxes + state equalization

The District has implemented many cost-savings measures, as well as planning for utilization of existing fund balances, to maintain faculty staffing levels. The Board and Administration continue to carefully review spending to maintain a careful balance between education and fiscal responsibility.

According to Colorado PERA, the overall statewide collective net pension liability for the PERA School Division Trust Fund is $17.7 billion, a decrease of approximately $14.6 billion from the prior year. This and the effect of other actuarial changes (primarily the net difference between actual and projected pension investment earnings), have decreased the District's proportionate share of the collective net pension liability. In addition, the overall statewide collective PERA Health Care Trust Fund Net OPEB liability decreased from $1.4 billion to $1.3 billion, with a corresponding decrease in the District's proportionate share thereof. As indicated in Note 18 of the financial statements, during the 2018 legislative session, the Colorado General Assembly passed significant pension reform with the goal of eliminating the unfunded actuarial accrued liability and reaching a 100 percent funded ratio within the next 30 years.

It is important to note that the requirements for the reporting of the proportionate share of the net pension and net OPEB liabilities do not necessarily reflect the financial condition of a governmental entity because the liabilities cannot be made immediately due and payable. Furthermore, the District has no legal obligation to fund PERA's unfunded accrued actuarial liability nor does the District have any ability to affect funding, benefits or annual required contribution decisions made by PERA in administering the defined pension plan. It is also important to note that the reporting requirements have no impact on the District's fund level financial statements which are used for internal and budgetary use; rather, the change only effects the District's government-wide financial statement reporting (a long-term perspective) in the year-end audited financial statements.

See the accompanying financial statement notes for the full disclosures related to PERA and OPEB.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional information, please contact the:

Rio Blanco County (Meeker) School District RE-1
Attn: Finance Director
P.O. Box 1089
Meeker, CO 81641

GOVERNMENT - WIDE FINANCIAL STATEMENTS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	$ 43,973,928
Cash w/ County Treasurer	1,982
Receivables:	
Property Taxes	128,715
Intergovernmental	395,774
Other Receivables	8,290
Prepaid Expense	4,829
Inventory	3,703
Total Current Assets	44,517,221
Capital Assets:	
Capital Assets, Non-depreciable	3,377,557
Capital Assets, Net of Depreciation	26,997,380
Total Capital Assets	30,374,937
TOTAL ASSETS	74,892,158
DEFERRED OUTFLOWS:	
Deferred Charge on Refunding	2,219,732
Pensions, Net of Accumulated Amortization	3,912,936
OPEBs, Net of Accumulated Amortization	65,346
TOTAL DEFERRED OUTFLOWS	6,198,014
LIABILITIES:	
Accounts Payable	622,625
Accrued Salaries and Benefits	691,316
Accrued Interest Payable	182,505
Unearned Revenues	571,593
Long-term Debt:	
Portion Due or Payable within One Year, Net	1,650,229
Portion Due or Payable After One Year, Net	50,849,403
Net Pension Liability	12,519,323
Net OPEB Liability	625,264
TOTAL LIABILITIES	67,712,258
DEFERRED INFLOWS:	
Pensions, Net of Accumulated Amortization	8,970,923
OPEBs, Net of Accumulated Amortization	1,467
TOTAL DEFERRED INFLOWS	8,972,390
NET POSITION:	
Invested in Capital Assets, Net of Related Debt	9,321,789
Restricted for:	
Capital Projects	31,766,200
Debt Service	6,052,613
Emergencies	224,000
Unrestricted	(42,959,078)
TOTAL NET POSITION	$ 4,405,524

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2019

		PROGRAM REVENUES		
	EXPENSES	Charges For Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:				
Instruction	$ 5,695,427	$ 148,086	$ 860,568	$ 42,833
Supporting Services:				
General Support Services:				
- Students	158,656	-	3,500	-
- Instructional Staff	208,856	-	-	-
- General Administration	409,060	-	-	-
- School Administration	594,755	-	-	-
Business Support Services:				
- Business Services	131,002	-	-	-
- Operations and Maintenance	765,504	14,400	-	-
Student Transportation	295,524	-	41,946	-
Central Support Services	464,007	-	-	-
Food Services	281,376	99,131	121,790	-
Facilities Non-capitalized Expenses	5,487	-	-	369,627
Unallocated PERA Actuarial Adjustments	(1,189,449)	-	-	-
Unallocated PERA OPEB Actuarial Adj.	17,903	-	-	-
Interest and other Costs of Long-term Debt	1,917,311	-	-	-
Total Governmental Activities	9,755,419	261,617	1,027,804	412,460
TOTAL PRIMARY GOVERNMENT	$ 9,755,419	$ 261,617	$ 1,027,804	$ 412,460

GENERAL REVENUES:

Taxes:

Property Taxes, Levied for General Purposes

Property Taxes, Levied for Debt Service

Specific Ownership Taxes, for General Purposes

Grants and Entitlements Not Restricted to Specific Programs

Federal Mineral and Forest Leasing Revenues

Division of Wildlife

Unrestricted Interest and Investment Earnings

Total General Revenues

Change in Net Position

NET POSITION–BEGINNING OF YEAR

NET POSITION–END OF YEAR

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
Governmental Activities	Business-type Activities	Total
$ (4,643,940)	*(not applicable)*	$ (4,643,940)
(155,156)		(155,156)
(208,856)		(208,856)
(409,060)		(409,060)
(594,755)		(594,755)
(131,002)		(131,002)
(751,104)		(751,104)
(253,578)		(253,578)
(464,007)		(464,007)
(60,455)		(60,455)
364,140		364,140
1,189,449		1,189,449
(17,903)		(17,903)
(1,917,311)		(1,917,311)
(8,053,538)		(8,053,538)
(8,053,538)		(8,053,538)
3,774,573		3,774,573
4,579,363		4,579,363
272,920		272,920
2,371,828		2,371,828
239,651		239,651
4,727		4,727
540,076		540,076
11,783,138		11,783,138
3,729,600		3,729,600
675,924		675,924
$ 4,405,524		$ 4,405,524

FUND FINANCIAL STATEMENTS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	General Fund	Food Service Fund	Bond Redemption Fund	Building Fund
ASSETS:				
Cash and Cash Equivalents	$ 5,036,020	$ 27,728	$ 6,028,379	$ 32,572,203
Cash w/ County Treasurer	900	-	1,082	-
Receivables:				
Property Taxes, Net	20,499	-	24,800	-
Intergovernmental	26,147	-	-	369,627
Other Receivables	3,759	4,531	-	-
Inventory	-	3,703	-	-
Prepaid Expense	4,829	-	-	-
Due from Other Funds	507	-	-	1,648
TOTAL ASSETS	$ 5,092,661	$ 35,962	$ 6,054,261	$ 32,943,478
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 2,434	$ -	$ -	$ 612,903
Accrued Salaries and Benefits	691,316	-	-	-
Due to Other Funds	-	507	1,648	-
Unearned Revenues	-	7,218	-	564,375
Total Liabilities	693,750	7,725	1,648	1,177,278
Fund Balances:				
Non-spendable	4,829	3,703	-	-
Restricted				
Capital Projects	-	-	-	31,766,200
Debt Service	-	-	6,052,613	-
Emergencies	224,000	-	-	-
Committed				
Capital Projects	-	-	-	-
Food Service	-	24,534	-	-
Unassigned	4,170,082	-	-	-
Total Fund Balances	4,398,911	28,237	6,052,613	31,766,200
TOTAL LIABILITIES AND FUND BALANCES	$ 5,092,661	$ 35,962	$ 6,054,261	$ 32,943,478

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

Capital Reserve Projects Fund	Total Governmental Funds
$ 309,598	$ 43,973,928
-	1,982
-	45,299
-	395,774
-	8,290
-	3,703
-	4,829
-	2,155
$ 309,598	$ 44,435,960
$ 7,288	$ 622,625
-	691,316
-	2,155
-	571,593
7,288	1,887,689
-	8,532
-	31,766,200
-	6,052,613
-	224,000
302,310	302,310
-	24,534
-	4,170,082
302,310	42,548,271
$ 309,598	$ 44,435,960

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
June 30, 2019

TOTAL GOVERNMENTAL FUND BALANCES		$ 42,548,271
Amounts reported for governmental activities on the statement of net position are different because of the following:		
Property taxes receivable that are due later than 60 days after year-end are not available soon enough to pay for the current period's expenditures, and therefore are not reported in the governmental funds.		83,416
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental Capital Assets	$ 40,542,880	
Less Accumulated Depreciation	(10,167,943)	30,374,937
Premiums on the issuance of long-term debt increase current financial resources to governmental funds; however, on the Statement of Net Position, the premium is deferred and allocated over the term of the issuance as accretion of deferred premium. Deferred Charges related to the refunding of long-term debt are amortized over the life of the issue, but are not reported in the funds.		
Current Portion Bond Premiums	$ (215,937)	
Noncurrent Portion Bond Premiums, Net	(8,216,965)	
Deferred Charge on Refunding, Net	2,219,732	(6,213,170)
Some liabilities are not due and payable in the current year and, therefore, are not reported in the governmental funds:		
Accrued Interest Payable	$ (182,505)	
Current Portion of Long-term Liabilities	(1,434,292)	(1,616,797)
Long-term liabilities are not due and payable in the current year, and, therefore, are not reported in the governmental funds.		
Bonds Payable, Net	$ (42,370,000)	
Accrued Compensated Absences	(262,438)	
Net Pension Liability	(12,519,323)	
Net OPEB Liability	(625,264)	
Deferred Outflows of Resources Pension	3,912,936	
Deferred Inflows of Resources Pension	(8,970,923)	
Deferred Outflows of Resources - OPEB	65,346	
Deferred Inflows of Resources - OPEB	(1,467)	(60,771,133)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 4,405,524

