

ELBERT COUNTY SCHOOL DISTRICT NO. 200
ELBERT COUNTY, COLORADO
BASIC FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED JUNE 30, 2015

ELBERT COUNTY SCHOOL DISTRICT NO. 200
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2015

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INDEPENDENT AUDITOR'S REPORT

The Board of Education
Elbert County School District No. 200
Elbert, Colorado

I have audited the accompanying financial statements of the governmental activities, each major fund, of the Elbert County School District No. 200, Elbert County, Colorado (the District) as of and for the year ended June 30, 2015, 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund of the District as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information shown as required supplementary information in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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. I 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 principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The statements included in the other supplementary information section and Colorado Department of Education Auditor's Integrity Report are presented for additional analysis and are not a required part of the basic financial statements.

The other supplementary information and Colorado Department of Education Auditor's Integrity Report are the responsibility of management and were derived from and relate 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 my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Colorado Springs, Colorado
November 20, 2015

A handwritten signature in black ink, appearing to read "R. J. [unclear] CPA, C", with a long horizontal stroke extending to the right.

Elbert School District #200
Year Ended June 30, 2015
Management's Discussion and Analysis 2014-15

As management of the Elbert School District #200, we offer readers of the District's Comprehensive Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and financial statements, which immediately follow this section.

Financial Highlights

- The primary government has government-wide net position totaling over \$15,038,239 at the end of the current fiscal year. This is a decrease in net position of \$5,309,139 due to the implementation of a new accounting standard GASB (Governmental Accounting Standards Board) 68 & 71 Net Pension Liability.
- Governmental activities have an unrestricted net position (deficit) of \$3,147,298. As required by the Colorado Department of Education the business-type activities were transferred to the governmental funds as a result of the implementation of GASB 68 & 71.
- Fund balance of the District's governmental funds decreased by \$3,021,589 in 2014-15. \$3,192,124 of this decrease was a result of the final expenditures within the building fund for the new school.

Overview of the Financial Statements

The Management's Discussion and Analysis is intended to serve as an introduction to the District's financial statements. The Elbert School District #200's basic financial statements are comprised of two components, Basic Financial Statements and Supplemental Information. The Basic Financial Statements have the three sections: 1) Government-wide Financial Statements and 2) Fund Financial Statements, and 3) Notes to the Financial Statements. The Other Supplementary Information is comprised of the combining and individual fund statements and schedules.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers a broad overview of Elbert School District #200's financial activities in a manner similar to a private sector business.

The statement of net position presents information on all of the District's assets and liabilities. The difference between assets and liabilities is 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 net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying events occur, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (example: levied but uncollected property taxes and earned but unused employee's vacation leave).

The government-wide financial statements consolidate governmental and internal service type activities that are principally supported by taxes and intergovernmental revenues from business-type activities that are intended to recover all or most of their costs through user fees and charges. Governmental activities consolidate all of the following Elbert School District #200 funds: General Fund, Food Service Fund, Designated Purpose Grants Fund, Pupil Activity Fund, Building Fund, Capital Projects Fund and Bond Redemption Fund.

Fund Financial Statements

These statements focus on individual parts of the District. The District's operations are in more detail than the government-wide statements.

Governmental Funds

The governmental funds statements show how basic services such as instruction were financed in the short-term as well as what remains (fund balances) for the future spending (budgeting).

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the general fund is included in the fund financial statements to demonstrate compliance with the adopted budget.

Notes to the Financial Statements

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

Required Other Supplementary Information

In addition to the financial statements and accompanying notes, this report also contains required supplemental information concerning the District's Special Revenue Funds. The combining statements of the special revenue governmental funds are presented after the notes to the financial statements.

Government-wide Financial Analysis

Government-wide Net Position

The assets of Elbert School District #200 are classified as current assets and capital assets. Cash, property taxes receivables and governmental accounts receivables are the current assets. These assets are available to provide the resources for the near-term operations of the District. Capital assets are used in the operations of the District. These assets include land, buildings, equipment and vehicles.

The assets of the District exceed liabilities by \$15,038,239. The liabilities of the district 2014-15 school-year were accounts payable, accrued salaries and benefits, capital lease payable, net pension liability and matching bonds payable of \$7,363,864.

Condensed Statement of Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total School District</u>		<u>Total % Change</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2014-15</u>
Assets							
Current	\$ 1,659,596	\$ 6,488,375	0	\$ 8,387	\$ 1,659,596	\$ 6,496,732	-74%
Capital/Net depreciation	<u>\$20,672,393</u>	<u>\$18,541,294</u>	<u>0</u>	<u>\$22,454</u>	<u>\$20,672,393</u>	<u>\$18,563,748</u>	+11%
Total Assets	\$22,331,989	\$25,029,669	0	\$30,841	\$22,331,989	\$25,060,510	-11%
Deferred outflows of resources							
	\$ 233,868	0	0	0	\$ 233,868	0	%
Liabilities							
Current	\$ 256,974	\$2,056,623	0	0	\$ 256,974	\$2,056,623	-88%
Noncurrent	<u>\$ 7,106,890</u>	<u>\$2,656,623</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 7,106,890</u>	<u>\$2,656,623</u>	+168%
Total Liabilities	\$ 7,363,864	\$4,713,132	0	0	\$ 7,363,864	\$4,713,132	+56%
Deferred inflows of resources							
	\$ 163,754	0	0	0	\$ 163,754	0	%
Net Position							
Invested in Capital	\$17,948,388	\$15,774,698	0	\$22,454	\$17,948,388	\$ 15,797,152	+14%
Restricted	\$ 237,149	\$3,421,858	0	0	\$ 237,149	\$3,267,124	-93%
Unrestricted	<u>\$-3,147,298</u>	<u>\$1,119,981</u>	<u>0</u>	<u>\$ 8,387</u>	<u>\$-3,147,298</u>	<u>1,128,368</u>	-379%
Total Net Position	<u>\$15,038,239</u>	<u>\$20,316,537</u>	<u>0</u>	<u>\$30,841</u>	<u>\$15,038,239</u>	<u>\$20,347,378</u>	-26%

The major change in the net position from 2013-14 to 2014-15 is that total assets decreased by \$2,728,521 and liabilities increased by about \$2,650,732.

Total Liabilities Net Position 2014-15

	Governmental	Business-Type	Total
Total Liabilities, Deferred inflows and Net Position	\$22,565,857	\$0	\$22,565,857

Total Liabilities Net Position 2013-14

	Governmental	Business-Type	Total
Total Liabilities and Net Position	\$25,029,669	\$30,841	\$25,060,510

Government Activities/Business Type

The governmental activities decreased the net position of the District by \$5,309,139 during the current fiscal year ended June 30, 2015 mainly because of changes in implementing GASB 68 & 71. There is now a \$4,508,900 net pension liability on the District's Statement of Net Position.

