

Arickaree School District R-2
Anton, Colorado

Financial Statements

For the Year ended June 30, 2014

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Independent Auditors' Report

Board of Education
Arickaree School District R-2
Anton, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Arickaree School District R-2 (the District), as of and for the year ended June 30, 2014, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information listed 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 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 other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
November 12, 2014

Management Discussion and Analysis

This discussion and analysis of Arickaree School District R-2's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the notes to the basic financial statements and the financial statements to enhance their understanding of the District's performance.

Financial Highlights – Financial Statements as of June 30, 2014

- The assets of the District exceed its liabilities at the close of June 30, 2014 by \$2,380,290 (net position) as reported in the government-wide financial statements.
- The District's government-wide total net position decreased by \$280,042 over the prior fiscal year.
- Program revenues of \$138,342 offset expenses from governmental activities of \$1,945,465. General revenues amounted to \$1,545,751.
- Business-type activities (Food Service Fund) assets exceeded liabilities at the close of June 30, 2014 by \$8,352.
- At the close of June 30, 2014, the District reported \$1,184,803 combined fund balances for the Governmental Funds, a decrease of \$240,746. Expenses exceeded revenues by \$220,746 before transfers. An additional \$20,000 was transferred to the Food Service Fund for operations.

Overview of the Financial Statements

Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information about all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Both of the government-wide financial statements distinguish functions of Arickaree School District R-2 that are principally supported by taxes from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Arickaree School District R-2 include instruction and support services for the District. The business-type activities of Arickaree School District R-2 comprise of Food Services.

The government-wide financial statements can be found on pages 12-15 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the District's near-term financing requirements. The annual budget is provided on the basis of the governmental fund financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Arickaree School District R-2 maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, because this fund is considered to be a major fund.

Arickaree School District R-2 adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the General Fund and Student Activity Fund to demonstrate compliance with this budget.

Proprietary funds. Arickaree School District R-2 maintains a proprietary/enterprise fund for Food Service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Arickaree School District R-2 uses an enterprise fund to account for its food services.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Food Services Fund, which is considered a major fund of Arickaree School District R-2.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Arickaree School District R-2's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Other information. The combining statements referred to earlier in connection with non-major governmental funds and enterprise funds are presented after the notes to the financial statements. A budget comparison is provided for each non-major fund and enterprise fund.

Government-wide Financial Analysis

The assets of the District are classified as current assets and capital assets. Cash, investments, receivables, inventories and other assets are current assets. These assets are available to provide resources for the near-term operations of the District. A good portion of the current assets result from the property tax collection process; the District receives about 96% of the annual property tax assessment between January and June.

Capital Assets are used in the operations of the District. These assets are land, improvements, buildings equipment, and vehicles. Capital assets are discussed in greater detail in the section titled Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries, and benefits and unearned revenues. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during the ensuing fiscal year.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's assets exceeded liabilities by \$2,380,290 at the close of the most recent fiscal year.

Comparative Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current assets	\$ 1,317,221	\$ 1,557,952	\$ (15,327)	\$ 7,549	\$ 1,301,894	\$ 1,565,501
Capital assets	1,227,497	1,225,024	23,726	19,473	1,251,223	1,244,497
Total assets	2,544,718	2,782,976	8,399	27,022	2,553,117	2,809,998
Long term liabilities	47,391	21,652	-	-	47,391	21,652
Other liabilities	125,389	128,014	47	-	125,436	128,014
Total liabilities	172,780	149,666	47	-	172,827	149,666
Net investment in capital assets	1,227,497	1,225,024	23,726	19,473	1,251,223	1,244,497
Restricted	52,000	47,000	-	-	52,000	47,000
Unrestricted	1,092,441	1,361,286	(15,374)	7,549	1,077,067	1,368,835
Total net position	\$ 2,371,938	\$ 2,633,310	\$ 8,352	\$ 27,022	\$ 2,380,290	\$ 2,660,332

The District’s reported assets consist of current assets of \$1,301,894 and capital assets of \$1,251,223. The ratio of Current Assets to Current Liabilities of 10.38 to 1 indicates the District’s ability to meet current obligations.

Comparative Schedule of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Program revenues						
Charges for services	\$ 30,950	\$ 5,725	\$ 28,246	\$ 33,537	\$ 59,196	\$ 41,262
Operating grants	107,392	119,295	38,678	35,474	146,070	154,769
General revenues						
Taxes	581,151	584,103	-	-	581,151	584,103
State equalization	805,927	691,543	-	-	805,927	691,543
Other	184,674	187,609	-	-	184,674	187,609
Transfers	(26,001)	(51,857)	26,001	51,857	-	-
Total revenues	1,684,093	1,536,418	92,925	122,868	1,777,018	1,659,286
Expenses						
Instruction	1,025,704	964,502	-	-	1,025,704	964,502
Supporting services	882,237	793,766	-	-	882,237	793,766
Other	37,524	38,104	111,595	96,362	149,119	134,466
Total expenses	1,945,465	1,796,372	111,595	96,362	2,057,060	1,892,734
Change in net position	\$ (261,372)	\$ (259,954)	\$ (18,670)	\$ 26,506	\$ (280,042)	\$ (233,448)

Governmental activities. Governmental activities decreased the District's net position in 2014 and 2013 by \$261,372 and \$259,954, respectively.

Business-type activities. Business-type activities increased (decreased) the District's net position in 2014 and 2013 by \$(18,670) and \$26,506, respectively.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$1,184,803, a decrease of \$240,746.