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2019

	General Fund	Food Service Fund	Bond Redemption Fund
REVENUES:			
Local Sources	$ 4,417,995	$ 99,131	$ 4,645,607
Intermediate Sources	244,378	-	-
State Sources	3,038,062	6,489	-
Federal Sources	168,505	115,301	-
Total Revenues	7,868,940	220,921	4,645,607
EXPENDITURES:			
Instruction	5,249,330	-	-
Supporting Services:			
Students	158,656	-	-
Instructional Staff	208,856	-	-
General Administration	270,398	-	-
School Administration	563,319	-	-
Business Services	131,002	-	-
Operations and Maintenance	760,894	-	-
Transportation	249,656	-	-
Central Services	464,007	-	-
Food Services	250	281,126	-
Facilities Acquisition/Construction	-	-	-
Debt Service:			
Principal	15,135	-	1,295,000
Interest	-	-	1,199,939
Other	-	-	1,017
Total Expenditures	8,071,503	281,126	2,495,956
Excess (Deficiency) of Revenue Over (Under) Expenditures	(202,563)	(60,205)	2,149,651
OTHER FINANCING SOURCES (USES):			
Transfers In	-	63,726	-
Transfers (Out)	(63,726)	-	-
Total Other Financing Sources (Uses)	(63,726)	63,726	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(266,289)	3,521	2,149,651
FUND BALANCE – BEGINNING	4,665,200	24,716	3,902,962
FUND BALANCE – ENDING	$ 4,398,911	$ 28,237	$ 6,052,613

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

Building Fund	Capital Reserve Projects Fund	Total Governmental Funds
$ 34,460,077	$ 6,141	$ 43,628,951
-	-	244,378
369,627	-	3,414,178
-	-	283,806
34,829,704	6,141	47,571,313
-	-	5,249,330
-	-	158,656
-	-	208,856
-	-	270,398
-	-	563,319
-	-	131,002
-	-	760,894
-	-	249,656
-	-	464,007
-	-	281,376
2,652,320	36,120	2,688,440
-	-	1,310,135
-	-	1,199,939
411,184	-	412,201
3,063,504	36,120	13,948,209
31,766,200	(29,979)	33,623,104
-	-	63,726
-	-	(63,726)
-	-	-
31,766,200	(29,979)	33,623,104
-	332,289	8,925,167
$ 31,766,200	$ 302,310	$ 42,548,271

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2019

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS		$ 33,623,104
Amounts reported for governmental activities on the Statement of Activities are different because of the following:		
In Governmental Funds, revenues for property taxes are measured by the amount of current financial resources provided, including amounts due within 60 days after the end of the year; whereas, in the Statement of Activities, property taxes are measured as the revenue is earned. This is the amount by which current property taxes to be received after 60 days from the end of the year increased from the previous fiscal year:		12,510
Governmental Funds report capital outlays as expenditures; however, on the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In addition, the net book value of asset sales/dispositions is an adjustment to gain (loss) on the Statement of Activities.		
Current Period Capitalized Outlay	$ 2,682,953	
Current Period Depreciation	(663,556)	2,019,397
Premiums on the issuance of long-term debt increase current financial resources to governmental funds; however, on the Statement of Activities, the premium is allocated over the term of the long-term debt as accretion of bond premium. This is the amount of accretion of bond premiums recognized on the current year statement of activities.		10,299
Deferred Charges on refunding of long-term debt are recognized over the term of the long-term debt. This is the amount recognized on the current statement of activities.		(10,450)
Proceeds from the issuance of long-term debt provide current financial resources to governmental funds, but issuing long-term debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Increase in Compensated Absences	$ (3,117)	
Current Period Debt Repayment	1,310,735	
Issuance of Bonds/Premium	(34,098,804)	(32,791,786)
Interest expense is recognized as an expenditure in the governmental funds when it is due as it requires the use of current financial resources; however, in the Statement of Activities interest expense is recognized as the interest accrues regardless of when due.		
Change in Accrued Bond Interest	$ (112,383)	
Accretion Capital Appreciation Bond Interest	(192,637)	(305,020)
Some expenses reported in the Statement of Activities do not require current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in Net Pension Liability	$ 13,290,893	
Change in Net OPEB Liability	(35,739)	
Change in Deferred Outflows Pension	(3,891,598)	
Change in Deferred Inflows Pension	(8,209,846)	
Change in Deferred Outflows - OPEB	8,939	
Change in Deferred Inflows - OPEB	8,897	1,171,546
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 3,729,600

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
June 30, 2019

	Scholarship Fund	Pupil Activity Fund	Total Fiduciary (Agency) Funds
ASSETS:			
Cash and Cash Equivalents	$ 184,282	$ 186,373	$ 370,655
Total Assets	$ 184,282	$ 186,373	$ 370,655
LIABILITIES:			
Due to Student Groups/Agency	$ 184,282	$ 186,373	$ 370,655
Total Liabilities:	$ 184,282	$ 186,373	$ 370,655

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Rio Blanco (Meeker) School District RE-1 (the District) are prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). In addition, the District conforms to the Colorado Department of Education Financial Policies and Procedures Handbook in all material respect, as required by Colorado statutes. The more significant accounting policies established in GAAP and used by the District are discussed below.

A. Financial Reporting Entity

The Rio Blanco (Meeker) School District RE-1 is a public school district organized under the laws of the State of Colorado and is governed by an elected Board of Education. Board of Education members are elected by the citizens of Rio Blanco County, not appointed by any other governing body. The Board selects the superintendent of schools and senior level administrators. The Board is solely responsible for the District's budget adoption process. The District meets the criteria of a primary government; its Board is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent with the authority to: a) determine its budget without another government's authority to approve or modify; b) levy taxes or charges without another government's approval; and, c) issue bonded debt without approval by another government

The Governmental Accounting Standards Board (GASB) has specified the criteria to be used in defining a governmental entity for financial reporting purposes.

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations that are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on these criteria, the District's financial statements do not include any component units, nor do they exclude any potential component units requiring inclusion in the District's reporting entity. The District is not a component unit of any other governmental reporting entity. The District's financial statements include the accounts of all District operations.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

B. Joint Venture: Rio Blanco County Board of Cooperative Educational Services (BOCES)

The District is one of two districts participating in the Rio Blanco County Board of Cooperative Educational Services (BOCES). The BOCES is a regional education service unit created under the "Board of Cooperative Services Act of 1965" and is governed by a board consisting of representatives from each of the two districts.

The governing board of the BOCES has final authority over all funds of BOCES and fiscal responsibility including budgetary and reporting. As such, this joint venture does not meet the criteria for inclusion within the reporting entity. Additional information regarding the District's participation in the joint venture is provided in *Note 9.*

C. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and statement of activities, and fund financial statements which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS
The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from general revenues of the District.

FUND FINANCIAL STATEMENTS
During the fiscal year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance by segregating transactions related to certain governmental functions or activities. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column with enterprise and fiduciary funds, when applicable, reported by type. The District currently considers all Funds as major Funds to segregate its overall activity.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

D. Fund Accounting

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses. The District's funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations based upon the purposes for which they are to be spent and by the means by which spending activities are controlled. The various funds are grouped, in the financial statements, as follows:

GOVERNMENTAL FUNDS

Governmental Funds are those though which most governmental functions of the District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between the governmental fund assets and liabilities is reported on the balance sheet as fund balance.

General Fund – The *General Fund* is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to general statutory laws.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources other than special assessments and expendable trusts that are legally restricted to expend funds for specified purposes. The individual special revenue fund revenues/resources are as follows: the *Food Service Fund* amounts are grants and other revenues for general food services.

Debt Service Funds – The District's *Bond Redemption Fund* is used to account for the accumulation of resources for, and the payment of, general long-term bond obligation principal, interest and related costs.

Building Fund – The Building Fund is used to account for monies used for facilities acquisition and construction.

Capital Improvements Fund – The District's *Capital Reserve Projects Fund* is used to account for the District's general capital needs.

PROPRIETARY FUNDS

Enterprise Funds – Enterprise Funds are used to account for operations financed and operated in a manner similar to private business enterprises – where the intent is that a) the costs of goods or services provided to the general public on a continuing basis be financed or recovered primarily through user charges; or b) the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The District currently has no Proprietary (Enterprise) Funds.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

D. Fund Accounting (continued)

FIDUCIARY FUNDS
Fiduciary fund reporting focuses on net position of agency activities. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are not available to support the District's own programs. The District currently has two Agency Funds.

Agency Funds – Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's Agency Funds are the *Scholarship Fund* and the *Pupil Activity Fund*.

E. Measurement Focus and Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS
The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the statement of net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

FUND FINANCIAL STATEMENTS
All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and governmental fund statements.

Like the government-wide financial statements, enterprise funds, when applicable, are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operations are included a the statement of net position. For enterprise funds a statement of changes in revenues, expenses, and changes in net position, presents increases (e.g., revenues) and decreases (e.g., expenses) therein, while a statement of cash flows reflects how the fund finances and meets the cash flow needs. The District currently has no enterprise funds.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

E. Measurement Focus and Basis of Accounting – *(continued)*

BASIS OF ACCOUNTING

While the measurement focus identifies *which* transactions and events should be recorded on the financial statements, the basis of accounting determines *when* transactions and economic events are reflected in financial statements.

Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place Under the modified accrual basis of accounting, revenues are recorded when they are both measurable and available (often referred to as *susceptible to accrual*). Revenues are measurable when they are subject to reasonable estimation, while the available criterion is satisfied when revenues are collectible during the period and the actual collection will occur either (a) during the current period or (b) after the end of the period but in time to pay fund liabilities. The District considers revenues to be available if they are expected to be collected within 60 days of the end of the year.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements and donations. Grants, entitlements, and interest are recorded when they are susceptible to accrual. Expenditure-based grants are recorded as revenue when the conditions of the grants are satisfied. Property tax revenues are recognized when they are levied. Expenditures, if measurable, are recorded when they have used or are expected to use current expendable financial resources, except un-matured interest on general long-term debt is recorded when due.

Government-wide financial statements are prepared using the accrual basis of accounting.

Governmental funds and agency funds use the modified accrual basis of accounting and the flow of expendable financial resources (measurement focus).

Propriety fund types, when applicable, use the accrual basis of accounting and the flow of all economic resources (measurement focus). This basis of accounting and measurement focus emphasizes the measurement of net income similar to the approach used by commercial enterprises, and revenues are recorded when earned and expenses are recorded when incurred. The District currently has no proprietary (enterprise) funds.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

F. Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by Colorado School District Budget Law for all funds of the District. The District legally adopted annual budgets for all of the District's funds.

- Prior to June 30, the budgets are adopted and appropriations made by formal resolution for the ensuing fiscal year commencing July 1. A public hearing on the proposed budget is held by the Board prior to adoption of the budget.

- Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds.

- Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the total budget of any fund. Budget amounts included in the financial statements are based on the final, legally amended budget.

- Appropriations lapse at the end of each year, and the District's Board may adopt supplemental appropriations during the year. Original and final budgets are reflected in the budgetary comparison schedules included as required and other supplemental information.

- Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation is utilized by the District for management purposes and internal budgetary control during the year, but is not used for financial reporting purposes. Encumbrances outstanding at year end are closed out and the fund balance is not reserved for any encumbrances outstanding. All appropriations lapse at year-end whether or not encumbered.

G. Assets, Liabilities and Fund Equity

1) Cash and Investments

The District's policy in determining which items are treated as cash equivalents include cash, demand deposits, treasury bills and other short-term, highly liquid investments that are readily convertible to cash and have original maturities of three months or less. Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost which approximates fair value. Securities traded on a national or international exchange are valued at the last quoted market price. Cash deposits are reported at carrying amounts which reasonably estimates fair value. District policy limits investments to Certificates of Deposit in local banks and daily cash accumulation fund with ColoTrust. *(See also Note 2.)*

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

G. Assets, Liabilities and Fund Equity – *(continued)*

2) Receivables

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

3) Internal Balances

Internal balances arise from outstanding amounts due to/from the District's various funds during the course of normal operations. Internal balances within governmental activities are eliminated on the government-wide Statement of Net Position. As of year-end, the following were outstanding internal balances:

	Due From	Due To
General Fund	$ -	$ 507
Food Service Fund	507	-
Bond Redemption Fund	1,648	-
Building Fund	-	1,648

4) Inventory

Inventory of the District's Food Service Fund is valued as follows: Purchased food and non-food items are valued at cost, and USDA donated commodity items are valued at USDA unit pricing, substantially on a first in-first out basis. Freight and delivery charges are not included in inventory valuations.

5) Property Taxes Receivable/Property Tax Revenues

Property taxes are levied and collected on behalf of the District by Rio Blanco County and are reported as revenue when received by the county treasurer. Taxes receivable represent the 2018 assessed taxes yet to be collected in 2019. Amounts collectible subsequent to August 2019 have been accrued on the government-wide Statement of Net Position. The District considers all amounts to be materially collectible; therefore, an allowance for estimated uncollectible taxes is not considered necessary. Property taxes levied for 2018 and collected (including amounts receivable within 60 days of year-end) are recognized as revenue as follows:

Assessed Valuation	Mill Levy	Amount of Taxes Levied	Amount of Taxes Recognized	Percent Collected Levied
General Fund:				
$585,955,630	6.468	$3,789,961	$3,752,213	99%
Debt Service Fund:				
$585,955,630	7.825	$4,585,103	$4,539,435	99%

Property taxes are assessed on a calendar year basis and attach as an enforceable lien on property as of January 1. They may be paid in either one installment (no later than April 30th) or two equal installments (no later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and accrued interest thereon become delinquent on June 16th.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

G. Assets, Liabilities and Fund Equity (continued)

6) Capital Assets

Capital assets purchased or acquired with an original cost in excess of the capitalization threshold of $5,000 (set by the Board) are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation of Equipment is on the straight-line basis with the mid-year convention, and Depreciation of Buildings and Improvements is on the straight-line method beginning in the year after they are placed in service, provided over the following estimated useful lives:

Buildings and Improvements	30-50 years
Vehicles and Other Equipment	10-15 years

7) Accrued Salaries and Benefits

The accrued salaries and benefits in the governmental funds represent the difference between wages earned and paid resulting from contracts being paid over a 12-month period, which are earned over a 9-month school year. Administrative and professional services employees that are given vacation time are 12-month employees. The amount of vacation and other compensation and benefit terms are spelled out in their individual contracts.

8) Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In the government-wide financial statements, a long-term liability is accrued for vacation and sick pay as earned. At the governmental fund level, a liability is accrued only if matured, for example, as a result of employee resignations or retirements.

9) Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported as liabilities in the government-wide Statement of Net Position. Bonds premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Proprietary (enterprise funds), when applicable, use this same method of reporting. Governmental funds report liabilities that, once incurred, are paid in a timely manner and in full from current financial resources as obligations of the funds and bonds are recognized as a liability when due. Bond premiums and discounts are recognized in the current period when incurred. The face amount of debt issued and premiums are reported as other financing sources and discounts as other financing uses. At both the government-wide and fund level, debt issuance costs, whether or not withheld from the actual debt proceeds received, are expensed as incurred.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

G. Assets, Liabilities and Fund Equity (continued)

10) Net Position and Fund Balances

In the government-wide financial statements, net position is classified in the following categories:

Invested in Capital Assets, Net of Related Debt – this category groups all capital assets into one component. Accumulated depreciation and the outstanding debt balances that are attributable to (already invested in) the acquisition, construction or improvement of these assets reduce this category.

Restricted – assets are reported as *restricted* when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by various enabling legislation.

Unrestricted – represents the amount which is not restricted for any purpose. It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

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

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

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

Committed – 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). These amounts cannot be changed except by taking the same type of action employed to previously commit these amounts.

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

Unassigned – the residual for the general fund. It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

At June 30, 2019, amounts were restricted for capital projects, debt service and for required statutory Tabor Emergency reserves. Committed amounts were for capital projects and food service expenditures.

H. Unearned Revenues

Unearned Revenues consist of revenue received before all eligibility requirements or allocable expenditures have been met or incurred.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

I. Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods, and deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as revenue in future periods.

J. Pensions

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

K. Post-Employment Benefits Other Than Pensions (OPEB)

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple employer defined benefit OPEB plan administered by the Public Employees' Retirement Association of Colorado (PERA). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the HCTF administered by PERA and additions to/deductions from the HCTF's fiduciary net position have been determined on the same basis as they are reported by the HCTF. For this purpose, the HCTF recognizes benefit payments when due and payable in accordance with benefit terms. Investments are reported at fair value.

L. On-Behalf Payments

GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2018, the State of Colorado is required to make a payment to PERA each year equal to $225 million. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. The amount of on-behalf payments made for the District by the State of Colorado have been recorded in the fund financial statements.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

M. Inter-fund Transactions

When applicable, transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as other financing sources/uses in governmental funds and non-operating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

N. Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

NOTE 2 - *DEPOSITS AND INVESTMENTS*

The Board of Education recognizes the importance of prudent and profitable investment of District monies and its responsibility in overseeing the District's financial program. The District does not have a formally adopted deposit or investment policy in place to specifically address credit risk, custodial credit risk, concentration of credit risk, interest rate risk or foreign currency risk; however, it is the policy of the District to invest public funds in a manner which will ensure the safety of funds, ensure that adequate funds are available at all times to meet the financial obligations of the District when due, ensure a market rate of return on the funds available for investment throughout the budget cycle, and ensure that all funds are deposited and invested in accordance with all federal, state and local statutes governing the investment of public funds. The District limits investments to Certificates of Deposit in local banks and daily cash accumulation fund with local government investment pools. This policy applies to the investment of all financial assets of the District over which it exercises financial control. As summary of the District's deposits and investments follows:

	Fair Value
Checking/Savings/Certificates of Deposit	$ 1,150,942
Colo Local Govt Liquid Asset Trust (COLOTRUST)	43,706,789
Cash with County Treasurer	1,982
Less Outstanding Items	(513,148)
Total Cash and Investments	$ 44,346,565

This above amount is reflected in the accompanying financial statements within Governmental Activities $43,975,910 and Fiduciary Activities $370,655.

NOTE 2 - *DEPOSITS AND INVESTMENTS (continued)*

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. The eligible depository is required to pledge to the Colorado Division of Banking a pool of collateral having a market value that at all times exceeds 102 percent of uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations of the United States, the State of Colorado, Local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. PDPA allows the institution to create a single collateral pool for all public funds. The pool is maintained by another institution or held in trust for all uninsured public deposits as a group. 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. There is no custodial credit risk for public deposits collateralized under PDPA.

The District's bank deposits were entirely covered by federal depository insurance (FDIC) or uninsured but collateralized under PDPA in accordance with state statute, and had bank balances of $1,150,942 of which $250,000 was covered by FDIC insurance and $900,942 by PDPA as described above.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. governmental agency securities, including securities issued by FNMA (federal national mortgage association), GNMA (governmental national mortgage association), FHLMC (federal home loan mortgage corporation), the federal farm credit bank, the federal land bank, the export-import bank, and by the Tennessee valley authority, and certain international agency securities, including the World Bank.
- General obligation and revenue bonds of U.S. local government entities, the District of Columbia, and territorial possessions of the U.S. rated in the highest two rating categories by two or more nationally recognized rating agencies.
- Bankers' acceptances of certain banks
- Certain securities lending agreements
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed Investment contracts
- Local government investment pools
- The investing local government's own securities including certificates of participation and lease obligations.

NOTE 2 - *DEPOSITS AND INVESTMENTS (continued)*

Local Government Investment Pool (COLOTRUST)

Included in cash and cash equivalents are amounts held in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to and are not registered with the SEC. COLOTRUST's funds are rated AAA by Standard & Poor's, Fitch's and Moody's rating services. The custodian's internal records segregate investments owned by the Trust. As of June 30, 2019, the District had $0 invested in COLOTRUST PRIME, and $43,706,789 invested in COLOTRUST PLUS+. Investments in local government investment pools are not categorized in terms of custodial credit risk since they are not evidenced by securities that exist in physical or book entry form. Maturities of the District's investments are as follows:

	Rating	Fair Value	Maturities
COLOTRUST	AAAm	$ 43,706,789	< 1 year

Risk Disclosures

Investment and deposit disclosures for credit risk, interest rate risk, and foreign currency risk, as required by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, are included in the notes below. Additional disclosures are included in *Note 1*.

To minimize custodial credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, state law limits investments to those where the issuer is rated in one of the three highest rating categories by one or more nationally recognized organizations that rate such issuers. The District has investments in Colotrust with ratings as provided above.

The concentration of credit risk, or the risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when deposits are not diversified. The District's policy places no limit on the amount the District may invest in any one issuer; however the District maintains general guidelines for investments to ensure proper diversification by security type and institution. All investments are issued or explicitly guaranteed by securities of the U.S. government, or insured by the Public Depository Protection Act, or are investments in mutual fund or external investment pools, and therefore are not subject to concentration of credit risk.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. 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 and to avoid undue concentration in any sector of the yield curve. Maturities are structured to accommodate readily identifiable cash flows as approved by the Board. The District was not subject to foreign currency risk.