	Governmental	Business-Type	Total
Net position, July 1, 2014	\$15,970,820		\$15,970,820
Net position, June 30, 2015	\$15,038,239		\$15,038,239
Net position, July 1, 2013	\$2,930,539	\$30,312	\$2,960,851
Net position, June 30, 2014	\$20,316,537	\$30,841	\$20,347,378

The beginning net position at July 1, 2014 was restated by \$4,345,717 as a result of the implementation of GASB 68 & 71 and the reclassification of the Food Service Fund from a business-type fund to a special revenue governmental fund.

The following is a comparison of the District's general revenues, program revenues and governmental activities for the years 2012-13 and 2013-14:

Comparison of Revenues and Expenses			
	<u>2014-2015</u>	<u>2013-2014</u>	<u>Increase(decrease)</u>
General Revenues:			
Local property taxes	\$ 548,191	\$ 564,017	\$ -15,826
Specific ownership taxes	95,440	90,784	4,656
State equalization	1,978,133	1,784,544	193,589
Other	-507,578	61,589	-569,167
Program Revenues:			
Charges for svcs.-govt	74,021	58,480	15,541
Charges for svcs.-food	26,872	26,773	99
Operating grant –food	26,876	22,109	4,767
Operating grant-inst.	56,452	52,527	3,925
Operating grant-transp.	25,760	22,207	3,553
Capital grant/contrib.	<u>0</u>	<u>15,960,078</u>	<u>-15,960,078</u>
Total Revenues	<u>\$ 2,324,167</u>	<u>\$ 18,643,108</u>	<u>-16,318,941</u>
Expenses:			
Instruction	\$ 1,824,777	\$ 1,270,875	\$ 553,902
Pupil/Instructional	339,717	325,974	13,743
Administration/Business	457,781	392,964	64,817
Operations/Maintenance	233,398	212,154	21,244
Transportation	142,027	139,307	2,720
Other	86,132	74,216	11,916
Facility Acquisitions	0	-1,335,681	1,335,681
Debt Service -Interest	81,507	85,163	-3,656
Food services	<u>91,409</u>	<u>91,609</u>	<u>-200</u>
Total Expenses	<u>\$ 3,256,748</u>	<u>\$ 1,256,581</u>	<u>\$ 2,000,167</u>
Change in Net Position	(932,581)	17,386,527	
Net Position begin of year	<u>15,970,820</u>	<u>2,960,851</u>	
Net Position end of year	<u>\$ 15,038,239</u>	<u>\$ 20,347,378</u>	

Financial Analysis of the Government's Funds

Elbert School District #200 uses fund accounting to ensure and demonstrate compliance with finance-related legal, federal, and state requirements.

The General Fund is the primary major governmental fund (General Fund, Food Service Fund, Designated Purpose Grants Fund, Pupil Activity Fund, Capital Projects Fund and Bond Redemption Fund) for Elbert School District #200. The ending fund balance for the General Fund 2014-15 is \$1,191,872. Tabor reserves of \$78,000 are set aside. The fund balance is an increase from 13-14 of \$92,207.

The Special Revenue funds (Food Service Fund, Pupil Activity and Designated Purpose Grants Fund), Building Fund, Capital Projects Fund and the Bond Redemption Fund are the remaining funds that make up the major governmental fund.

The Designated Purpose Grants Fund is for our Title programs and the REAP grant.

The Pupil Activity Fund balance was increased by \$3,536. The end of the year fund balance was \$64,508.

The Capital Project Fund balance was increased by \$60,157. This increase was from a transfer from General Fund as a savings for future equipment and building expenses.

The Food Service fund is funded by the sale of lunches and monies from the federal lunch program. The fund balance increased by \$3,536.

General Fund Budgetary Highlights

The District budget is prepared according to Colorado law. The most significant budgeted fund is the General Fund.

Elbert School District #200 began budget development for the 2014-15 budgets in February of 2014. In February all teaching staff and department heads are given budget request for their input into the needs of the District.

A mid-year analysis for 2014-15 is completed in early March and enrollment projections and revenues estimated to begin a preliminary budget, which is submitted in first draft form to the Board of Education. The Accountability Committee, representing students, staff and citizens of the community review budget prior to a Budget Workshop held in May. The Board has budget discussion on the draft proposed budget in April, May and June. Adoption of the 2014-15 District budget occurred in June of 2014.

No additional budget appropriations were made during the fiscal year to the General Fund budget.

The 2014-15 Budget included the following:

- Received Rural Education Achievement Program grant of \$21,604 which allowed for enhancing teacher/staff development, enhanced educational programs, i.e., Summer school, educational information technology between staff and students. Other uses of these funds have been used for teacher professional development, enhancing education through technology, Safe and Drug-free schools and community, innovative programs, Davis Learning Strategies training and implementation. A remaining amount of \$1,879 of REAP money will be expending in the 2014-15 budget year.
- A lease purchase of 20 chrome books was enter in 2015 to help complete the secondary students to a ratio of 1 to 1, allowing for a computer device for every student from 6th through 12th grade. This will be paid in 3 annual installments.

- A lease purchase of 5 years was entered into in the 14-15 school year to upgrade to old buses with newer low mileage buses. The district purchased two route buses.
- The school website was updated and enhanced for student, staff and community contact. The State passed the Public School Financial Transparency Act, Article 44 of Title 22, C.R.S. Part 3 which has various reports, statements and document on the school website for public viewing.
- An on-line auction took place in the 2013-14 school year which brought in about \$21,000 in revenue. This money was used to fill gaps of items possibly overlooked in the purchase of the BEST grant FFE for the new building.
- The District saw an October Student count increase that helped provide approximately \$100,000.00 in additional unanticipated revenue for the 14- 15 school year.

Capital Assets and Debt Administration

The District's investment in capital assets for its governmental as of June 30, 2015 amounts to \$20,672,393. Additional information on the District's capital assets and capital lease payable can be found in the notes of the Basic Financial Statements of this report. The Matching Bonds payable balance at June 30, 2015 is \$2,656,509 with \$113,396 due in the 2015/2016 fiscal year end.

Economic Factors and Next Year's Budgets

The ever changing financial crisis of the school funding in Colorado has caused the Elbert School District 200 Board of Education to be very conservative with all funding and expenditures.

During September 2001, the State issued school report cards for every public school in the state. The report card gives each school a performance grade based on the state of Transitional Colorado Assessment Program (TCAP) tests given to all students third through tenth grades. School receiving an unsatisfactory grade for two or more years will be turned into a charter school under state law. Elbert School District #200 continues to be accredited.

The student population at the school has been relatively stable. No surges in growth have occurred in any given year except in the year, 2003-04 when the funded pupil count increased by 16 students. The 2004-05 budget year student count decreased by 5 students. The 2005-06 year funded population was 269.5. The 2006-07 year saw another year of declining enrollment in which the October 1 funded pupil count was 238. The 2007-08 funded pupil count was 235.5 which was a decrease of 2.5 students from the year prior. The 2008-09 funded pupil count was 252.5 which was an increase of 17 from 07-08. The 2009-10 funded pupil count was 223 which is a decrease of 29.5 from 08-09.