- Expenditures and transfers out exceeded revenues in the General Fund by \$240,105, decreasing fund balance to \$1,086,010.
- The Food Service Fund operating loss was \$83,349 before non-operating revenues of \$38,678, capital contributions of \$6,001 and a transfer from the General Fund of \$20,000, resulting in net loss for the fund of \$18,670.

General Fund Budgetary Highlights

The District is required to adopt a budget by June 30 for the following fiscal year. The Board of Education will submit a copy of the budget to CDE by January 31.

Capital Asset and Debit Administration

Capital assets. The District's investment in capital assets for governmental and business type activities as of June 30, 2014 amounts to \$1,251,223 (net of accumulated depreciation). This investment in capital assets included land, buildings, service vehicles, buses and playground, office and instructional equipment.

Comparative Schedule of Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land and sites	\$ 29,645	\$ 29,645	\$ -	\$ -	\$ 29,645	\$ 29,645
Construction in progress	-	33,830	-	-	-	33,830
Buildings and improvements	2,019,435	1,975,084	-	-	2,019,435	1,975,084
Transportation equipment	441,774	387,524	-	-	441,774	387,524
Other equipment	67,005	67,005	62,183	56,181	129,188	123,186
Subtotal	2,557,859	2,493,088	62,183	56,181	2,620,042	2,549,269
Less accumulated depreciation	(1,330,362)	(1,268,064)	(38,457)	(36,708)	(1,368,819)	(1,304,772)
Total capital assets	\$ 1,227,497	\$ 1,225,024	\$ 23,726	\$ 19,473	\$ 1,251,223	\$ 1,244,497

Additional information on the School District's capital assets can be found in Note E to the basic financial statements.

Long-Term Debt

At year end, the School District's long-term debt consisted of accrued compensated absences and repayment to the Colorado Department of Education totaling \$22,110 and \$25,281, respectively. Additional information on the District's long-term debt can be found in Note G to the basic financial statements.

Economic Factors and Next Year's Budget

- Facility: building, parking lot, and water issues, could impact budget.
- Fuel and utility costs could make a potential impact on budget plans.
- Bus replacements are necessary.
- Enrollment steady with the possibility of decreasing.
- Minimal increase in funding from state.
- Repairing campus housing units.
- Technology improvements to increase learning are ongoing.
- Mill Levy increase not passing-very unfavorable for District.
- Food Service- major appliances needing updated.

Requests for Information

This financial report is designed to provide a general overview of Arickaree School District R-2's finances for all those with an interest in the District's Finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 12155 County Road NN, Anton, Colorado 80801-9601.

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Basic Financial Statements

The basic financial statements of the District include the following:

Government-wide financial statements. The government-wide statements display information about the reporting government as a whole, except for its fiduciary activities.

Fund financial statements. The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds.

Notes to the financial statements. The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

ARICKAREE SCHOOL DISTRICT R-2
Statement of Net Position
June 30, 2014

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 415,569		\$ 415,569
Cash with fiscal agent	6,734		6,734
Certificates of deposit	62,674		62,674
Investments	792,251		792,251
Interfund balances	21,076	\$ (21,076)	-
Receivables	17,437	3,129	20,566
Due from fiduciary fund	1,480		1,480
Inventory		2,620	2,620
Capital assets, net of depreciation	1,227,497	23,726	1,251,223
Total assets	\$ 2,544,718	\$ 8,399	\$ 2,553,117
Liabilities			
Accounts payable	\$ 25,877	\$ 47	\$ 25,924
Accrued salaries and benefits	99,512		99,512
Noncurrent liabilities			
Due in more than one year	47,391		47,391
Total liabilities	172,780	47	172,827
Net position			
Net investment in capital assets	1,227,497	23,726	1,251,223
Restricted for emergencies	52,000		52,000
Unrestricted	1,092,441	(15,374)	1,077,067
Total net position	2,371,938	8,352	2,380,290
Total liabilities and net position	\$ 2,544,718	\$ 8,399	\$ 2,553,117

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

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ARICKAREE SCHOOL DISTRICT R-2
Statement of Activities
For the Year Ended June 30, 2014

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction	\$ 1,025,704	\$ 30,950	\$ 68,605	
Supporting services				
Students	42,813			
Instructional staff	26,990			
General administration	213,407			
School administration	71,508			
Business services	34,541			
Operations and maintenance	227,434			
Student transportation	209,766		38,787	
Central support services	55,778			
Unallocated depreciation *	37,524			
Total governmental activities	1,945,465	30,950	107,392	\$ -
Business-type activities				
Nutrition services	111,595	28,246	38,678	
Total school district	\$ 2,057,060	\$ 59,196	\$ 146,070	\$ -

General revenues

Taxes

Property taxes, levied for general purposes

Specific ownership taxes

Delinquent taxes and interest

State categorical aid

Earnings on investments

Other

Transfers

Total general revenues

Change in net position

Net position at beginning of year

Net position at end of year

* This amount excludes depreciation that is included in the direct expenses of the various programs.