NOTE 3 - *FAIR VALUES OF FINANCIAL INSTRUMENTS*

The District has a number of financial instruments, including cash and equivalents, receivables, and accounts payable, none of which are held for trading purposes. The District estimates that the fair values of its financial instruments at year end does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet.

NOTE 4 - *CAPITAL ASSETS*

Capital asset activity for the fiscal year ended June 30, 2019, was as follows:

GOVERNMENTAL ACTIVITIES	Balances June 30, 2018	Additions	Reclassify/ Dispositions	Balances June 30, 2019
Land	$ 725,237	$ -	$ -	$ 725,237
Construction-in-Progress	-	2,652,320	-	2,652,320
Depreciable Capital Assets:				
Buildings	35,850,194	17,183	-	35,867,377
Transportation Equipment	938,650	-	-	938,650
Food Service Equipment	87,946	-	-	87,946
Other Equipment	257,900	13,450	-	271,350
Total Capital Assets	37,859,927	2,682,953	-	40,542,880
Less Accumulated Depreciation:				
Buildings	(8,538,848)	(585,426)	-	(9,124,274)
Transportation Equipment	(700,033)	(45,868)	-	(745,901)
Food Service Equipment	(84,643)	(826)	-	(85,469)
Other Equipment	(180,863)	(31,436)	-	(212,299)
Total Accum Depreciation	(9,504,387)	(663,556)	-	(10,167,943)
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 28,355,540	$ 2,019,397	$ -	$ 30,374,937

Depreciation expense was charged to functions/programs as follows:

GOVERNMENTAL ACTIVITIES	
Instruction	$ 442,980
Supporting Services	220,576
Total for Governmental Activities	$ 663,556

BUSINESS-TYPE ACTIVITIES

The District has no Business-type Activities as of June 30, 2019.

NOTE 5 - *LONG-TERM OBLIGATIONS*

Long-term obligation activity for the fiscal year ended June 30, 2019, was as follows:

GOVERNMENTAL ACTIVITIES	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Ser 2008 Capital Appreciation Bonds -					
Principal Portion	$ 40,000	$ -	$ (40,000)	$ -	$ -
Accretion of Interest	992,363	192,637	(1,185,000)	-	-
Ser 2014 Gen Oblig Refunding Bonds	8,550,000	-	(30,000)	8,520,000	35,000
Ser 2015 Gen Oblig Refunding Bonds	7,315,000	-	(40,000)	7,275,000	1,265,000
Ser 2019 Gen Oblig Refunding Bonds	-	28,000,000	-	28,000,000	125,000
Bond Premiums –					
Ser 2014 Premium	1,283,509	-	(4,498)	1,279,011	5,248
Ser 2015 Premium	1,060,888	-	(5,801)	1,055,087	183,462
Ser 2019 Premium	-	6,098,804	-	6,098,804	27,227
2015 Copier Capital Lease	24,427	-	(15,135)	9,292	9,292
Compensated Absences	259,321	3,117	-	262,438	-
GOVERNMENTAL TOTAL LONG-TERM DEBT, NET	$ 19,525,508	$ 34,294,558	$ (1,320,434)	$ 52,499,632	$ 1,650,229

The District's bonds are paid from the Bond Redemption Fund. Compensated absences are liquidated by the General Fund.

General Obligation Bonds - Series 2008
General Obligation Bonds in the face amount of $23,910,000 were issued December 12, 2008 for the purpose of financing capital construction. Interest rates range from 3.0% to 5.63% payable semi-annually on June 1 and December 1, with principal due and payable on December 1, and a final maturity date of December 1, 2028. On June 24, 2014 the District advance refunded $8,315,000 of these bonds through the issuance of the 2014 (General Obligation Refunding Bonds described below).

Capital Appreciation General Obligation Bonds – Series 2008
Capital Appreciation Bonds in the face amount of $90,000 were issued December 12, 2008 in conjunction with the Series 2008 General Obligation Bonds. These bonds have a redemption amount of $2,450,000. The District recognizes the current accretion on the bonds annually as an expenditure in governmental activities. The bonds fully matured at appreciated value in December 2018.

General Obligation Refunding Bonds – Series 2014
The District partial refunded its existing Series 2008 General Obligation Bonds on June 24, 2014 through the issuance of $8,650,000 of Series 2014 General Obligation Refunding Bonds. The bonds advance refunded $1,100,000 of the bonds maturing on December 1, 2024 and the remaining $7,215,000 of bonds maturing after that date. The refunded bonds are expected to be called on December 1, 2018. Interest rates range from 2.0% to 4.5% payable semi-annually on June 1 and December 1, with principal due and payable on December 1. The District received $1,297,003 of bond premiums which are being amortized over the life of the bonds. There was a net present value savings of $701,495 on the refunding. The difference between book value of the refunded bonds and new bonds resulted in a net charge of $1,302,583 which is being amortized over the life of the bonds.

NOTE 5 - *LONG-TERM OBLIGATIONS- continued*

General Obligation Refunding Bonds – Series 2015

The District partial refunded its existing Series 2008 General Obligation Bonds on February 18, 2015 through the issuance of $7,490,000 of Series 2015 General Obligation Refunding Bonds. The bonds advance refunded $7,265,000 of the bonds maturing between December 1, 2019 and 2024. The refunded bonds are expected to be called on December 1, 2018. Interest rates range from 2.0% to 4.0% payable semi-annually on June 1 and December 1, with principal due and payable on December 1. The District received $1,086,268 of bond premiums which are being amortized over the life of the bonds. There was a net present value savings of $433,660 on the refunding. The difference between book value of the refunded bonds and new bonds resulted in a net charge of $969,836 which is being amortized over the life of the bonds.

General Obligation Bonds – Series 2019

The District issued $28,000,000 of voter authorized $38,700,000 of general obligation bonds on January 25, 2019. At the date of issuance, the bonds had an original yield below their respective interest rates generating bond premium of $6,098,804. The premium will be allocated over the term of the long-term debt as accretion of bond premium. The proceeds from the sale of the bonds will be used to finance construction, installation and equipping of capital projects as approved by the Districts voters, and to pay cost of issuance of the bonds. The bonds interest rates range from 4% to 5.5% and are payable semi-annually commencing on June 1, 2019 and maturing December 1 2038. Bonds maturing on or after December 1, 2029 are subject to early redemption prior to maturity at the option of the District.

In conjunction with the issuance of the 2008, 2014, 2015 and 2019 bonds, the District is required to provide an annual report each year, as well as report certain material events if they occur, to the national reporting website for bond issuances, EMMA, which is located at emma.msrb.org. For the fiscal year ended June 30, 2019, the District believes it is in compliance with these requirements.

The annual requirements to amortize the Bonded debt service are as follows:

December 1	Principal	Interest	Total
2020	$ 1,425,000	$ 2,161,900	$ 3,586,900
2021	1,450,000	2,104,925	3,554,925
2022	1,500,000	2,046,275	3,546,275
2023	1,555,000	1,985,525	3,540,525
2024	1,620,000	1,922,375	3,542,375
2025-2029	9,290,000	8,484,663	17,774,663
2030-2034	11,690,000	5,874,000	17,564,000
2035-2039	15,265,000	2,188,863	17,453,863
TOTAL	$ 43,795,000	$ 26,768,526	$ 70,563,526
Less Cap Apprec	-		
NET BONDS	$ 43,795,000		

Capital Lease

The District entered into a capital lease arrangement October 2014 for the purchase of copiers at a face amount of $72,234 requiring monthly payments through January 2020 of $1,356 including an estimated 6.5% interest. The District has capitalized assets of $72,234 related to this lease. The future minimum lease payments are scheduled as follows:

December 31, 2020	$ 9,495
Estimated Interest At 6.5%	(203)
Present Value	$ 9,292

NOTE 5 - *LONG-TERM OBLIGATIONS- continued*

Compensated Absences
Accumulated unpaid sick pay is service from other revenues in the General Fund. This liability is only recorded on the government-wide financial statements since it is not expected to be financed from current resources. All employees separating from service from the District shall be compensated for accumulated days up to 80 days at a rate equivalent to substitute pay for that employee's position. An employee can accumulate at a rate of eleven (11), twelve (12) or fourteen (14) days per year based on their termed employment contract.

BUSINESS-TYPE ACTIVITIES – LONG TERM OBLIGATIONS
The District has no Business-type Activities as of June 30, 2019.

NOTE 6 - *OPERATING LEASE COMMITMENTS*

When applicable, operating leases contain an annual cancellation provision and are subject to annual appropriation, therefore future minimum lease payments do not apply and rental expense is immaterial in relation to the financial statements taken as a whole.

NOTE 7 - *CONTINGENCIES*

The District participates in a number of federal and state 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. The District is not aware of any unaccrued amounts to be refunded to the Colorado Department of Education. The District believes potential disallowed expenditures, if any, will not have a material effect on any of the individual funds or the overall financial position of the District.

NOTE 8 - *INVENTORIES*

Food Service inventory as of June 30, 2019 of $3,703 consisted of purchased non-food supplies and purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Department of Agriculture, are recorded at their estimated fair market value when received.

NOTE 9 - *JOINTLY GOVERNED ORGANIZATION*

The District is a member of the Rio Blanco Board of Cooperative Educational Services (BOCES), a jointly governed organization of two regional school districts, with each member district appropriating a member of the Board of Education and the superintendent of each participating District to the BOCES board of directors. The BOCES was formed for the purpose of administrative functions among member districts for special education and federal grants. The BOCES does not meet the criteria for inclusion within the reporting entity of the District. Financial statements for the BOCES can be obtained directly from BOCES by contacting (970) 675-2064.

NOTE 10 - *DEFINED BENEFIT 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 SDHDTF are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates for the SCHDTF by 0.25 percent on July 1, 2019.
- Increases employee contribution rates for the SCHDTF by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- As specified in C.R.S. Section 24-51-413, the State is required to contribution $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 non-employer 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.