The 2010-11 funded pupil count was 233.9 which is an increase of 10.9 from 09-10. The 2011-12 funded pupil count was 222.4 which is a decrease of 11.5 from 10-11. The 2012-13 funded pupil count was 214.3 which is a decrease of 8.1 from 2011-12. The enrollment for 2013-14 of the funded pupil count was 200.4 The enrollment for the 2014-15 of the funded pupil count was 209.6.

Contacting the District's Financial Management

This report is designed to provide the District's citizens, taxpayers, parents, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives and expends. If you have questions about this report or need additional financial information, contact the Business Management Office, Elbert School District #200, 24489 Main St., Elbert, CO 80106.

**BASIC FINANCIAL
STATEMENTS**

Elbert County School District No. 200
Statement of Net Position
June 30, 2015

	Primary Government
	Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents	\$ 958,368
Cash with county treasurer	2,110
Restricted cash with fiscal agent	-
Investments	691,748
Property taxes receivable	3,160
Accounts receivable	-
Grants receivable	1,161
Inventories - food service	1,160
Inventories - USDA commodities	1,889
Total current assets	1,659,596
Capital assets:	
Land and construction in progress	335,215
Depreciable assets	21,358,613
Accumulated depreciation	(1,021,435)
Capital assets, net of depreciation	20,672,393
Total assets	22,331,989
Deferred outflows of resources: See note 6	233,868
Liabilities	
Current liabilities:	
Deficit cash	-
Accounts payable	37,026
Accrued salaries and benefits	93,933
Capital lease payable - current	12,619
Matching bonds payable - current	113,396
Total current liabilities	256,974
Noncurrent liabilities:	
Capital lease payable	54,877
Net pension liability	4,508,900
Matching bonds payable	2,543,113
Total noncurrent liabilities	7,106,890
Total liabilities	7,363,864
Deferred inflows of resources: See note 6	163,754
Net position	
Invested in capital assets, net of related debt	17,948,388
Restricted for:	
TABOR	78,000
Inventories	3,049
Debt service	156,100
Unrestricted (deficit)	(3,147,298)
Total net position	\$ 15,038,239

See accompanying notes to basic financial statements

Elbert County School District No. 200
Statement of Activities
Fiscal year ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Position in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					Primary Government
Regular instruction	\$ 1,824,777	\$ 3,958	\$ 56,452	\$ -	\$ (1,764,367)
Cocurricular activities	185,175	70,063	-	-	(115,112)
Student services	31,467	-	-	-	(31,467)
Instructional staff	123,075	-	-	-	(123,075)
General administration	158,476	-	-	-	(158,476)
School administration	230,774	-	-	-	(230,774)
Support services - business	68,531	-	-	-	(68,531)
Operations and maintenance	233,398	-	-	-	(233,398)
Student transportation	142,027	-	25,760	-	(116,267)
Support services - central	48,883	-	-	-	(48,883)
Food service operations	91,409	26,872	26,876	-	(37,661)
Pike Peak BOCES	37,249	-	-	-	(37,249)
District-wide facility acquisitions	-	-	-	-	-
Debt service - interest	81,507	-	-	-	(81,507)
Total primary government	\$ 3,256,748	\$ 100,893	\$ 109,088	\$ -	\$ (3,046,767)
					Governmental Activities
					\$ 548,191
					95,440
					1,978,133
					107,147
					1,145
					(615,870)
					2,114,186
					(932,581)
					15,970,820
					\$ 15,038,239
					General revenues
					Taxes:
					Local property taxes
					Specific ownership taxes
					State equalization
					Other local sources
					Interest on investments
					Loss on disposal of assets
					Transfers
					Total general revenues and transfers
					Change in net position
					Net position July 1, 2014, as restated
					Net position June 30, 2015

See accompanying notes to basic financial statements

Elbert County School District No. 200
Balance Sheet
Governmental Funds
June 30, 2015

Assets	General Fund	Designated Purpose Grants Fund	Pupil Activity Fund	Food Service Fund	Capital Projects Fund	Bond Redemption Fund	Total Governmental Funds
Cash and cash equivalents	\$ 712,516	\$ 2,494	\$ 45,046	\$ 17,446	\$ 25,511	\$ 155,355	\$ 958,368
Cash with county treasurer	1,365	-	-	-	-	745	2,110
Restricted cash with fiscal agent	-	-	-	-	-	-	-
Investments	603,296	-	-	-	-	-	691,748
Property taxes receivable	3,160	-	-	-	88,452	-	3,160
Due from other funds	-	-	19,462	-	-	-	19,462
Inventories	-	-	-	-	-	-	-
Grants receivable	-	-	-	3,049	-	-	3,049
Total Assets	\$ 1,320,337	\$ 2,494	\$ 64,508	\$ 21,656	\$ 113,963	\$ 156,100	\$ 1,679,058
Liabilities and Fund Balances							
Liabilities:							
Deficit cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	37,026	-	-	-	-	-	37,026
Accrued salaries and benefits	91,439	2,494	-	-	-	-	93,933
Due to other funds	-	-	-	-	-	-	-
Total liabilities	128,465	2,494	-	-	19,462	-	19,462
Fund Balances - spendable, reported in:							
Restricted fund balance:							
Inventories	-	-	-	-	-	-	-
Debt service	-	-	-	3,049	-	-	3,049
TABOR	-	-	-	-	-	156,100	156,100
Assigned fund balance:	78,000	-	-	-	-	-	78,000
Other assigned fund balance	-	-	64,508	18,607	94,501	-	177,616
Unassigned fund balance:							
General fund	1,113,872	-	-	-	-	-	1,113,872
Total fund balances	1,191,872	-	64,508	21,656	94,501	156,100	1,528,637
Total Liabilities and Fund Balances	\$ 1,320,337	\$ 2,494	\$ 64,508	\$ 21,656	\$ 113,963	\$ 156,100	\$ 1,679,058

See accompanying notes to basic financial statements

Elbert County School District No. 200
Reconciliation of Governmental Funds Balance Sheet to
Statement of Net Position
June 30, 2015

Governmental funds total fund balances		\$	1,528,637
Add:			
Capital assets used in governmental activities are not considered current financial resources and, therefore, not reported in the governmental funds			21,693,828
Deferred outflows of resources			233,868
Deduct:			
Accumulated depreciation is not recognized in the governmental funds because capital assets are expensed at the time of acquisition			-
			(1,021,435)
Deferred inflows of resources			(163,754)
Net pension liability			(4,508,900)
Matching bonds payable			(2,656,509)
Capital lease payable			(67,496)
Governmental activities net position		\$	15,038,239