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

Net (Expenses) Revenues and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (926,149)		\$ (926,149)
(42,813)		(42,813)
(26,990)		(26,990)
(213,407)		(213,407)
(71,508)		(71,508)
(34,541)		(34,541)
(227,434)		(227,434)
(170,979)		(170,979)
(55,778)		(55,778)
(37,524)		(37,524)
(1,807,123)	\$ -	(1,807,123)
	(44,671)	(44,671)
(1,807,123)	(44,671)	(1,851,794)
508,395		508,395
71,841		71,841
915		915
805,927		805,927
1,342		1,342
183,332		183,332
(26,001)	26,001	-
1,545,751	26,001	1,571,752
(261,372)	(18,670)	(280,042)
2,633,310	27,022	2,660,332
<u>\$ 2,371,938</u>	<u>\$ 8,352</u>	<u>\$ 2,380,290</u>

ARICKAREE SCHOOL DISTRICT R-2
Balance Sheet
Governmental Funds
June 30, 2014

	General Fund	Other Governmental Funds	Total Governmental Funds
Assets			
Cash	\$ 316,181	\$ 99,388	\$ 415,569
Cash with fiscal agent	6,734		6,734
Certificates of deposit	62,674		62,674
Investments	792,251		792,251
Property taxes receivable	13,873		13,873
Due from other funds	23,151		23,151
Grant receivables	327		327
Other receivables	3,237		3,237
Total assets	\$ 1,218,428	\$ 99,388	\$ 1,317,816
Liabilities			
Accounts payable	\$ 25,877		\$ 25,877
Due to other funds		\$ 595	595
Accrued salaries and benefits	99,512		99,512
Total liabilities	125,389	595	125,984
Deferred inflows of resources			
Deferred property tax revenues	7,029		7,029
Total deferred inflows of resources	7,029	-	7,029
Fund balance			
Restricted for emergencies	52,000		52,000
Committed to pupil activities		98,793	98,793
Assigned to capital projects	8,707		8,707
Assigned to risk-related activities	4,748		4,748
Unassigned	1,020,555		1,020,555
Total fund balance	1,086,010	98,793	1,184,803
Total liabilities, deferred inflows of resources and fund balance	\$ 1,218,428	\$ 99,388	\$ 1,317,816

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

ARICKAREE SCHOOL DISTRICT R-2
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2014

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

Total fund balance - governmental funds	\$ 1,184,803
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	1,227,497
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	7,029
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(47,391)</u>
Net position of the governmental activities	<u><u>\$ 2,371,938</u></u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2014

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Local sources	\$ 666,616	\$ 127,408	\$ 794,024
Intermediate sources	111		111
State sources	905,261		905,261
Federal sources	33,338		33,338
Total revenues	1,605,326	127,408	1,732,734
Expenditures			
Instruction	897,197	128,049	1,025,246
Supporting services	928,234		928,234
Total expenditures	1,825,431	128,049	1,953,480
Excess of revenues over (under) expenditures	(220,105)	(641)	(220,746)
Other financing uses			
Transfers out	(20,000)		(20,000)
Excess of revenues over (under) expenditures and other financing uses	(240,105)	(641)	(240,746)
Fund balance at beginning of year	1,326,115	99,434	1,425,549
Fund balance at end of year	<u>\$ 1,086,010</u>	<u>\$ 98,793</u>	<u>\$ 1,184,803</u>

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

ARICKAREE SCHOOL DISTRICT R-2
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2014

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

Net change in fund balances - governmental funds	\$ (240,746)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation in the current period.	2,473
Because some property taxes will not be collected for several months after the fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities.	2,640
In the statement of activities, certain operating expenses - repayments to the Colorado Department of Education and compensated absences - are measured by the amounts incurred or earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	<u>(25,739)</u>
Change in net position of governmental activities	<u>\$ (261,372)</u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Net Position
Proprietary Funds
June 30, 2014

	Business-type Activities
	Food Service Fund
Assets	
Current assets	
Other receivables	\$ 3,129
Inventory	2,620
Total current assets	5,749
Capital assets	
Machinery and equipment	62,183
Accumulated depreciation	(38,457)
Total capital assets	23,726
Total assets	<u>\$ 29,475</u>
Liabilities and net position	
Current liabilities	
Accounts payable	\$ 47
Due to other funds	21,076
Total current liabilities	21,123
Net position	
Net investment in capital assets	23,726
Unrestricted	(15,374)
Total net position	8,352
Total liabilities and net position	<u>\$ 29,475</u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2014

	Business-type Activities
	Food Service Fund
Operating revenues	
Charges for services	\$ 28,246
Operating expenses	
Salaries	28,085
Employee benefits	6,428
Purchased services	442
Supplies and materials	74,891
Depreciation	1,749
Total operating expenses	<u>111,595</u>
Operating loss	(83,349)
Nonoperating revenues	
Federal and state aid	<u>38,678</u>
Total nonoperating revenues	<u>38,678</u>
Loss before transfers and capital contributions	(44,671)
Transfers in	20,000
Capital contributions	<u>6,001</u>
Change in net position	(18,670)
Net position at beginning of year	<u>27,022</u>
Net position at end of year	<u><u>\$ 8,352</u></u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014