General Information about the Pension Plan

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

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

NOTE 10 - *DEFINED BENEFIT 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% match on eligible amounts as of the retirement date. This amount is then annualized into a monthly benefit based on life expectancy and other actuarial factors.

It is possible for employees participating in the SCHDTF to have earned service credit under the Denver Public Schools (DPS) Benefit Structure while working for a previous employer; therefore, the DPS Benefit Structure is shown below, where the lifetime retirement benefit for all eligible retiring employees under the DPS Benefit Structure is the greater of the:

- *Highest average salary multiplied by 2.5 percent and the 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% of the highest average salary and cannot exceed the maximum benefit allowed by the 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 benefits earned. If eligible, the member may receive a match of either 50% or 100% 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 (COLAs) 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% 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 lessor of an annual increase of 1.5% or the average CPI-W for the prior calendar year, not to exceed 10% 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 in C.R.S. Section 24-51-413.

Disability benefits are available for eligible employees once they reach 5 years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula(s) show 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.

NOTE 10 - *DEFINED BENEFIT PENSION PLAN* - continued

Contributions Provisions as of June 30, 2019. Eligible employees and the District 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. Section 24-51-401, *et seq, and Section 24-51-413.* Eligible employees are required to contribute 8% 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:

	January 1, 2018 through December 31, 2018	January 1, 2019 through June 30, 2019
Employer Contribution Rate	10.15%	10.15%
Amount of Employer Contribution apportioned to the Heath Care Trust Fund as specified in C.R.S. Sec 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. Sec 24-51-411	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. Sec 24-51-411	5.50%	5.50%
Total Employer Contribution Rate to the SCHDTF	19.13%	19.13%

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

As specified in C.R.S. Section 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 non-employer 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 $774,472 for the year ended June 30, 2019.

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

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS*

At June 30, 2019, the District reported a liability of $12,519,323 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a non-employer 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 non-employer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

The District's proportionate share of the net pension liability	$	12,519,323
The State's proportionate share of the net pension liability as a non-employer contributing entity associated with the District	$	101,672
TOTAL	$	12,620,995

At December 31, 2018, the District's proportion was .0707024600% which was an decrease of .0091152686% from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the District recognized pension expense of $(434,496) and revenue of $101,672 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 pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected & actual experience	$ 424,669	$ -
Changes of assumptions or other inputs	2,336,786	7,785,672
Net difference between projected and actual earnings on pension plan investments	682,382	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	72,131	1,185,251
Contributions subsequent to the measurement date	396,968	-
TOTAL	$ 3,912,936	$ 8,970,923

The amount of $396,968 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of 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 for changes in proportion and differences between contributions recognized and proportionate share of contributions will be recognized in pension expenses as follows:

Year Ended June 30,	Outflows	Inflows
2020	$ 30,006	$ 306,206
2021	27,068	502,165
2022	15,057	376,880
2023	-	-
2024	-	-
Thereafter	-	-

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS - continued*

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

Actuarial Cost Method	Entry Age
Price Inflation	2.40 percent
Real Wage Growth	1.10 percent
Wage Inflation	3.50 percent
Salary Increases, including wage inflation	3.50 – 9.70 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount Rate	4.78 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00 percent compounded annually
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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

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

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

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

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

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

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

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS - continued*

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 by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

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

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

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

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS - continued*

Discount Rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

-Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.

-Employee contributions were assumed to be made at the current member contribution rates in effect for each year, including 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 there 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.

-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 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.

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS - continued*

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:

Sensitivity of the Net Pension Liability	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	$15,916,177	$12,519,323	$9,668,789

Pension Plan Fiduciary Net Position. Detailed information about the SCHDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at *www.copera.org/investments/pera-financial-reports*.

NOTE 12 - *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 at www.copera.org/investments/pera-financial-reports.

Funding Policy. The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The District currently has no matching contributions for covered salary as determined by the Internal Revenue Service. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2019 program members contributed $54,087 for the Voluntary Investment Program

NOTE 13 - *DEFINED BENEFIT OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN*

General Information about the OPEB Plan

Plan Description. Eligible employees of the District are provided with OPEB through the Health Care Trust Fund (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 administration of the premium subsidies. PERA issues a publicly available comprehensive annual financial report that can be obtained at: www.copera.org/investments/pera-financial-reports.

NOTE 13 - *DEFINED BENEFIT OTHER POST-EMPLOYMENT BENEFIT (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 on 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 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. Section 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 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. Sec 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.

It is possible for employees to have earned service credit under the Denver Public Schools (DPS) Benefit Structure while working for a previous employer. Under the DPS Benefit Structure, 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.

NOTE 13 - *DEFINED BENEFIT OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN* - continued

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 $41,294 for the year ended June 30, 2019.

NOTE 14 - *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 $625,264 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 .0459569755%, which was an increase of .0005948768% from its proportion measured at December 31, 2017.

For the year ended June 30, 2019, the District recognized OPEB expense of $59,195. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 2,269	$ 952
Changes of assumptions or other inputs	4,386	-
Net difference between projected and actual earnings on OPEB plan investments	3,596	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	33,929	515
Contributions subsequent to the measurement date	21,166	-
TOTAL	$ 65,346	$ 1,467

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB* - continued

The amount of $21,166 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,	Outflows	Inflows
2020	$ 7,995	$ 120
2021	7,995	120
2022	7,995	120
2023	7,995	120
2024	1,949	35
Thereafter	-	-

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

Actuarial Cost Method	Entry Age
Price Inflation	2.40 percent
Real Wage Growth	1.10 percent
Wage Inflation	3.50 percent
Salary Increases, including wage inflation	3.50 percent in aggregate
Long-term investment Rate of Return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount Rate	7.25 percent
Health care cost trend rates / PERA Benefit Structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A Premiums	3.00 percent for 2018, Gradually rising to 5.00 percent in 2025

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 capital 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 65 or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2018 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Self-funded Medicare Supplemental Plans	$736	$367
Kaiser Permanente Medicare Advantage HMO	$602	$236
Rocky Mountain Health Plans Medicare HMO	$611	$251
UnitedHealthcare Medicare HMO	$686	$213

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

NOTE 14 - *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 65 or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Self-funded Medicare Supplemental Plans	$289
Kaiser Permanente Medicare Advantage HMO	$300
Rocky Mountain Health Plans Medicare HMO	$270
UnitedHealthcare 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 capital 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 on conjunction with actual plan experience (if credible), building block models and heuristics developed by plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2017, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

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

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

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.

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB* - continued

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 cost assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2018 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and 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 weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB* - continued

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

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

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

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 higher than the current rates:

Sensitivity of the Net OPEB Liability to Changes in Health Care Cost Trend Rates	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
PERACare Medicare trend rate	4.00 %	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	$607,998	$625,264	$645,123

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB* - continued

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. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- -Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- -Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.
- -Benefit payments and contributions were assumed to be made at the end of the month.

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

Sensitivity of the 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 one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

Sensitivity of the Net OPEB Liability To Changes in the Discount Rate	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$699,616	$625,264	$561,700

OPEB Plan Fiduciary Net Position. Detailed information about the HCTF's fiduciary net position is available in PERA's comprehensive annual financial report at www.copera.org/investments/pera-financial-reports .

NOTE 15 - *RISK MANAGEMENT*

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors and omissions; injuries to employees; or acts of God. The District is a member of the Colorado School Districts Self-Insurance Pool, a public entity risk pool currently operating as a common risk management and insurance program with member school districts, boards of cooperative educational services and charter schools.

The District pays an annual premium to the Pool for its property, casualty and liability insurance coverage. The Pool has reinsurance coverage for its property, automobile and general liability policies, errors and omissions and employment practices liability policies, referred to as school entity liability. The District carries commercial insurance for other risks of loss, including workers compensation and employee health insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

In the ordinary course of operations, the District can be involved in various litigation. In the opinion of management, any liability from claims or proceedings in excess of the amount covered by insurance would not have a material adverse effect on the District's net position, changes in position or cash flows.

NOTE 16 - *STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY*

A. TABOR Amendment – Tax, Spending and Debt Limitations

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all Colorado local governments. The initial base for local government spending and revenue limits was June 30, 1993 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. TABOR requires that revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue. TABOR also requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. Except for bond refinancing at a lower interest rate or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments.

In November 1997 the District's electorate passed a ballot issue allowing the District to collect, retain and expend revenues not withstanding TABOR'S revenue limitations.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service and expenditures of Federal Awards). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases. The total emergency reserve was $224,000 as of June 30, 2019.

NOTE 16 - *STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - continued*

A. TABOR Amendment – Tax, Spending and Debt Limitations - continued

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits (and qualification of a fund as an Enterprise Fund) will require judicial interpretation.

B. The District believes it is in compliance with all budgetary requirements of Colorado Revised Statutes.

NOTE 17 - *NEW AND FUTURE ACCOUNTING PRONOUNCEMENTS*

Future accounting pronouncements that are being reviewed by management include GASB Statement No. 84, *Fiduciary Activities,* which will take effect for financial statements for the District's year ended June 30, 2020 and GASB Statement No. 87, *Leases,* that will be required to be included in the District's financial statements for the year ended June 30, 2021.

NOTE 18 - *SUBSEQUENT EVENTS*

Management of the District has evaluated events subsequent to June 30, 2019 through the issuance date of this report. There has been no material event noted during this period that would either impact the results reflected in this report or the District's results going forward.