See accompanying notes to basic financial statements

Elbert County School District No. 200
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
Fiscal Year Ended June 30, 2015

	General Fund	Designated Purpose Grants Fund	Pupil Activity Fund	Food Service Fund	Building Fund	Capital Projects Fund	Bond Redemption Fund	Total Governmental Funds
Revenues								
Local sources	\$ 562,064	\$ -	\$ 70,119	\$ 26,872	\$ -	\$ 51	\$ 193,710	\$ 852,816
State sources	2,013,111	-	-	562	-	-	-	2,013,673
Federal sources	149	47,085	-	26,314	-	-	-	73,548
Total revenues	<u>2,575,324</u>	<u>47,085</u>	<u>70,119</u>	<u>53,748</u>	<u>-</u>	<u>51</u>	<u>193,710</u>	<u>2,940,037</u>
Expenditures								
Current:								
Regular instruction	1,203,572	47,085	-	-	-	-	-	1,250,657
Cocurricular activities	115,205	-	66,583	-	-	-	-	181,788
Student services	30,620	-	-	-	-	-	-	30,620
Instructional staff	118,841	-	-	-	-	-	-	118,841
General administration	153,395	-	-	-	-	-	-	153,395
School administration	219,765	-	-	-	-	-	-	219,765
Support services - business	65,144	-	-	-	-	-	-	65,144
Operations and maintenance	229,164	-	-	-	-	-	-	229,164
Student transportation	138,640	-	-	-	-	-	-	138,640
Support services - central	48,133	-	-	-	-	-	-	48,133
Food service operations	-	-	-	88,868	-	-	750	88,868
Pikes Peak BOCES	37,249	-	-	-	-	-	-	37,249
District-wide facility acquisitions	-	-	-	-	3,192,124	-	-	3,192,124
Debt service:								
Principal retirements	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total expenditures	<u>2,359,728</u>	<u>47,085</u>	<u>66,583</u>	<u>88,868</u>	<u>3,192,124</u>	<u>97,284</u>	<u>110,087</u>	<u>6,044,016</u>
Excess(deficiency) of revenues over(under)								
Expenditures	215,596	-	3,536	(35,120)	(3,192,124)	(97,233)	1,366	(3,103,979)
Other financing sources (uses)								
Proceeds from issuance of capital leases	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	82,390	-	82,390
Transfer (out)	(123,389)	-	-	48,389	-	75,000	-	123,389
Total other financing sources (uses)	<u>(123,389)</u>	<u>-</u>	<u>-</u>	<u>48,389</u>	<u>-</u>	<u>157,390</u>	<u>-</u>	<u>(123,389)</u>
Net change in fund balances	92,207	-	3,536	13,269	(3,192,124)	60,157	1,366	(3,021,589)
Fund balances at beginning of year	1,099,665	-	60,972	8,387	3,192,124	34,344	154,734	4,550,226
Fund balances at end of year	<u>\$ 1,191,872</u>	<u>\$ -</u>	<u>\$ 64,508</u>	<u>\$ 21,656</u>	<u>\$ -</u>	<u>\$ 94,501</u>	<u>\$ 156,100</u>	<u>\$ 1,528,637</u>

See accompanying notes to basic financial statements

Elbert County School District No. 200
Reconciliation of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Governmental funds changes in fund balances \$ (3,021,589)

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital outlay reported as an expenditure in the governmental funds functions. 3,274,514

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. (527,545)

Loss on disposal of assets (615,870)

Governmental funds report pension expenses as expenditures when paid. Pension obligations in the statement of activities is allocated and expensed for future pension costs. (84,682)

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

Proceeds from capital lease	(82,390)
Principal payments on general obligation bonds payable	110,087
Principal payments on capital lease	14,894

Change in net position of governmental activities \$ (932,581)

See accompanying notes to basic financial statements

ELBERT COUNTY SCHOOL DISTRICT NO. 200
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

Note 1 - **Summary of Significant Accounting Policies**

The Elbert County School District No. 200 (the District) was formed in 1880 encompassing approximately 141 square miles of southern Elbert County, Colorado. The District operates under an elected Board of Education with five members and provides educational services to approximately 200 students.

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

Reporting Entity

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

The District is not included in any other governmental "reporting entity" as defined in GASB No. 14. As required by accounting principles generally accepted in the USA, these basic financial statements present the District (the primary government) and its component units. The District's reporting entity reflects no component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information of the District as a whole. The reporting information includes all of the non-fiduciary activities of the District. The effect of inter-fund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program

revenues are presented as general revenues. General revenues consist of taxes and others sources not described above.

Separate financial statements are provided for governmental fund. Major individual governmental funds (General Fund, Food Service Fund, Pupil Activity Fund, Bond Redemption Fund, Building Fund and Capital Projects Fund) are reported as separated columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. 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 re recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

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

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

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

Fund Accounting

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

- **Major Governmental Funds**

1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund. Fund balance is unassigned except for Tabor, which is restricted.
2. Food Service Fund (Special Revenue Fund) – this fund accounts for all financial activities associated with the District’s school breakfast and lunch programs
3. Designated Purpose Grants Fund (Special Revenue Fund) – used to account for revenues and expenditures associated with federal grants.
4. Pupil Activity (Special Revenue Fund) – used to account for the resources to be used in various student athletic and co-curricular organizations. Fund balance is assigned as it is neither restricted nor committed.
5. Building Fund – This fund accounts for the use of bond proceeds for the construction of new K-12 school. The primary revenue is the bond proceeds.
6. Capital Projects Fund – used to account for the resources that are restricted or committed to be used for the acquisition or construction of building improvements. Fund balance is assigned as it is neither restricted nor committed.
7. Bond Redemption Fund – This fund accounts for the collection of property taxes and payments of principal and interest of general obligation bonds.

Cash and Cash Equivalents

Cash of some funds are pooled into common pooled accounts in order to maximize investment opportunities. An individual fund’s pooled Cash and Cash Investments are available upon demand and are considered to be “cash equivalents”. Negative balances incurred in pooled cash at year-end are treated as a liability of that fund.

Investments

The District’s investments consist of short-term maturities with Colotrust where the carrying value approximates fair market value.

Inventories

Inventories recorded in the Food Service Fund consist of purchased food and donated commodities. Purchased inventories are stated at average cost. Donated inventories,

received at no cost under a program supported by the Federal Government, are recorded at their estimated fair value at the date of receipt.

Capital Assets

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

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

The monetary threshold for capitalization of assets is \$3,000. The District’s capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets. Depreciation of all capital assets used by the proprietary fund is charged as an expense against their operations. Estimate useful lives are:

Vehicles	8 years
Furniture, fixtures and equipment	5 to 20 years
Buildings and improvements	20 to 50 years

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 future period and so will not be recognized as an outflow of the resources (expenditure) until that time. In addition to liabilities, the statement of financial position reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenues) until that time.

Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net assets. The District records long-term debt of governmental funds at the face value. The District’s general obligation bonds are serviced from property taxes and other revenues of the Debt Service Fund.

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave of proprietary funds is recorded as expense and liability of these funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to

receive sick pay benefits. During the current year, the District recorded no liability, as the amount is immaterial.

Fund Equity

Net Position/Fund Balances - In the government-wide financial statements and for the proprietary fund statements, net position are either shown as invested in capital assets net of related debt, with these assets essentially being nonexpendable; restricted when constraints placed on the net assets are externally imposed; or unrestricted.

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

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

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

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

For the classification of fund and net asset balances, the District considers an expenditure to be made from the most restrictive classification first, when more than one classification is available.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements in those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

Accounting Estimates

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

Budgets and Budgeting Accounting

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

1. Prior to April 1, the District submits to the Board a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance.
4. The District is authorized to transfer budgeted amounts between departments within any fund; however, the Board must approve any revisions that alter the total expenditures of any fund.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Food Service Fund, Designated Purpose Grants Fund, Pupil Activity Fund, Bond Redemption Fund, and Capital Projects Fund.
6. Budgets for the General Fund, Special Revenue Funds, Bond Redemption Fund, Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Note 2 - **Deposits and Investments**

Deposits

The District's investment policies are approved by the Board of Education and governed by Colorado statute. The Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; state regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds. The pool is to be maintained by another financial institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The District is authorized by Colorado State statutes to invest in the following:

- Obligations of the United States government and certain government agencies securities
- Certain international agency securities
- General obligation and revenue bonds of governmental entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Guaranteed investment contracts
- Checking with interest savings accounts

Custodial Credit Risk – 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 a deposit policy for custodial credit risk. At year-end the District’s bank balance was \$991,351. Of the bank balance, \$500,000 was covered by FDIC insurance, and \$491,351 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA. The District’s carrying balance as of June 30, 2015 was \$960,361. The difference between the District’s bank balance and carrying balance is outstanding checks.

Investments

The District had invested \$691,748 (fair value) in the Colorado Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. Colotrust operates similarly to a money market fund and each share is equal in value to \$1.00. The Colorado Division of Securities administers and enforces the requirements of creating and operating Colotrust. Colotrust operates in conformity with the Securities and Exchange Commission’s Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended. Colotrust is rated AAAM by Standard and Poor’s. Investments of Colotrust are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian’s internal records identify the investments owned by the participating governments.

Interest Rate Risk – State statutes limits investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk – State law limits investments to those with specified ratings, as provided by nationally recognized statistical rating organizations, depending on the investment type.

Note 3 - **Property Tax**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 15 and are payable in full by April 30 or in two equal installments due February 28 and June 15 of the following year. Elbert County Treasurer bills and collects the District’s property tax. District property tax revenues are accounted for in the General Fund. Property taxes at the fund level are recorded as receivable and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

Note 4 - **Capital Assets**

A summary of changes in capital assets follows:

Governmental Activities

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
Non-depreciable assets:				
Land	\$ 335,215	\$ -	\$ -	\$ 335,215
Construction in Prog.	<u>17,522,729</u>	<u>3,192,124</u>	<u>20,714,853</u>	<u>-</u>
Total Non-depreciable	<u>\$ 17,857,944</u>	<u>\$ 3,192,124</u>	<u>\$20,714,853</u>	<u>\$ 335,215</u>
	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
Depreciable Assets:				
Buildings & Sites	\$ 2,984,568	\$ 19,241,589	\$ 2,968,873	\$ 19,257,284
Equipment Furniture And Fixtures	1,177,245	1,473,264	1,095,200	1,555,309
Vehicles	<u>527,880</u>	<u>82,390</u>	<u>64,250</u>	<u>546,020</u>
Total Depreciable Assets	<u>\$ 4,689,693</u>	<u>\$ 20,797,243</u>	<u>\$ 4,128,323</u>	<u>\$ 21,358,613</u>
Less accumulated depreciation for:				
Buildings & Sites	\$ (2,379,828)	\$ (385,615)	\$ 2,377,323	\$ (388,120)
Equipment Furniture And Fixtures	(1,120,107)	(120,892)	1,070,880	(170,119)
Vehicles	<u>(506,408)</u>	<u>(21,038)</u>	<u>64,250</u>	<u>(463,196)</u>
Total Accumulated Depreciation	<u>\$ (4,006,343)</u>	<u>\$ (527,545)</u>	<u>\$ 3,512,453</u>	<u>\$ (1,021,435)</u>
Total Capital Assets, Net	<u>\$ 18,541,294</u>	<u>\$ 23,461,822</u>	<u>\$ 21,330,723</u>	<u>\$ 20,672,393</u>

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

Governmental activities:

 Regular instruction \$ 527,545

Note 5 - **Long Term Debt**

Following is a summary of long-term debt transactions for the year ended June 30, 2015:

<u>Governmental Activities</u>	<u>Balances</u> <u>7/01/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>6/30/2015</u>
Matching Money Bonds	\$ 2,766,596	\$ -	\$ 110,087	\$ 2,656,509
Capital Leases	<u>-</u>	<u>82,390</u>	<u>14,894</u>	<u>67,496</u>
Total	<u>\$ 2,766,596</u>	<u>\$ 82,390</u>	<u>\$ 124,981</u>	<u>\$ 2,724,005</u>

Total amount of matching money bonds due within one year is \$113,396.

In November of 2012, the District authorized issuance of its General Obligation Bond Series 2012 (Matching Money Bonds) to the State of Colorado in the aggregate principal amount of \$ 2,874,635. Interest payments are due semi-annually on June 1 and December 1, commencing on June 1, 2013 at a rate of 3.0059%. Principal payments are due annually on December 1, with a final payment due on December 1, 2032.

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 113,396	\$ 78,148	\$ 191,544
2017	116,804	74,688	191,492
2018	120,315	71,125	191,440
2019	123,932	67,453	191,385
2020	127,657	63,672	191,329
2021	131,494	59,777	191,271
2022	135,447	55,765	191,212
2023	139,518	51,632	191,150
2024-2028	763,077	191,693	954,770
2029-2032	<u>884,869</u>	<u>68,069</u>	<u>952,938</u>
Total	<u>\$2,656,509</u>	<u>\$ 782,022</u>	<u>\$3,438,531</u>

During the year, the District entered into a capital lease agreement with Kansas State Bank of Manhattan for the acquisition of two school busses. The agreement requires annual lease payments of \$14,894 beginning in November of 2014 and ending in November 2019. Capital lease amount due within one year is \$12,619.