	Business-type Activities
	Food Service Fund
Cash flows from operating activities	
Receipts from customers	\$ 29,744
Internal activity	17,498
Payments to suppliers	(71,837)
Payments to employees	(34,513)
	<u>(59,108)</u>
Net cash used by operating activities	(59,108)
Cash flows from noncapital financing activities	
Federal and state aid	39,108
Transfers in	20,000
	<u>59,108</u>
Net cash provided by noncapital financing activities	59,108
Net change in cash	-
Cash at beginning of year	<u>-</u>
Cash at end of year	<u>\$ -</u>
Reconciliation of operating loss to net cash used by operating activities	
Operating loss	\$ (83,349)
Adjustments to reconcile operating loss to net cash used by operating activities	
Depreciation	1,749
Commodities	2,962
Changes in assets and liabilities	
Other receivables	1,498
Inventory	487
Accounts payable	47
Due to other funds	17,498
	<u>17,498</u>
Net cash used by operating activities	<u>\$ (59,108)</u>
Noncash capital financing activities	
Capital assets acquired through contribution from the General Fund	<u>\$ 6,001</u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	<u>Private Purpose Trust Fund</u>
Assets	
Certificates of deposit	\$ 5,000
Other receivables	<u>1,625</u>
Total assets	<u><u>\$ 6,625</u></u>
Liabilities	
Due to other funds	<u>\$ 1,480</u>
Total liabilities	1,480
Net position	
Held in trust for scholarships	<u>5,145</u>
Total liabilities and net position	<u><u>\$ 6,625</u></u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2014

	Private Purpose Trust Fund
Additions	
Contributions and earnings	\$ 162
Total additions	162
Deductions	
Scholarship awards	150
Total deductions	150
Net increase in net position	12
Net position at beginning of year	5,133
Net position at end of year	\$ 5,145

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies

This summary of the Arickaree School District R-2's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the District's accounting policies are described below.

A.1 – Reporting entity

The Arickaree School District R-2 is a school district governed by an elected five-member board of education. The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The reporting entity's financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The District has examined other entities that could be included as defined in number 2 and 3 above. Based on these criteria, the District has no component units.

A.2 – Fund accounting

The District uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), and the servicing of general long-term debt (debt service fund). The following are the District's major governmental funds:

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

General Fund – The General Fund is the operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include local property taxes, specific ownership taxes, and State of Colorado equalization funding, as determined by the School Finance Act of 1994, as amended.

Expenditures include all costs associated with the daily operation of the schools, except for certain capital outlay expenditures, debt service, food service operations and pupil activities.

Pupil Activity Agency Fund – This fund is special revenue fund used to record transactions related to school-sponsored pupil organizations and activities.

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following is the District’s major proprietary fund:

Food Service Fund – This fund is an enterprise fund used to account for the financial activities associated with the District’s food service operations.

Fiduciary Funds focus on net position and changes in net position. 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 therefore not available to support the District’s own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The District has the following fiduciary fund:

Scholarship Trust Fund – This fund is a private-purpose trust fund used to account for resources held by the District in a fiduciary capacity for scholarships to be distributed to area students for post-secondary education.

Note A.3 – Basis of presentation

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 statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Note A.3 – Basis of presentation

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are 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 business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (revenues) and decreases (expenses) in net total position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Fiduciary funds focus on net position and changes in net position and are reported using accounting principles similar to proprietary funds. The District's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address the activities or obligations of the District, these funds are not incorporated into the government-wide financial statements.

A.4 – Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues – exchange and non-exchange transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. State equalization monies are recognized as revenues during the period in which they are appropriated. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes collected within sixty days after year-end, interest, tuition, grants and student fees.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Unearned revenue – Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenues, is reported on both the statement of net position and the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period for which they are levied and that the amounts become available.

Expenses/expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the statement of revenues, expenses and changes in fund net position as an expense with a like amount reported as revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

A.5 – Encumbrances

Encumbrance accounting is utilized by the District to record purchase orders, contracts and other commitments for the expenditure of monies to assure effective budgetary control and accountability. Encumbrances outstanding at year-end are canceled and reappropriated in the ensuing year’s budget.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.6 – Cash and cash equivalents

For the purposes of the statement of cash flows, the District considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

A.7 – Short-term interfund receivables/payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position, and are classified as due from other funds or due to other funds on the balance sheet.

A.8 – Inventories

Food Service Fund – purchased inventories are stated at cost as determined by the first-in, first-out method. Commodity inventories are stated at the United States Department of Agriculture’s assigned values, which approximate fair value, at the date of receipt. Expenses for food items are recorded when consumed. The federal government donates surplus commodities to the national school lunch program. Commodity distributions used by the District are recorded as nonoperating revenues at the date of their consumption.

A.9 – Capital assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements.

All capital assets with a unit cost greater than \$3,000 for the governmental activities and \$1,000 for the business-type activities and proprietary funds are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) are capitalized along with other capital assets. Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not.

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Description	Governmental Activities	Business-type Activities
Buildings and improvements	10-40 years	n/a
Other equipment	10 years	10-20 years
Licensed vehicles	7-10 years	n/a

A.10 – Compensated absences

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences.” Compensated absences benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Accumulated sick leave benefits are paid to employees upon termination of employment.

Certain personnel and full-time employees receive up to ten days of sick leave each year, which can be accumulated up to thirty days maximum. Upon leaving employment with the District, these staff shall be paid for the accumulated days at a rate of \$75 per day for certified staff and \$20 per day for classified staff.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account “accrued compensated absences” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of the compensated absences is reported as a fund liability.

The amount recorded as liabilities for all applicable compensated absences include salary-related payments associated with the payment of compensated absences, using the rates in effect at the balance sheet date.

A.11 – Accrued liabilities and long-term obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences that will be paid from governmental funds is reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

A.12 – Fund balance

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

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

Nonspendable, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the board of education (the District's highest level of decision-making authority),

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

Unassigned fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the board of education through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

When both restricted and unrestricted resources are available in governmental funds, the District applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

A.13 – Net position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

A.14 – Operating revenues and expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

A.15 – Interfund transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements.