REQUIRED SUPPLEMENTAL INFORMATION

BUDGETARY COMPARISON SCHEDULES FOR THE

GENERAL FUND AND SPECIAL REVENUES FUNDS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2019

	GENERAL FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Property Taxes	$ 3,663,585	$ 3,786,405	$ 3,781,385	$ (5,020)
Specific Ownership Taxes	170,678	186,003	272,920	86,917
Grants and Contributions	55,000	105,573	116,669	11,096
Other Local Revenues	116,800	206,880	247,021	40,141
Intergovernmental:				
Intermediate Sources	152,000	156,761	244,378	87,617
State Sources	2,831,131	2,899,218	3,038,062	138,844
Federal Sources	165,558	165,972	168,505	2,533
Total Revenues	7,154,752	7,506,812	7,868,940	362,128
EXPENDITURES:				
Instruction	5,202,126	5,211,991	5,249,330	(37,339)
Supporting Services:				
Students	160,994	159,924	158,656	1,268
Instructional Staff	223,491	237,697	208,856	28,841
General Administration	291,240	293,166	270,398	22,768
School Administration	573,362	575,847	563,319	12,528
Business Services	130,050	130,050	131,002	(952)
Operations and Maintenance	747,548	749,778	760,894	(11,116)
Transportation	239,444	242,940	249,656	(6,716)
Central Support	126,900	423,059	464,007	(40,948)
Food Service	-	-	250	(250)
Debt Service	-	-	15,135	(15,135)
Appropriated Reserve	4,142,385	4,082,558	-	4,082,558
Total Expenditures	11,837,540	12,107,010	8,071,503	4,035,507
Excess of Revenues Over (Under) Expenditures	(4,682,788)	(4,600,198)	(202,563)	4,397,635
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	(65,000)	(65,000)	(63,726)	1,274
Total Other Financing Sources (Uses)	(65,000)	(65,000)	(63,726)	1,274
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(4,747,788)	(4,665,198)	(266,289)	4,398,909
FUND BALANCE-BEGINNING	4,747,789	4,665,200	4,665,200	-
FUND BALANCE-ENDING	$ 1	$ 2	$ 4,398,911	$ 4,398,909

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL REVENUE FUND – FOOD SERVICE FUND
For the Fiscal Year Ended June 30, 2018

	FOOD SERVICE FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local Sources	$ 106,000	$ 108,921	$ 99,131	$ (9,790)
Intergovernmental:				
State Sources	2,550	2,550	6,489	3,939
Federal Sources	84,400	84,400	115,301	30,901
Total Revenues	192,950	195,871	220,921	25,050
EXPENDITURES:				
Food Services:				
Salaries	111,080	117,880	115,522	2,358
Employee Benefits	33,946	34,307	36,704	(2,397)
Purchased Services	5,900	5,900	2,474	3,426
Supplies and Materials:				
Purchased Food/Supplies	116,500	116,500	124,592	(8,092)
Donated Commodities	11,000	11,000	1,834	9,166
Capital Outlay/Other	-	-	-	-
Total Expenditures	278,426	285,587	281,126	4,461
Excess of Revenues Over (Under) Expenditures	(85,476)	(89,716)	(60,205)	29,511
OTHER FINANCING SOURCES (Uses):				
Operating Transfers In	65,000	65,000	63,726	(1,274)
Total Other Financing Sources (Uses)	65,000	65,000	63,726	(1,274)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(20,476)	(24,716)	3,521	28,237
FUND BALANCE-BEGINNING	20,476	24,716	24,716	-
FUND BALANCE-ENDING	$ -	$ -	$ 28,237	$ 28,237

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

AND

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

JUNE 30, 2019

	Reporting Fiscal Year / (Measurement Date)				
Colorado PERA:	2019 / (2018)	2018 / (2017)	2017 / (2016)	2016 / (2015)	2015 / (2014)
District's proportion (percentage) of the collective net pension liability	.0707024600%	0.0798177286%	0.0742685524%	0.0734942375%	0.0799359022%
District's proportionate share of the collective pension liability	$ 12,519,323	$ 25,810,216	$ 22,112,620	$ 11,240,425	$ 10,834,000
District's covered payroll	$ 3,886,893	$ 3,633,930	$ 3,563,340	$ 3,256,644	$ 3,348,736
District's proportionate share of the net pension liability as a percentage of its covered payroll	322 %	710%	621%	345%	324%
Plan fiduciary net position as a percentage of the total pension liability	57.01%	43.96%	43.13%	59.16%	62.84%

NOTE: This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS
JUNE 30, 2019

	Reporting Fiscal Year				
Colorado PERA:	2019	2018	2017	2016	2015
Statutorily required contribution	$ 774,472	$ 743,706	$ 646,380	$ 577,653	$ 550,198
District contributions in relation to the statutorily required contribution	(774,472)	(743,706)	(646,380)	(577,653)	(550,198)
District contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 4,051,429	$ 3,705,680	$ 3,578,224	$ 3,256,644	$ 3,348,736
District's contributions as a percentage of covered payroll	19.11%	20.07%	18.06%	17.74%	16.43%

NOTE: This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

AND

SCHEDULE OF THE DISTRICT'S PERA COLORADO HEALTH CARE TRUST FUND CONTRIBUTIONS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

JUNE 30, 2019

	Reporting Fiscal Year / (Measurement Date)		
Colorado PERA HCTF:	2019 / (2018)	2018 / (2017)	2017 / (2016)
District's proportion of the Net OPEB Liability	.0459569755%	0.0453620987%	0.0422151746%
District's proportionate share of the Net OPEB Liability	$ 625,364	$ 589,525	$ 547,334
District's covered payroll	$ 3,886,893	$ 3,633,930	$ 3,563,340
District's proportionate share of the Net OPEB Liability as a percentage of its covered payroll	16.09 %	16.22%	15.36%
Plan fiduciary net position as a percentage of the total OPEB liability	17.03%	17.53%	16.72%

NOTE: This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

SCHEDULE OF THE DISTRICT'S PERA COLORADO HEALTH CARE TRUST FUND CONTRIBUTIONS

JUNE 30, 2019

	Reporting Fiscal Year		
Colorado PERA:	2019	2018	2017
Contractually Required Contribution	$ 41,294	$ 38,108	$ 35,778
District Contributions in relation to the contractually required contribution	(41,294)	(38,108)	(35,778)
District contribution deficiency (excess)	$ -	$ -	$ -
District's covered payroll	$ 4,051,429	$ 3,705,680	$ 3,578,224
District's contributions as a percentage of covered payroll	1.02%	1.02%	1.02%

NOTE: This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

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

OTHER SUPPLEMENTAL INFORMATION

DEBT SERVICE FUND
(BOND REDEMPTION FUND)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
BOND REDEMPTION FUND
For the Fiscal Year Ended June 30, 2019

	BOND REDEMPTION FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local Sources:				
Property Taxes	$ 2,100,000	$ 2,100,000	$ 4,560,041	$ 2,460,041
Interest Earnings	40,000	55,000	85,566	30,566
Total Revenues	2,140,000	2,155,000	4,645,607	2,490,607
EXPENDITURES:				
Debt Service:				
Principal	-	-	1,295,000	(1,295,000)
Interest	1,843,525	1,843,525	1,199,939	643,586
Other Costs	1,100	1,100	1,017	83
Bond Refunding	120,000	120,000	-	120,000
Appropriated Reserves	3,535,375	4,077,453	-	4,077,453
Total Expenditures	5,500,000	6,042,078	2,495,956	3,546,122
Excess of Revenues Over (Under) Expenditures	(3,360,000)	(3,887,078)	2,149,651	6,036,729
OTHER FINANCING SOURCES (USES):				
Operating Transfers In (Out)	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(3,360,000)	(3,887,078)	2,149,651	6,036,729
FUND BALANCE – BEGINNING	3,360,000	3,887,078	3,902,962	15,884
FUND BALANCE – ENDING	$ -	$ -	$ 6,052,613	$ 6,052,613

OTHER SUPPLEMENTAL INFORMATION

BUILDING FUND

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
BUILDING FUND
For the Fiscal Year Ended June 30, 2019

	BUILDING FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Bond Proceeds	$ -	$ 37,814,028	$ 28,000,000	$ (9,814,028)
Bond Premium	-	5,685,972	6,098,804	412,832
State Best Grant Revenues	-	-	369,627	369,627
Interest and Investment Earnings	-	-	361,273	361,273
Total Revenues	-	43,500,000	34,829,704	(8,670,296)
EXPENDITURES:				
Bond Issue Costs	-	-	411,184	(411,184)
Facilities – Capital Outlay	-	43,500,000	2,652,320	40,847,680
Total Expenditures	-	43,500,000	3,063,504	40,436,496
Excess of Revenues Over (Under) Expenditures	-	-	31,766,200	31,766,200
OTHER FINANCING SOURCES (USES):				
Operating Transfers In(Out)	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	31,766,200	31,766,200
FUND BALANCE – BEGINNING	-	-	-	-
FUND BALANCE – ENDING	$ -	$ -	$ 31,766,200	$ 31,766,200

OTHER SUPPLEMENTAL INFORMATION

CAPITAL RELATED FUNDS
(CAPITAL RESERVE PROJECTS FUND)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
BUILDING FUND
For the Fiscal Year Ended June 30, 2019

	CAPITAL RESERVE PROJECTS FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local Sources:				
Interest Earnings	$ 2,010	$ 5,010	$ 6,141	$ 1,131
Total Revenues	2,010	5,010	6,141	1,131
EXPENDITURES:				
Facilities Acquisition and Construction:				
Supplies	-	-	5,487	(5,487)
Capital Outlay	331,000	331,000	30,633	300,367
Other Expenditures	-	-	-	-
Appropriated Reserve	2,260	6,299	-	6,299
Total Expenditures	333,260	337,299	36,120	301,179
Excess of Revenues Over (Under) Expenditures	(331,250)	(332,289)	(29,979)	302,310
OTHER FINANCING SOURCES (USES):				
Transfers In (Out)	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(331,250)	(332,289)	(29,979)	302,310
FUND BALANCE – BEGINNING	331,250	332,289	332,289	-
FUND BALANCE – ENDING	$ -	$ -	$ 302,310	$ 302,310

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY (AGENCY) FUNDS

(SCHOLARSHIP FUND AND PUPIL ACTIVITY FUND)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF CHANGES IN FIDUCIARY LIABILITY
FIDUCIARY (AGENCY) FUND – SCHOLARSHIP FUND
For the Fiscal Year Ended June 30, 2019

	SCHOLARSHIP FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
ADDITIONS:				
Local Revenues	$ 30,000	$ 30,000	$ 18,707	$ (11,293)
Total Additions	30,000	30,000	18,707	(11,293)
REDUCTIONS:				
Grants and Scholarships	110,000	110,000	20,550	89,450
Appropriated Reserves	103,626	106,125	-	106,125
Total Reductions	213,626	216,125	20,550	195,575
Net Activity	(183,626)	(186,125)	(1,843)	184,282
FIDUCIARY LIABILITY – BEGINNING	183,626	186,125	186,125	-
FIDUCIARY LIABILITY – ENDING	$ -	$ -	$ 184,282	$ 184,282