Minimum lease payments, to maturity, are as follows:

<u>Year Ended June 30,</u>	
2016	\$ 14,894
2017	14,894
2018	14,894
2019	14,894
2020	<u>14,894</u>
Total payments under capital lease	74,470
Less: Interest portion of payments	<u>(6,974)</u>
Net obligation under capital lease	<u>\$ 67,496</u>

Note 6 - **Defined Benefit Pension Plan**

Summary of Significant Accounting Policies

Pensions. The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension 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 the benefit terms. Investments are reported at fair value.

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 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 that can be obtained at www.copera.org/investments/pera-financial-reports.

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

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.
- The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) Benefit Structure is the greater of the:
 - Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
 - \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

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

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

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA’s Annual Increase Reserve for the SCHDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions. Eligible employees and the District are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	For the Year Ended December 31, 2014	For the Year Ended December 31, 2015
Employer Contribution Rate ¹	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	3.80%	4.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	3.50%	4.00%
Total Employer Contribution Rate to the SCHDTF ¹	16.43%	17.33%

¹Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

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 \$234,280 for the year ended June 30, 2015

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

At June 30, 2015 the District reported a liability of \$4,508,900 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2013. Standard update procedures were used to roll forward the total pension liability to December 31, 2014. The District proportion of the net pension liability was based on District contributions to the SCHDTF for the calendar year 2014 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2014, the District proportion was 0.0332677658%, which was a decrease of 0.0017557241 from its proportion measured as of December 31, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$84,682. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	-	\$ 337
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	\$ 103,690	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	\$ 163,417
Contributions subsequent to the measurement date	\$ 130,178	N/A
Total	\$ 233,868	\$ 163,754

\$130,178 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2015:	
June 30, 2016	\$ (34,727)
June 30, 2017	\$ (34,727)
June 30, 2018	\$ (16,532)
June 30, 2019	\$ 25,922
June 30, 2020	\$ -
Thereafter	\$ -

Actuarial assumptions. The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Price inflation	2.80 percent
Real wage growth	1.10 percent
Wage inflation	3.90 percent
Salary increases, including wage inflation	3.90 – 10.10 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.50 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

The SCHDTF's long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent analysis of the long-term expected rate of return, presented to the PERA Board on November 15, 2013, the target 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	10 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
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 7.50%.

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Based on those assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District 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 7.50 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 (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$5,945,427	\$4,508,900	\$3,306,557

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 7 -

Post-employment Healthcare Benefits

Plan Description. The Elbert County School District No. 200 contributes to the Health Care Fund (HCF), a cost sharing multiple employer post-employment healthcare plan administered by the PERA. The HCF 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 HCF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for HCF. That report may be obtained by writing to PERA of Colorado, 1301 Pennsylvania Street, Denver, Colorado 80203 or by calling PERA's InfoLine at 1-800-759-PERA (7372) or Denver metro area 303-832-9550.

Funding Policy. The Elbert County School District No. 200 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 Elbert County School District No. 200 are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the health care fund is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The Elbert County School District No. 200's contributions to HCF for the years ending June 30, 2015, 2014 and 2013 were \$14,850, \$14,096 and \$14,756 respectively, equal to their required contributions for each year.

Note 8 -

Defined Contribution Pension Plan

Plan Description. The (CSSDTF) members of the Elbert County School District No. 200 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 2013 and \$17,500 in 2014). Beginning January 1, 2001, an employer match was legislated, which would match 100% of a member's eligible tax deferred retirement program contributions limited by 3.0% in 2002, 2.0% in 2003 and 1.0% in 2004 per payroll of the PERA-includable salary. Effective July 1, 2004, the State Legislature rescinded the matchmaking provision of this plan. The 401(k) Plan member contributions from the District for the year ended June 30, 2015 were \$ 32,382. There were no employer contributions to the 401(k) Plan from the District for the year ended June 30, 2015.

- Note 9 - **Joint Ventures**
 The District participates in with the Pikes Peak Board of Cooperative Educational Services (BOCES). The District has one member on the Board, which is selected by participating districts. This Board has final authority for all budgeting and financing of the joint venture. The District's June 30, 2015 contribution amounted to \$37,249.
- The District's share of annual contributions to the joint venture was approximately 8% for the year ended June 30, 2015.
- Complete financial statements for BOCES can be obtained at their administrative offices at 2883 South Circle Drive, Colorado Springs, Colorado 80906.
- Note 10 - **Auditor's Integrity Report**
 The Colorado Department of Education requires the inclusion of the Auditor's Integrity Report as a supplemental schedule to the audited financial statements. The Report is based on a prescribed basis of accounting that demonstrates compliance with the financial policies and procedures of the Colorado Department of Education.
- Note 11- **Risk Management**
 The District participates in Colorado School District Self-Insurance Pool. The pool is a separate legal entity established by the member school districts pursuant to the provisions of Colorado Revised Statute and the Colorado Constitution. In 1985, the District Board approved a resolution that authorized the District to participate in the pool. The District has participated each year since then.
- It is the intent of the members of the Pool to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of the Pool against stated liability or loss to the limit of the financial resources of the Pool.
- It is also the intent of the members to have the Pool provide continuing stability and availability of needed coverage at reasonable cost. All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its members.
- The Pool is a separate legal entity and the District does not approve budgets nor does it have the ability to significantly affect the operations of the unit.
- The District is exposed to various risks of loss related to torts, thefts of damage to, or destruction of assets; errors or omissions; injuries to volunteers; or acts of God. The District maintains commercial insurance coverage for general liability, workers compensation, property, vehicle damage and liability, umbrella, management liability and public official bond. The District did not have any claim settlements in excess of coverage for the last three years. Complete financial statements for the Pool can be obtained at their offices.
- Note 12 - **Accrued Teachers' Salaries and Employee Benefits**
 Teacher contracts are for a nine or ten-month period; but are paid in twelve equal payments. At the end of the fiscal year an accrual exists for the difference between the amounts due on the contract and the amounts paid.

Note 13 - **Interfund Transactions**

The following identifies amounts due to the Pupil Activity Fund at June 30, 2015:

<u>Fund</u>	<u>Due To</u>	<u>Due From</u>
Pupil Activity Fund	\$ 19,462	
Building Fund		\$ 19,462

Due To/Due From other funds are recorded at the fund level and are eliminated at the government-wide level. During the year District's General Fund transferred \$48,389 to the Food Service Fund and \$75,000 to the Capital Reserve Projects Fund.

Note 14 - **Restatement of Net Position and Fund Balance**

The District previously reported the activity of the Food Service Fund in a proprietary fund. Beginning in fiscal year 2014-2015, such activity has been more appropriately reported in a special revenue fund. Accordingly, the newly established special revenue fund reports a restated beginning balance of \$ 8,387, which is equal to the net current assets and current liabilities previously reported in the proprietary fund. All remaining assets and liabilities, including net position of \$30,841, previously reported in the proprietary fund are not recognized at the fund level under modified accrual, and have been reclassified as assets and liabilities of the governmental activities as of July 1, 2014. In addition, the beginning net position within the governmental activities has been restated due to prior year pension obligations due to the implementation of GASB 68 and GASB 71. Total restatement was \$4,354,104 (decrease).