A.16 – Extraordinary and special items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the board of education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the year.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note B – Cash and investments

Cash and deposits

Colorado State statutes govern the District's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have deposit policy for custodial credit risk. As of year-end, the District had total deposits of \$537,158, of which \$255,000 was insured and \$282,158 was collateralized with securities held by the pledging institution's trust department or agent in the District's name.

Investments

Authorized Investments – Investment policies are governed by Colorado State Statutes and the District's own investment policies and procedures. Investments of the District may include:

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

At year-end, the District had investments in CoItrust (a local government investment pool) and in certificates of deposits. The investments in Colotrust are maintained in the General Fund, while the investments in the certificates of deposits are maintained in the General Fund and Scholarship Trust Fund.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note B – Cash and investments (Continued)

Investment type	Fair value	Investment maturities (in years)		
		Less than 1	1-5	6-10
Investment in Colotrust	\$ 792,251	\$ 792,251	\$ -	\$ -

Credit risk – State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least one nationally recognized rating agency at the time of purchase. The District has no investment policy that would further limit its investment choices. At year-end, the District's investment in Colotrust was rated AAA by Standard and Poor's.

The following table provides a reconciliation of cash and investments on the statement of net position:

Cash in bank	\$ 415,569
Certificates of deposit	67,674
Investments in Colotrust	792,251
Total	\$ 1,275,494
<u>Statement of net position</u>	
Cash	\$ 415,569
Certificates of deposit	62,674
Investments in Colotrust	792,251
Subtotal	1,270,494
<u>Statement of fiduciary net position</u>	
Certificates of deposit	5,000
Total	\$ 1,275,494

Note C – Receivables

Receivables at year-end consist of the following:

	Governmental Activities	Business-type Activities	Total Receivables
Property taxes receivable	\$ 13,873	\$ -	\$ 13,873
Grants receivable	327	-	327
Other receivables	3,237	3,129	6,366
Total	\$ 17,437	\$ 3,129	\$ 20,566

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note C – Receivables (Continued)

Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or are due in two equal installments on February 28th and June 15th. Washington County bills and collects property taxes for all taxing entities within the counties. The tax receipts collected by the counties are remitted to the District in the subsequent month.

Note D – Interfund transactions

The following is a summary of interfund transactions for the year as presented in the fund financial statements:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>Governmental funds</u>		
General fund	\$ 23,151	\$ -
Pupil activity fund	<u>-</u>	<u>595</u>
Subtotal	23,151	595
<u>Proprietary funds</u>		
Food service fund	-	21,076
<u>Fiduciary funds</u>		
Private-purpose trust fund	<u>-</u>	<u>1,480</u>
Total	<u>\$ 23,151</u>	<u>\$ 23,151</u>

All balances resulted from the lag time between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund receivables and payables are eliminated through the transfer of funds from one fund to another.

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental funds</u>		
General fund	\$ -	\$ 20,000
<u>Proprietary funds</u>		
Food service fund	<u>20,000</u>	<u>-</u>
Total	<u>\$ 20,000</u>	<u>\$ 20,000</u>

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note D – Interfund transactions (Continued)

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The District transferred funds in the amount of \$20,000 from the General Fund to the Food Service Fund to subsidize the costs of maintaining the District’s food service operations.

Note E – Capital assets

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 29,645	\$ -	\$ -	\$ 29,645
Construction in progress	33,830	-	(33,830)	-
Total capital assets, not being depreciated	63,475	-	(33,830)	29,645
Capital assets, being depreciated:				
Buildings and improvements	1,975,084	44,351	-	2,019,435
Other equipment	67,005	-	-	67,005
Licensed vehicles	387,524	54,250	-	441,774
Total capital assets, being depreciated	<u>2,429,613</u>	<u>98,601</u>	<u>-</u>	<u>2,528,214</u>
Total capital assets	2,493,088	98,601	(33,830)	2,557,859
Less accumulated depreciation for:				
Buildings and improvements	(917,933)	(38,764)	-	(956,697)
Other equipment	(47,232)	(3,534)	-	(50,766)
Licensed vehicles	(302,899)	(20,000)	-	(322,899)
Total accumulated depreciation	<u>(1,268,064)</u>	<u>(62,298)</u>	<u>-</u>	<u>(1,330,362)</u>
Governmental activities capital assets, net	<u>\$ 1,225,024</u>	<u>\$ 36,303</u>	<u>\$ (33,830)</u>	<u>\$ 1,227,497</u>
Business-type activities				
Machinery and equipment	\$ 56,181	\$ 6,002	\$ -	\$ 62,183
Less accumulated depreciation	<u>(36,708)</u>	<u>(1,749)</u>	<u>-</u>	<u>(38,457)</u>
Business-type activities capital assets, net	<u>\$ 19,473</u>	<u>\$ 4,253</u>	<u>\$ -</u>	<u>\$ 23,726</u>

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note E – Capital assets (Continued)

Depreciation expense was charged to programs of the District as follows:

Governmental activities	
Operations and maintenance	\$ 4,714
Student transportation	20,060
Unallocated	<u>37,524</u>
Subtotal	62,298
Business-type activities	
Food service operations	<u>1,749</u>
Total depreciation expense	<u>\$ 64,047</u>

Note F – Accrued salaries and benefits

Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned but not paid at year-end are estimated to be \$99,512. Accordingly, this accrued compensation is reflected as a liability in the accompanying financial statements.