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF CHANGES IN FIDUCIARY LIABILITY
FIDUCIARY (AGENCY) FUND – PUPIL ACTIVITIES FUND
For the Fiscal Year Ended June 30, 2019

	PUPIL ACTIVITIES FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
ADDITIONS:				
Local Revenues	$ 220,000	$ 220,000	$ 195,047	$ (24,953)
Total Additions	220,000	220,000	195,047	(24,953)
REDUCTIONS:				
Pupil Activities	250,000	250,000	193,204	56,796
Appropriated Reserves	162,241	154,530	-	154,530
Total Reductions	412,241	404,530	193,204	211,326
Net Activity	(192,241)	(184,530)	1,843	186,373
FIDUCIARY LIABILITY – BEGINNING	192,241	184,530	184,530	-
FIDUCIARY LIABILITY – ENDING	$ -	$ -	$ 186,373	$ 186,373

OTHER SUPPLEMENTAL INFORMATION

GENERAL FUND
(COMBINING SCHEDULES AND DETAIL BUDGET)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
COMBINING SCHEDULE FOR BALANCE SHEET
GENERAL FUND (FUND 10: GENERAL AND FUND 19: PRESCHOOL FUND)
For the Fiscal Year Ended June 30, 2019

	GENERAL (FUND 10)	PRESCHOOL (FUND 19)	TOTAL GENERAL FUND
ASSETS:			
Cash and Cash Equivalents	$ 5,036,020	$ -	$ 5,036,020
Cash w/ County Treasurer	900	-	900
Receivables:			
Property Taxes, Net	20,499	-	20,499
Intergovernmental	26,147	-	26,147
Prepaid Expense	4,829	-	4,829
Due from Other Funds	507	-	507
Other Receivables	3,759	-	3,759
TOTAL ASSETS	$ 5,092,661	$ -	$ 5,092,661
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:			
Liabilities:			
Accounts Payable	$ 2,434	$ -	$ 2,434
Accrued Salaries and Benefits	691,316	-	691,316
Total Liabilities	693,750	-	693,750
Fund Balances:			
Non-Spendable	4,829	-	4,829
Restricted			
Emergencies	224,000	-	224,000
Unassigned	4,170,082	-	4,170,082
Total Fund Balances	4,398,911	-	4,398,911
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 5,092,661	$ -	$ 5,029,661

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
COMBINING SCHEDULE FOR STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GENERAL FUND (FUND 10: GENERAL AND FUND 19: PRESCHOOL FUND)
For the Year Ended June 30, 2019

	GENERAL (FUND 10)	PRESCHOOL (FUND 19)	TOTAL GENERAL FUND
REVENUES:			
Local Sources	$ 4,417,995	$ -	$ 4,417,995
Intermediate Sources	244,378	-	244,378
State Sources	3,038,062	-	3,038,062
Federal Sources	168,505	-	168,505
Total Revenues	7,868,940	-	7,868,940
EXPENDITURES:			
Instructional	5,123,151	126,179	5,249,330
Supporting Services:			
Students	158,656	-	158,656
Instructional Staff	208,856	-	208,856
General Administration	270,398	-	270,398
School Administration	563,319	-	563,319
Business Services	131,002	-	131,002
Operations and Maintenance	760,894	-	760,894
Transportation	249,656	-	249,656
Central Services	464,007	-	464,007
Food Service	250	-	250
Debt Services	15,135	-	15,135
Total Expenditures	7,945,324	126,179	8,071,503
Excess of Revenues Over (Under) Expenditures	(76,384)	(126,179)	(202,563)
OTHER FINANCING SOURCES (USES):			
Transfers In (Out)	(189,905)	126,179	(63,726)
Total Other Financing Sources (Uses)	(189,905)	126,179	(63,726)
Excess of Revenues and Other Financings Sources Over (Under) Expenditures and Other Financing (Uses)	(266,289)	-	(266,289)
FUND BALANCES – Beginning	4,665,200	-	4,665,200
FUND BALANCES – Ending	$ 4,398,911	$ -	$ 4,398,911

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
DETAIL SCHEDULE OF REVENUES – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2019

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Revenue from Local Sources and Interest:			
Property Taxes	$ 3,786,405	$ 3,781,385	$ (5,020)
Specific Ownership Taxes	186,003	272,920	86,917
Grants and Contributions	105,573	116,669	11,096
Student Fees and Gate Receipts	35,700	47,282	11,582
Rental Income	14,400	14,400	-
Other Local Revenues	75,580	98,243	22,663
Interest Earnings	81,200	87,096	5,896
Total Local Sources and Interest:	4,284,861	4,417,995	133,134
Revenue from Intermediate Sources:			
Mineral and Forest Leasing Revenues	154,761	239,651	84,890
Division of Wildlife	2,000	4,727	2,727
Total Intermediate Sources	156,761	244,378	87,617
Revenue from State Sources:			
State Equalization	2,378,993	2,371,828	(7,165)
ELPA Grants	14,700	18,395	3,695
Transportation Grant	40,975	41,946	971
School Counselor Corp Grant	45,000	45,000	-
Read Act	40,905	40,905	-
Library Grant	3,500	3,500	-
Small Rural Schools Grant	256,145	256,145	-
At Risk Supplemental Grant	-	3,558	3,558
PERA on Behalf Funding	-	98,831	98,831
Vocational Education	39,000	39,815	815
Other State Grants	-	255	255
BOCES High Cost	80,000	117,884	37,884
Total State Sources	2,899,218	3,038,062	138,844
Revenue from Federal Sources:			
Title I	96,428	96,271	(157)
Title II A – Teacher Quality	16,765	16,622	(143)
Title IV	10,000	10,000	-
Race to the Top	-	-	-
REAP Grant	29,414	29,414	-
Carl Perkins Grant	10,000	12,833	2,833
Title III – ELA Enhancement	3,365	3,365	-
Total Federal Sources	165,972	168,505	2,533
TOTAL REVENUES	7,506,812	7,868,940	362,128
Transfers In	-	-	-
BUDGETARY REVENUES	$ 7,506,812	$ 7,868,940	$ 362,128

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

DETAIL SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL

GENERAL FUND

For the Fiscal Year Ended June 30, 2019

	Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES:			
INSTRUCTION:			
Salaries	$ 2,651,969	$ 2,643,396	$ 8,573
Employee Benefits	1,086,539	1,132,426	(45,887)
Purchased Services (Including Preschool)	1,141,889	1,147,664	(5,775)
Supplies and Materials	254,555	230,237	24,318
Capital Outlay	-	-	-
Other Expenditures	77,039	95,607	(18,568)
TOTAL INSTRUCTION	5,211,991	5,249,330	(37,339)
GENERAL SUPPORTING SERVICES:			
Student Support:			
Salaries	111,264	109,493	1,771
Employee Benefits	40,407	46,380	(5,973)
Purchased Services	6,408	1,218	5,190
Supplies and Materials	750	425	325
Other Expenditures	1,095	1,140	(45)
Subtotal	159,924	158,656	1,268
Instructional Staff:			
Salaries	97,728	99,438	(1,710)
Employee Benefits	34,173	36,703	(2,530)
Purchased Services	99,696	67,079	32,617
Supplies and Materials	6,100	4,873	1,227
Other Expenditures	-	763	(763)
Subtotal	237,697	208,856	28,841
General Administration:			
Salaries	133,403	132,702	701
Employee Benefits	59,252	49,484	9,768
Purchased Services	86,361	76,833	9,528
Supplies and Materials	700	36	664
Capital Outlay	-	-	-
Other Expenditures	13,450	11,343	2,107
Subtotal	293,166	270,398	22,768
School Administration:			
Salaries	373,690	377,989	(4,299)
Employee Benefits	144,049	152,625	(8,576)
Purchased Services	45,788	27,500	18,288
Supplies and Materials	9,100	3,212	5,888
Other Expenditures	3,220	1,993	1,227
Subtotal	575,847	563,319	12,528
TOTAL GENERAL SUPPORT	1,266,634	1,201,229	65,405

(continued on next page)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2019

(continued)	Budget	Actual	Variance Favorable (Unfavorable)
BUSINESS SUPPORTING SERVICES:			
Business Services:			
Salaries	$ 81,073	$ 83,173	$ (2,100)
Employee Benefits	31,377	33,440	(2,063)
Purchased Services	13,600	10,258	3,342
Supplies and Materials	4,000	4,131	(131)
Capital Outlay	-	-	-
Subtotal	130,050	131,002	(952)
Operations and Maintenance:			
Salaries	288,364	285,118	3,246
Employee Benefits	125,525	130,576	(5,051)
Purchased Services	132,439	144,973	(12,534)
Supplies and Materials	203,450	200,227	3,223
Capital Outlay	-	-	-
Subtotal	749,778	760,894	(11,116)
TOTAL BUSINESS SUPPORT	879,828	891,896	(12,068)
TRANSPORTATION:			
Salaries	197,513	211,248	(13,735)
Employee Benefits	61,417	68,909	(7,492)
Purchased Services	6,010	18,655	(12,645)
Supplies and Materials	38,000	46,856	(8,856)
Capital Outlay	-	625	(625)
Other Objects – Student Activity Reimbursements	(60,000)	(96,637)	36,637
TOTAL TRANSPORTATION	242,940	249,656	(6,716)
CENTRAL SUPPORTING SERVICES:			
Salaries	78,613	75,458	3,125
Employee Benefits	26,478	27,425	(947)
Purchased Services	124,900	114,295	10,605
Supplies and Materials	176,738	238,395	(61,657)
Other Expenditures	16,330	8,404	7,926
TOTAL CENTRAL SUPPORT	423,059	464,007	(40,948)
FOOD SERVICE SUPPORTING SERVICES:			
Salaries	-	200	(200)
Benefits	-	50	(50)
TOTAL FOOD SERVICE	-	250	(250)
DEBT SERVICE:			
Lease Principal	-	15,135	(15,135)
TOTAL DEBT SERVICE	-	15,135	(15,135)
APPROPRIATED RESERVES	4,082,558	-	4,082,558
OTHER FINANCING USES:			
Transfers Out	65,000	63,726	1,274
TOTAL BUDGETARY EXPENDITURES AND OTHER FINANCING USES	$ 12,172,010	$ 8,135,229	$ 4,036,781