Note 15 - **Commitments and Contingencies**

Claims and Judgments - The District participates in a number of federal and state programs that are fully or partially funded by grants received from other government entities. 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. At June 30, 2015, significant amounts of grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

Tabor Amendment - In November 1992, the voters of Colorado approved Amendment I, 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 local governments, including school districts. The District's financial activity provides the basis for calculation of future limitations adjusted for allowable increases tied to inflation and enrollment growth. Subsequent to 1992, revenues in excess of the District's "spending limit" must be refunded unless voters approve the retainage of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases, and new debt.

On November 6, 2001, the voters of the district approved a referendum for Elbert County School District No. 200. The voters authorized the district to collect, retain and expend all revenues and other funds collected during 2002 and each subsequent year from any source notwithstanding the limitations of Article X, section 20 of the Colorado constitution, effective January 1, 2002, provided however, that no property

tax mill levy shall be increased at any time nor shall any new tax be imposed without the prior approval of the voters of Elbert County School District No. 200.

The Tabor Amendment requires the District to establish a reserve for emergencies. At June 30, 2015, the District's reserve of \$78,000 was recorded as a reservation of Government Activities Net Position.

Note 16- **Expenditures in Excess of Appropriations**

The District overspent its budget in the Designated Purpose Grants Fund during the year by \$602. This may be a violation of State statutes.

Note 17- **Evaluation of Subsequent Events**

The District's management has evaluated subsequent events through November 20, 2015 (the date of the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

Elbert County School District No. 200
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Local sources				
Property taxes	\$ 377,835	\$ 377,835	\$ 354,609	\$ (23,226)
Specific ownership taxes	41,270	41,270	95,440	54,170
Delinquent taxes and interest	2,000	2,000	801	(1,199)
Tuition	12,000	12,000	3,958	(8,042)
Other local sources	25,000	25,000	106,346	81,346
Interest on investments	1,500	1,500	910	(590)
Total local sources	<u>459,605</u>	<u>459,605</u>	<u>562,064</u>	<u>102,459</u>
State sources				
State equalization	1,857,473	1,857,473	1,978,133	120,660
Transportation	22,000	22,000	25,760	3,760
Other state sources	-	-	9,218	9,218
Total state sources	<u>1,879,473</u>	<u>1,879,473</u>	<u>2,013,111</u>	<u>133,638</u>
Federal sources				
Other federal sources	-	-	149	149
Total federal sources	<u>-</u>	<u>-</u>	<u>149</u>	<u>149</u>
Total revenues	<u>2,339,078</u>	<u>2,339,078</u>	<u>2,575,324</u>	<u>236,246</u>
Expenditures				
Instruction and supporting services				
Regular instruction	1,112,953	1,112,953	1,203,572	(90,619)
Cocurricular activities	129,159	129,159	115,205	13,954
Student services	36,616	36,616	30,620	5,996
Instructional staff	112,346	112,346	118,841	(6,495)
General administration	150,521	150,521	153,395	(2,874)
School administration	211,313	211,313	219,765	(8,452)
Support services - business	63,387	63,387	65,144	(1,757)
Operations and maintenance	226,307	226,307	229,164	(2,857)
Student transportation	150,114	150,114	138,640	11,474
Support services - central	44,284	44,284	48,133	(3,849)
Pikes Peak BOCES	45,000	45,000	37,249	7,751
District-wide facilities acquisitions				-
Contingency	317,078	317,078		317,078
Total instruction and supporting services	<u>2,599,078</u>	<u>2,599,078</u>	<u>2,359,728</u>	<u>239,350</u>
Excess(deficiency) of revenues over expenditures	<u>(260,000)</u>	<u>(260,000)</u>	<u>215,596</u>	<u>475,596</u>
Other financing sources (uses)				
Transfer in	-	-	-	-
Transfer out	(90,000)	(90,000)	(123,389)	(33,389)
Total other financing sources (uses)	<u>(90,000)</u>	<u>(90,000)</u>	<u>(123,389)</u>	<u>(33,389)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(350,000)</u>	<u>(350,000)</u>	<u>92,207</u>	<u>442,207</u>
Fund balances at beginning of year	350,000	350,000	1,099,665	749,665
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,191,872</u>	<u>\$ 1,191,872</u>

See the accompanying independent auditors' report

Elbert County School District No. 200
Designated Purpose Grants Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal sources				
REAP grant	\$ 21,176	\$ 21,176	\$ 23,483	\$ 2,307
Title I grant	22,800	22,800	21,174	(1,626)
Title II grant	<u>2,507</u>	<u>2,507</u>	<u>2,428</u>	<u>(79)</u>
Total federal sources	<u>46,483</u>	<u>46,483</u>	<u>47,085</u>	<u>602</u>
Expenditures				
Instruction and supporting services				
Regular instruction	46,483	46,483	47,085	(602)
Supporting services	-	-	-	-
Total instructional and supporting services	<u>46,483</u>	<u>46,483</u>	<u>47,085</u>	<u>(602)</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfer out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report

Elbert County School District No. 200
Pupil Activity Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local sources				
Student activities	\$ 140,000	\$ 140,000	\$ 70,063	\$ (69,937)
Interest on investments	200	200	56	(144)
Total local sources	<u>140,200</u>	<u>140,200</u>	<u>70,119</u>	<u>(70,081)</u>
Expenditures				
Current:				
Cocurricular activities	135,000	135,000	66,583	68,417
District-wide	-	-	-	-
Contingency	15,000	15,000	-	15,000
Total expenditures	<u>150,000</u>	<u>150,000</u>	<u>66,583</u>	<u>83,417</u>
Excess(deficiency) of revenues over expenditures	<u>(9,800)</u>	<u>(9,800)</u>	<u>3,536</u>	<u>13,336</u>
Other financing sources (uses)				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(9,800)</u>	<u>(9,800)</u>	<u>3,536</u>	<u>13,336</u>
Fund balances at beginning of year	9,800	9,800	60,972	51,172
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,508</u>	<u>\$ 64,508</u>

See the accompanying independent auditors' report

Elbert County School District No. 200
Food Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local sources	\$ 43,873	\$ 43,873	\$ 26,872	\$ (17,001)
State sources	840	840	562	(278)
Federal sources	19,500	19,500	26,314	6,814
Total sources	64,213	64,213	53,748	(10,465)
Expenditures				
Food service operations	104,213	104,213	88,868	15,345
Total Food service operations	104,213	104,213	88,868	15,345
Excess(deficiency) of revenues over expenditures	(40,000)	(40,000)	(35,120)	4,880
Other financing sources (uses)				
Transfers in	40,000	40,000	48,389	8,389
Transfer out	-	-	-	-
Total other financing sources (uses)	40,000	40,000	48,389	8,389
Excess (deficiency) of revenues over expenditures and other sources (uses)	-	-	13,269	13,269
Fund balances at beginning of year	-	-	8,387	8,387
Fund balances at end of year	\$ -	\$ -	\$ 21,656	\$ 21,656

See the accompanying independent auditors' report

Elbert County School District No. 200
Schedule of the District's Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years

	2014
District' proportion (percentage) of the collective net pension liability	0.0332677658%
District's proportionate share of the collective pension liability	4,508,900
Covered-employee payroll	1,427,922
District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	31.67%
Plan fiduciary net pension as a percentage of the total pension liability	62.80%

The amounts presented for each fiscal year were determined as of December 31.

See the accompanying Independent Auditors' Report

Elbert School District No. 200
Schedule of Contributions and Related Ratios
Last 10 Fiscal Years

	2015
As of June 30,	
Statutorily required contributions	\$ 246,288
Contributions in relation to the statutorily required contributions	246,288
Contribution deficiency (excess)	\$ -
Covered-employee payroll	1,373,694
Contribution as a percentage of covered-employee payroll	17.93%

See the accompanying Independent Auditors' Report

**OTHER
SUPPLEMENTARY
INFORMATION**

Elbert County School District No. 200
Building Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State sources				
Grant revenue - BEST	\$ 16,689,274	\$ 16,689,274	\$ -	\$ (16,689,274)
Interest on investments	-	-	-	-
Total state sources	<u>16,689,274</u>	<u>16,689,274</u>	<u>-</u>	<u>(16,689,274)</u>
Expenditures				
Current:				
Supporting services	-	-	-	-
District-wide facility acquisitions	16,689,274	16,689,274	3,192,124	13,497,150
Contingency	-	-	-	-
Total expenditures	<u>16,689,274</u>	<u>16,689,274</u>	<u>3,192,124</u>	<u>13,497,150</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(3,192,124)</u>	<u>(3,192,124)</u>
Other financing sources (uses)				
Proceeds from issuance of bonds & COP	-	-	-	-
Transfer in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>-</u>	<u>-</u>	<u>(3,192,124)</u>	<u>(3,192,124)</u>
Fund balances at beginning of year	-	-	3,192,124	3,192,124
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report

Elbert County School District No. 200
Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local sources				
Other local sources	\$ -	\$ -	\$ -	\$ -
Interest on investments	500	500	51	(449)
Total local sources	<u>500</u>	<u>500</u>	<u>51</u>	<u>(449)</u>
Expenditures				
Current:				
Supporting services	-	-	-	-
District-wide facility acquisitions	27,500	27,500	82,390	(54,890)
Debt service	-	-	14,894	(14,894)
Contingency	75,000	75,000	-	75,000
Total expenditures	<u>102,500</u>	<u>102,500</u>	<u>97,284</u>	<u>5,216</u>
Excess(deficiency) of revenues over expenditures	<u>(102,000)</u>	<u>(102,000)</u>	<u>(97,233)</u>	<u>4,767</u>
Other financing sources (uses)				
Proceeds from issuance of capital leases	-	-	82,390	82,390
Transfer in	50,000	50,000	75,000	25,000
Transfer (out)	-	-	-	-
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>157,390</u>	<u>107,390</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(52,000)</u>	<u>(52,000)</u>	<u>60,157</u>	<u>112,157</u>
Fund balances at beginning of year	<u>52,000</u>	<u>52,000</u>	<u>34,344</u>	<u>(17,656)</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,501</u>	<u>\$ 94,501</u>

See the accompanying independent auditors' report

Elbert County School District No. 200
Bond Redemption Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local sources				
Property taxes	\$ 199,000	\$ 199,000	\$ 193,582	\$ (5,418)
Interest on investments	-	-	128	128
Total local sources	<u>199,000</u>	<u>199,000</u>	<u>193,710</u>	<u>(5,290)</u>
Expenditures				
Current:				
Supporting services	-	-	750	(750)
Debt service				
Principal	110,000	110,000	110,087	(87)
Interest	89,000	89,000	81,507	7,493
Contingency	-	-	-	-
Total expenditures	<u>199,000</u>	<u>199,000</u>	<u>192,344</u>	<u>6,656</u>
Excess(deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1,366</u>	<u>1,366</u>
Other financing sources (uses)				
Proceeds from issuance of bonds	-	-	-	-
Transfer in	-	-	-	-
Transfer (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>-</u>	<u>-</u>	<u>1,366</u>	<u>1,366</u>
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>154,734</u>	<u>154,734</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,100</u>	<u>\$ 156,100</u>

See the accompanying independent auditors' report

COLORADO DEPARTMENT OF EDUCATION

AUDITOR'S INTEGRITY REPORT

Colorado Department of Education
Auditors Integrity Report
 District: 0950 - ELBERT 200
 Fiscal Year 2014-15
 Colorado School District/BOCES

Fund Type & Number	Revenues, Expenditures, & Fund Balance by Fund	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Expenditures & Other Uses			6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
			Other Sources	Other Uses		
Governmental						
10 General Fund		1,099,665	2,451,935	2,459,226		1,191,672
18 Risk Mgmt Sub-Fund of General Fund		0	0	0		0
19 Colorado Preschool Program Fund		0	0	0		0
Sub-Total		1,099,665	2,451,935	2,459,226		1,191,672
20,26-29 Special Revenue Fund		0	0	0		0
21 Food Service Spec. Revenue Fund		0	0	0		0
22 Govt Designated Purpose Grants Fund		8,387	102,138		88,865	
23 Pupil Activity Special Revenue Fund		0	47,085		47,085	21,656
34 Full Day Kindergarten Mill Levy Override		50,972	70,119		46,583	0
35 Transportation Fund		0	0		0	64,508
31 Bond Redemption Fund		0	0		0	0
39 Certificate of Participation (COP) Debt Service Fund		153,734	193,710		192,444	0
41 Building Fund		0	0		0	156,100
42 Special Building Fund		3,192,124	0		3,192,124	0
43 Capital Reserve Capital Projects Fund		0	0		0	0
Totals		4,350,226	3,022,426		97,284	64,501
Proprietary						
50 Other Enterprise Funds		0	0		0	0
64 (64) Risk-Related Activity Fund		0	0		0	0
69 (65-69) Other Internal Service Funds		0	0		0	0
Totals		0	0		0	0
Fiduciary						
70 Other Trust and Agency Funds		0	0		0	0
72 Private Purpose Trust Fund		0	0		0	0
73 Agency Fund		0	0		0	0
74 Pupil Activity Agency Fund		0	0		0	0
79 GASB 34 Permanent Fund		0	0		0	0
85 Foundations		0	0		0	0
Totals		0	0		0	0
						FINAL
						0

*If you have a prior period adjustment in any fund (Balance Sheet 6860), the amount of your prior period adjustment is added into both your ending and beginning fund balances on this report.