Note G – Long-term debt

The following is a summary of the changes in long-term debt for the year:

	<u>Beginning</u> <u>Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balances</u>	<u>Due within</u> <u>one year</u>
Governmental Activities					
Compensated absences	\$ 21,652	\$ 458	\$ -	\$ 22,110	\$ -
CDE repayment	<u>-</u>	<u>25,281</u>	<u>-</u>	<u>25,281</u>	<u>-</u>
Total	<u>\$ 21,652</u>	<u>\$ 25,739</u>	<u>\$ -</u>	<u>\$ 47,391</u>	<u>\$ -</u>

Payments on the compensated absences attributable to the governmental activities will be liquidated primarily by the General Fund, as well as the amount payable to the Colorado Department of Education related to an audit through fiscal year 2013. The District believes that the current portion of compensated absences is negligible and is therefore not reported.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note G – Long-term debt (Continued)

Colorado Department of Education repayments

On June 27, 2014 the District received the results of an audit for fiscal years 2009 through 2013, which resulted in an amount due and payable to the Colorado Department of Education of \$25,281. In accordance with Colorado Revised Statutes 22-2-113(II)(A)&(B), audits that begin on or after July 1, 2007 shall not recover an interest fee for the period that is equal to the number of years and any fraction of a year between the settlement date of the current audit and the settlement date of the proceeding audit. The District intends to make payment in satisfaction of the audit in fiscal year 2019 as allowed by the statute.

Note H – Defined benefit pension plan

Plan description

The District contributes to the Combined State and School District Trust Fund (CSSDTF), a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The CSSDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees of the District are members of the CSSDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the CSSDTF. That report may be obtained by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding policy

Plan members and the District are required to contribute to the CSSDTF at a rate set by statute. The contribution requirements of plan members and the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% and for the District 16.55% of covered salary between July 1 and December 31, 2013 and 17.45% of covered salary between January 1 and June 30, 2014. Also, a portion of the District's contribution (1.02% of covered salary) is allocated for the Health Care Trust Fund (see below). The District's contributions to the CSSDTF for the years ended June 30, 2014, 2013, and 2012 were \$133,660, \$114,823, and \$107,717, respectively, equal to their required contributions for each year.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note I – Postemployment healthcare benefits

Plan description

The District contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple employer postemployment healthcare plan administered by PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding policy

The District is required to contribute at a rate of 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the CRS, as amended. The District's contribution to the HCTF for the years ended June 30, 2014, 2013, and 2012 were \$8,018, \$7,273, and \$7,226, respectively, equal to their required contributions for each year.

Note J – Defined contribution plan

Plan description

The (CSSDTF) members of the District may voluntarily contribute to the Voluntary Investment Program (401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 401(k) Plan provisions to the State Legislature.

Funding policy

The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$17,500 in 2014). The contribution requirements for the District are established under Title 24, Article 51, Section 1402 of the CRS, as amended. The 401(k) Plan member contributions from the District for the year ended June 30, 2014 were \$1,585.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note K – Risk management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Colorado School Districts Self-Insurance Pool (the Pool). The Pool's objectives are to provide member school districts defined property and liability coverages through self-insurance and excess insurance purchased from commercial companies. The District pays an annual contribution to the Pool for its insurance coverages. The District's contribution for the year was \$30,728. The District continues to carry commercial insurance for all other risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three fiscal years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

Note L – Commitments and contingencies

Federal and state funding

The District receives revenues from various federal and state grant programs which are subject to final review and approval by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in student enrollment. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. During the year ended June 30, 2002, the voters of the District approved a ballot initiative permitting the District to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR's language in order to determine its compliance. The District has reserved funds in the General Fund in the amount of \$52,000 for the emergency reserve.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note M – Joint venture

The District participates in the East Central Board of Cooperative Educational Services (BOCES). This joint venture does not meet the criteria for inclusion within the reporting entity because the BOCES:

- is financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- has a separate governing board from that of the District,
- has a separate management which is responsible for the day to day operations and is accountable to the separate board,
- governing board and management have the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome or disposition of matters affecting the recipients or services provided, and
- has absolute authority over all funds and fiscal responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

The District has one member on the board. The board has final authority for all budgeting and financing of the joint venture.

Separate financial statements of the East Central Board of Cooperative Educational Services are available by contacting their administrative office in Limon, Colorado.

For the year, the District's contribution was \$52,461.

Required Supplementary Information

Budgetary comparison schedules are required to be presented for the General Fund and each major Special Revenue Fund. The District has one major Special Revenue Fund.

General Fund – The General Fund accounts for all transactions of the District not required to be accounted for in other funds. This fund represents an accounting of the District's ordinary operations financed primarily from property and specific ownership taxes and state aid. It is the most significant fund in relation to the District's overall operations.

ARICKAREE SCHOOL DISTRICT R-2
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources	\$ 580,761	\$ 581,761	\$ 666,616	\$ 84,855
Intermediate sources	150	150	111	(39)
State sources	776,177	857,043	905,261	48,218
Federal sources	18,000	33,103	33,338	235
Total revenues	1,375,088	1,472,057	1,605,326	133,269
Expenditures				
Instruction	981,896	992,673	897,197	95,476
Supporting services	1,020,050	1,015,374	928,234	87,140
Appropriated reserves	473,206	695,625		695,625
Total expenditures	2,475,152	2,703,672	1,825,431	878,241
Excess of revenues over (under) expenditures	(1,100,064)	(1,231,615)	(220,105)	1,011,510
Other financing uses				
Transfers out	(32,500)	(20,000)	(20,000)	-
Excess of revenues over (under) expenditures and other financing uses	\$ (1,132,564)	\$ (1,251,615)	(240,105)	\$ 1,011,510
Fund balance at beginning of year			1,326,115	
Fund balance at end of year			\$ 1,086,010	

ARICKAREE SCHOOL DISTRICT R-2
Notes to the Required Supplementary Information

Note A – Budgetary data

The District adheres to the following procedures in compliance with Colorado Revised Statutes, establishing the budgetary data in the financial statements:

1. Budgets are required by state law for all funds. Prior to May 31, the superintendent of schools submits to the board of education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the board of education to obtain taxpayer comments.
3. Prior to June 30, the budget is adopted by formal resolution.
4. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and reallocation of budget line items within any department in the General Fund rests with the superintendent of schools. Revisions that alter the total expenditures of any fund must be approved by the board of education.
5. Budgets for all funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the board of education throughout the year.
7. Appropriations lapse at year-end.

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Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

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Budgetary Comparison Schedules - General Fund

The General Fund accounts for all transactions of the District not required to be accounted for in other funds. This fund represents an accounting of the District's ordinary operations financed primarily from property and specific ownership taxes and state aid. It is the most significant fund in relation to the District's overall operations. The schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

ARICKAREE SCHOOL DISTRICT R-2
General Fund
Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Property taxes	\$ 508,587	\$ 508,587	\$ 505,755	\$ (2,832)
Specific ownership taxes	34,374	34,374	71,841	37,467
Delinquent taxes and interest			915	915
Earnings on investments	2,300	2,300	1,342	(958)
Other local revenue	35,500	36,500	86,763	50,263
Total local sources	580,761	581,761	666,616	84,855
Intermediate sources	150	150	111	(39)
State sources				
Equalization	738,177	819,043	812,087	(6,956)
Vocational education			12,604	12,604
Transportation	30,000	30,000	57,907	27,907
English language proficiency			4,583	4,583
READ Act			1,090	1,090
State grants to libraries			3,000	3,000
Services within the BOCES	8,000	8,000	13,990	5,990
Total state sources	776,177	857,043	905,261	48,218
Federal sources				
REAP		15,103	15,103	-
Services within the BOCES	18,000	18,000	18,235	235
Total federal sources	18,000	33,103	33,338	235
Total revenues	\$ 1,375,088	\$ 1,472,057	\$ 1,605,326	\$ 133,269

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ARICKAREE SCHOOL DISTRICT R-2
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Expenditures				
Instruction				
Salaries	\$ 585,981	\$ 592,030	\$ 552,651	\$ 39,379
Employee benefits	184,965	200,215	198,962	1,253
Purchased services	101,750	101,750	101,449	301
Supplies and materials	66,800	66,800	41,329	25,471
Property	37,200	26,678		26,678
Other	5,200	5,200	2,806	2,394
Total instruction	981,896	992,673	897,197	95,476
Supporting services				
Students				
Salaries	21,300	22,380	20,983	1,397
Employee benefits	5,500	7,000	7,936	(936)
Purchased services	7,000	7,000	8,488	(1,488)
Supplies and materials	2,000	2,000	5,256	(3,256)
Other			150	(150)
Total students	35,800	38,380	42,813	(4,433)
Instructional staff				
Salaries	14,600	14,600	13,679	921
Employee benefits	6,000	6,000	6,642	(642)
Purchased services	1,500	1,500	2,098	(598)
Supplies and materials	3,500	3,500	4,571	(1,071)
Total instructional staff	25,600	25,600	26,990	(1,390)
General administration				
Salaries			4,583	(4,583)
Employee benefits	15,000	15,000	12,316	2,684
Purchased services	198,160	205,192	180,272	24,920
Supplies and materials	9,000	9,000	2,082	6,918
Other	24,000	24,000	14,154	9,846
Total general administration	246,160	253,192	213,407	44,368

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
School administration				
Salaries	45,000	45,000	45,614	(614)
Employee benefits	26,000	26,000	24,396	1,604
Purchased services	500	500	200	300
Supplies and materials	1,000	1,000	1,298	(298)
Total school administration	72,500	72,500	71,508	992
Business services				
Salaries	21,675	21,887	22,783	(896)
Employee benefits	12,500	12,500	10,853	1,647
Purchased services	1,000	1,000	528	472
Supplies and materials	1,000	1,000	377	623
Total business services	36,175	36,387	34,541	1,846
Operations and maintenance				
Salaries	60,000	60,000	46,227	13,773
Employee benefits	28,500	28,500	24,013	4,487
Purchased services	58,000	58,000	28,470	29,530
Supplies and materials	119,000	119,000	140,531	(21,531)
Property	2,000	2,000		2,000
Total operations and maintenance	267,500	267,500	239,241	28,259
Student transportation				
Salaries	87,000	68,000	57,710	10,290
Employee benefits	35,750	40,250	39,484	766
Purchased services	16,000	16,000	13,061	2,939
Supplies and materials	90,000	90,000	79,451	10,549
Property	60,000	60,000	54,250	5,750
Other				-
Total student transportation	288,750	274,250	243,956	30,294

(continued)

ARICKAREE SCHOOL DISTRICT R-2
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2014

(continued)	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Central support services				
Purchased services	47,565	47,565	48,017	(452)
Supplies and materials			7,761	(7,761)
Total central support services	47,565	47,565	55,778	(7,761)
Total supporting services	1,020,050	1,015,374	928,234	92,175
Appropriated reserves	473,206	695,625		695,625
Total expenditures	<u>\$ 2,475,152</u>	<u>\$ 2,703,672</u>	<u>\$ 1,825,431</u>	<u>\$ 883,276</u>

Budgetary Comparison Schedule - Nonmajor Governmental Fund

The District reports the following nonmajor governmental fund:

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

- Pupil Activity Fund – This fund is used to record transactions related to school-sponsored pupil organizations and activities.

ARICKAREE SCHOOL DISTRICT R-2
Pupil Activity Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Pupil activities	\$ 100,000	\$ 125,000	\$ 127,408	\$ 2,408
Total revenues	100,000	125,000	127,408	2,408
Expenditures				
Pupil activities	100,000	140,000	128,049	11,951
Total expenditures	100,000	140,000	128,049	11,951
Excess or revenues over (under) expenditures	\$ -	\$ (15,000)	(641)	\$ 14,359
Fund balance at beginning of year			99,434	
Fund balance at end of year			\$ 98,793	

Budgetary Comparison Schedule – Enterprise Fund

The District reports the following major proprietary fund:

Enterprise Funds – These funds are used to account for operations that provide services that are financed primarily by user charges, or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes.

- Food Service Fund – This fund is used to record financial transactions related to the District’s food service operations.

ARICKAREE SCHOOL DISTRICT R-2
Food Service Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Charges for services	\$ 31,750	\$ 58,772	\$ 28,246	\$ (30,526)
Operating expenses				
Salaries	29,050	29,050	28,085	965
Employee benefits	6,200	6,200	6,428	(228)
Purchased services	1,225	1,225	442	783
Supplies and materials	60,500	62,000	74,891	(12,891)
Depreciation	500	500	1,749	(1,249)
Appropriated reserves		19,022		19,022
Total operating expenses	97,475	117,997	111,595	6,402
Operating loss	(65,725)	(59,225)	(83,349)	(24,124)
Nonoperating revenues				
Federal aid				
Nutrition reimbursements	26,000	26,000	34,645	8,645
Commodity revenue			2,962	2,962
State aid	725	725	1,071	346
Total nonoperating revenues	26,725	26,725	38,678	11,953
Loss before transfers and capital contributions	(39,000)	(32,500)	(44,671)	(12,171)
Transfers in	32,500	20,000	20,000	-
Capital contributions			6,001	6,001
Change in net position	\$ (6,500)	\$ (12,500)	(18,670)	\$ (6,170)
Net position at beginning of year			27,022	
Net position at end of year			\$ 8,352	

Budgetary Comparison Schedule – Fiduciary Fund

These funds focus on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds.

Private-purpose trust funds – These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

- Scholarship Trust Fund – This fund is used to record the financial transactions related to the administration of a scholarship trust that is used to award scholarships to area students.

ARICKAREE SCHOOL DISTRICT R-2
Scholarship Trust Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Contributions and earnings	\$ 640	\$ 640	\$ 162	\$ (478)
Total revenues	640	640	162	(478)
Expenditures				
Scholarship awards	650	640	150	490
Total expenditures	650	640	150	490
Excess of revenues over (under) expenditures	\$ (10)	\$ -	12	\$ 12
Net position at beginning of year			5,133	
Net position at end of year			\$ 5,145	

**Colorado Department of Education
Supplementary Schedule**

Auditors' integrity report – This fiscal-year report is required by the Colorado Department of Education to maintain statewide consistency in financial reporting. This report is also used to gather financial data that could affect future state funding.

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Independent Auditors' Report on Auditors' Integrity Report

Board of Education
Arickaree School District R-2
Anton, Colorado

We have audited the financial statements of the Arickaree School District R-2 (the District) as of and for the year ended June 30, 2014, and our report thereon dated November 12, 2014, which expressed an unmodified opinion on those financial statements, appears on pages 1-2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Auditors' Integrity Report is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
November 12, 2014

Colorado Department of Education
Auditors Integrity Report
 District: 3040 - ARICKAREE R-2
 Fiscal Year 2013-14
 Colorado School District/BOCES

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	1,294,212		1,556,703		1,769,654		1,081,261
18 Risk Mgmt Sub-Fund of General Fund	31,903		24,623		55,777		4,748
19 Colorado Prechool Program Fund	0		0		0		0
Sub-Total	1,326,115		1,581,326		1,825,431		1,086,010
11 Charter School Fund	0		0		0		0
20,26-29 Special Revenue Fund	0		0		0		0
21 Capital Reserve Spec Revenue Fund	0		0		0		0
22 Cont Designated-Purpose Grants Fund	0		0		0		0
23 Pupil Activity Special Revenue Fund	99,034		127,407		128,049		98,793
24 Full Day Kindergarten Mill Levy Override	0		0		0		0
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	0		0		0		0
39 Non-Veter Approved Debt Service Fund	0		0		0		0
41 Building fund	0		0		0		0
42 Special Building Fund	0		0		0		0
43 Capital Reserve Capital Projects Fund	0		0		0		0
Totals	1,425,249		1,712,734		1,953,480		1,184,803
Proprietary							
51 Food Service Fund	27,022		92,976		111,596		8,352
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	27,022		92,976		111,596		8,352
Fiduciary							
70 Other Trust and Agency Funds	0		0		0		0
72 Private Purpose Trust Fund	5,133		162		150		5,145
73 Agency Fund	0		0		0		0
74 Pupil Activity Agency Fund	0		0		0		0
79 GASB 36/Permanant Fund	0		0		0		0
85 Foundations	0		0		0		0
Totals	5,133		162		150		5,145
					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.