INFORMATION REQUIRED BY
SECURITIES AND EXCHANGE COMMISSION
RULE 15c2-12
(UNAUDITED)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

HISTORY OF DISTRICT ASSESSED VALUATION

For the Fiscal Year Ended June 30, 2009 Through 2019

Levy/ Collection Year	Assessed Valuation	Percent Change	Estimated "Actual" Valuation	Percent Change
2009-2010	$ 615,864,890	63.30%	$ 1,657,604,311	53.80%
2010-2011	763,228,880	23.90%	2,300,880,226	38.80%
2011-2012	870,581,230	0.14%	2,422,591,712	5.30%
2012-2013	905,446,930	4.00%	2,430,530,889	0.30%
2013-2014	790,646,190	-12.70%	2,642,335,710	8.70%
2014-2015	732,031,450	-7.40%	2,489,780,790	-5.80%
2015-2016	783,475,580	7.03%	2,285,220,650	-8.22%
2016-2017	623,081,770	-20.47%	2,027,400,520	-11.28%
2017-2018	585,410,040	-6.05%	1,946,148,510	-4.00%
2018-2019	585,955,630	.93%	1,890,714,150	-2.85%

Sources: State of Colorado
Division of Property Taxation, 2009-2019
and the Rio Blanco County Assessor's Office

General Obligation Refunding Bonds Series 2014 and 2019 - Official Statement Table II

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

HISTORY OF DISTRICT MILL LEVIES

For the Fiscal Year Ended June 30, 2009 Through 2019

Levy/ Collection Year	General Fund Mill Levy	Bond Fund Mill Levy	Mill Levy Override	Abatements	Total Mill Levy
2009-2010	7.912	3.650	0.657	0.018	12.237
2010-2011	6.308	2.941	0.530	0.034	9.813
2011-2012	5.555	2.579	0.678	0.081	8.893
2012-2013	5.530	2.479	0.684	0.140	8.833
2013-2014	5.767	2.839	0.512	0.083	9.201
2014-2015	5.767	2.869	0.553	0.097	9.286
2015-2016	5.767	2.869	0.517	0.171	9.324
2016-2017	5.767	3.611	0.649	0.019	10.046
2017-2018	5.767	3.843	0.691	0.042	10.343
2018-2019	5.767	7.825	0.690	0.011	14.293

Sources: State of Colorado, Colorado Department of Local Affairs, Division of Property Taxation, 2009-2019 State of Colorado Property Tax Annual Reports, the Rio Blanco County Assessor's Office, and the District

General Obligation Refunding Bond Series 2014 and 2019 - Official Statement Table III

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

HISTORICAL PROPERTY TAX COLLECTION

For the Fiscal Year Ended June 30, 2009 Through 2019

Levy/ Collection Year	Taxes Levied	Current Tax Collections (1)	Percent of Levy Collected
2009-2010	$ 7,536,339	$ 7,504,806	99.6%
2010-2011	7,489,565	7,459,678	99.6%
2011-2012	7,742,079	7,637,454	98.6%
2012-2013	7,997,813	7,938,689	99.3%
2013-2014	7,274,685	7,158,659	98.4%
2014-2015	6,797,446	6,997,171	102.9%
2015-2016	7,373,288	7,259,194	98.5%
2016-2017	6,259,479	6,170,999	98.6%
2017-2018	6,054,896	6,015,467	99.3%
2018-2019	8,374,794	8,246,349	98.5%

Source: Rio Blanco County Treasurer's Office

(1) Collections through July 2019

General Obligation Refunding Bonds Series 2014 and 2019 – Official Statement Table V

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1

DISTRICT ENROLLMENT

For the Fiscal Year Ended June 30, 2009 Through 2019

Levy/ Collection Year	District Enrollment	Percent Increase Based Upon Total Enrollment
2009-2010	707.0	-2.48%
2010-2011	663.0	-6.22%
2011-2012	628.0	-5.28%
2012-2013	640.0	1.91%
2013-2014	649.0	1.41%
2014-2015	697.0	6.90%
2015-2016	707.0	1.40%
2016-2017	745.0	5.10%
2017-2018	742.0	-0.04%
2018-2019	758.0	2.15%

Source: Colorado Department of Education; The District

General Obligation Refunding Bonds Series 2014 and 2019 - Official Statement Table VIII

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
GENERAL FUND BUDGET SUMMARY AND COMPARISON (ACTUAL TO DATE)
For the Fiscal Year Ended June 30, 2019

	Budget 2018-2019	Budget 2019-2020	Year to Date Actual (1) 2019-2020
Beginning Fund Balance	$ 4,665,200	$ 4,009,000	$ 4,398,911
Other Local Sources	4,284,861	5,378,310	271,346
Intermediate	156,761	152,000	159,268
State Sources	2,899,218	2,107,529	933,588
Federal Sources	165,972	156,485	55,981
Total Revenues	7,506,812	7,794,324	1,420,183
Transfer (To) From Other Funds	(65,000)	(65,000)	-
Beginning Fund Balance and Reserves	12,107,012	11,738,324	5,819,094
Expenditures			
Instruction	5,211,991	5,365,195	1,217,285
Supporting Services	2,812,461	2,869,789	839,872
Total Expenditures	8,024,452	8,234,984	2,057,157
Ending Fund Balance	$ 4,082,560	$ 3,503,340	$ 3,761,937

Source: The District's 2018-2019 Budget document, 2019-2020 Budget document, and the District

(1) Actual unaudited figures through October 31, 2019

General Obligation Refunding Bond Series 2014 and 2019 - Official Statement Table IX

COLORADO DEPARTMENT OF EDUCATION REQUIREMENTS

ELECTRONIC FINANCIAL DATA INTEGRITY CHECK FIGURES

AND

BOLDED BALANCE SHEET REPORT

Colorado Department of Education

Auditors Integrity Report

District: 2710 - Meeker RE-1
Fiscal Year 2018-19
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number	Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses -	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance =
Governmental				
10 General Fund	4,665,200	7,679,029	7,945,318	4,398,911
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	126,179	126,179	0
Sub- Total	**4,665,200**	**7,805,208**	**8,071,498**	**4,398,911**
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	24,716	284,652	281,131	28,237
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	3,902,962	4,645,606	2,495,955	6,052,613
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	34,829,704	3,063,504	31,766,200
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	332,289	6,142	36,120	302,310
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	**8,925,167**	**47,571,312**	**13,948,208**	**42,548,271**
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	**0**	**0**	**0**	**0**
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	186,125	18,707	20,550	184,282
74 Pupil Activity Agency Fund	184,530	195,047	193,204	186,373
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	**370,655**	**213,754**	**213,754**	**370,655**

FINAL

*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your priorperiod adjustment is added into both your ending and beginning fund balances on this report.

Colorado Department of Education

Bolded Balance Sheet Report

District: 2710 - Meeker RE-1

Fiscal Year 2018-19

Colorado School District/BOCES

	Governmental								Proprietary				Fiduciary		
ASSETS	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Cash and Investments (8100-8104,8111)	5,036,020	0	0	0	0	27,728	6,028,380	32,881,802	0	0	0	0	370,655	0	44,344,584
Cash with Fiscal Agent (8105)	900	0	0	0	0	0	1,082	0	0	0	0	0	0	0	1,982
Taxes Receivable (8121,8122)	20,499	0	0	0	0	0	24,800	0	0	0	0	0	0	0	45,299
Interfund Loans Receivable (8131,8132)	507	0	0	0	0	0	0	1,648	0	0	0	0	0	0	2,155
Intergovernmental Accounts Rec (8141)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Accounts Receivable (8142)	26,147	0	0	0	0	0	0	369,627	0	0	0	0	0	0	395,774
Other Receivables (8151-8154,8161)	3,759	0	0	0	0	4,531	0	0	0	0	0	0	0	0	8,290
Inventories (8171,8172,8173)	0	0	0	0	0	3,703	0	0	0	0	0	0	0	0	3,703
Prepaid Expenses 8181,8182)	4,829	0	0	0	0	0	0	0	0	0	0	0	0	0	4,829
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	**5,092,661**	**0**	**0**	**0**	**0**	**35,962**	**6,054,261**	**33,253,076**	**0**	**0**	**0**	**0**	**370,655**	**0**	**44,806,615**

	Governmental								Proprietary				Fiduciary		
LIABILITIES & FUND EQUITY **LIABILITIES**	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Interfund Payables (7401,7402)	0	0	0	0	0	507	1,648	0	0	0	0	0	0	0	2,155
Other Payables (7421-7423)	2,434	0	0	0	0	0	0	611,897	0	0	0	0	0	0	614,331
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	8,295	0	0	0	0	0	0	8,295
Accrued Expenses (7461)	691,316	0	0	0	0	0	0	0	0	0	0	0	0	0	691,316
Payroll Ded. and Withholdings (7471-7473)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unearned Revenue (7481)	0	0	0	0	0	7,218	0	0	0	0	0	0	0	0	7,218
Grants Deferred Revenue (7482)	0	0	0	0	0	0	0	564,375	0	0	0	0	0	0	564,375
Total Liabilities	**693,750**	**0**	**0**	**0**	**0**	**7,725**	**1,648**	**1,184,566**	**0**	**0**	**0**	**0**	**0**	**0**	**1,887,689**

	Governmental								Proprietary					Fiduciary	
FUND EQUITY	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	4,829	0	0	0	0	3,703	0	0	0	0	0	0	0	0	8,532
Restricted Fund Balance 6720	0	0	0	0	0	0	6,052,613	31,766,200	0	0	0	0	186,373	0	38,005,186
TABOR 3% Emergency Reserve 6721	224,000	0	0	0	0	0	0	0	0	0	0	0	0	0	224,000
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	24,534	0	302,310	0	0	0	0	0	0	326,845
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unassigned Fund Balance 6770	4,170,082	0	0	0	0	0	0	0	0	0	0	0	184,282	0	4,354,363
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	**4,398,911**	**0**	**0**	**0**	**0**	**28,237**	**6,052,613**	**32,068,510**	**0**	**0**	**0**	**0**	**370,655**	**0**	**42,918,926**

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Total Liabilities & Fund Equity	5,092,661	0	0	0	0	35,962	6,054,261	33,253,076	0	0	0	0	370,655	0	44,806,615

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk related activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85
For Each Fund Type: Do Assets=Liability+Fund Equity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes