

Arickaree School District R-2
Anton, Colorado

Financial Statements

For the Year ended June 30, 2012

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Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Arickaree School District R-2 (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The other supplementary information is the responsibility of management and was 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
December 19, 2012

Management Discussion and Analysis

This discussion and analysis of Arickaree School District R-2's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the notes to the basic financial statements and the financial statements to enhance their understanding of the District's performance.

Financial Highlights – Financial Statements as of June 30, 2012

- The assets of the District exceed its liabilities at the close of June 30, 2012 by \$2,893,780 (net assets) as reported in the government-wide financial statements.
- The District's government-wide total net assets decreased by \$157,928 over the prior fiscal year.
- Program revenues of \$117,297 offset expenses from governmental activities of \$1,633,649. General revenues amounted to \$1,368,438.
- Business-type activities (Food Service Fund) assets exceeded liabilities at the close of June 30, 2011 by \$516.
- At the close of June 30, 2012, the District reported \$1,716,566 combined fund balances for the Governmental Funds, an decrease of \$146,051. Expenses exceeded revenues by \$117,551 before transfers. An additional \$30,000 was transferred to the Proprietary Fund for operations.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

Arickaree School District R-2 maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Capital Reserve Fund, because these two funds are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining and individual statements in supplementary schedules with this report.

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

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

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

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

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

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

Government-wide Financial Analysis

The assets of the District are classified as current assets and capital assets. Cash, investments, receivables, inventories and other assets are current assets. These assets are available to provide resources for the near-term operations of the District. A good portion of the current assets result from the property tax collection process; the District receives about 97% of the annual property tax assessment between January and June.

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

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

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The District's assets exceeded liabilities by \$2,893,780 at the close of the most recent fiscal year.

Comparative Summary of Net Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current assets	\$ 1,859,195	\$ 2,010,930	\$ (1,616)	\$ 7,994	\$ 1,857,579	\$ 2,018,924
Capital assets	1,189,162	1,208,584	3,607	4,087	1,192,769	1,212,681
Total assets	3,048,357	3,219,514	1,991	12,091	3,050,348	3,231,605
Long term liabilities	18,922	34,321	-	-	18,922	34,321
Other liabilities	136,171	144,015	1,475	1,561	137,646	145,576
Total liabilities	155,093	178,336	1,475	1,561	156,568	179,897
Invested in capital assets, net	1,189,162	1,208,584	3,607	4,097	1,192,769	1,212,681
Restricted	95,869	84,843	-	-	95,869	82,108
Unrestricted	1,608,233	1,747,751	(3,091)	6,433	1,605,142	1,756,919
Total net assets	\$ 2,893,264	\$ 3,041,178	\$ 516	\$ 10,530	\$ 2,893,780	\$ 3,051,708

The District's reported assets consist of current assets of \$1,857,579 and capital assets of \$1,192,769. The ratio of Current Assets to Current Liabilities of 13.50 to 1 indicates the District's ability to meet current obligations.

Comparative Schedule of Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Program revenues						
Charges for services	\$ 3,547	\$ 2,770	\$ 33,570	\$ 32,623	\$ 37,117	\$ 35,393
Operating grants	113,750	191,753	32,579	29,663	146,329	221,416
General revenues						
Taxes	557,520	496,592	-	-	557,520	496,592
State equalization	700,679	756,101	-	-	700,679	756,101
Unrestricted grants	-	-	-	-	-	-
Other	140,239	122,041	-	-	140,239	122,041
Transfers	(30,000)	(4,500)	30,000	4,500	-	-
Total revenues	1,485,735	1,564,757	96,149	66,786	1,581,884	1,631,543
Expenses						
Instruction	855,525	786,061	-	-	855,525	786,061
Supporting services	739,566	684,848	-	-	739,566	684,848
Other	38,558	38,168	106,163	93,418	144,721	131,586
Total expenses	1,633,649	1,509,077	106,613	93,418	1,739,812	1,602,495
Change in net assets	\$ (147,914)	\$ 55,680	\$ (10,014)	\$ (26,632)	\$ (157,928)	\$ 29,048

Governmental activities. Governmental activities increased (decreased) the District's net assets in 2012 and 2011 by \$(147,914) and \$55,680, respectively.

Business-type activities. Business-type activities decreased the District's net assets in 2012 and 2011 by \$10,014 and \$26,632, respectively.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$1,716,566, a decrease of \$146,051.

- Expenditures and transfers out exceeded revenues in the General Fund by \$101,602, decreasing fund balance to \$1,566,078.
- The Food Service Fund Service Fund operating loss was \$72,593 before non-operating revenues of \$32,579 and a transfer from the General Fund of \$30,000, resulting in net loss for the fund of \$10,014.

General Fund Budgetary Highlights

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

Capital Asset and Debit Administration

Capital assets. The District's investment in capital assets for governmental and business type activities as of June 30, 2012 amounts to \$1,192,769 (net of accumulated depreciation). This investment in capital assets included land, buildings, service vehicles, buses and playground, office and instructional equipment.

Comparative Schedule of Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land and sites	\$ 29,645	\$ 29,645	\$ -	\$ -	\$ 29,645	\$ 29,645
Construction in progress	-	2,350	-	-	-	2,350
Buildings and improvements	1,952,144	1,947,444	-	-	1,952,144	1,947,444
Transportation equipment	384,835	480,775	-	-	384,835	480,775
Other equipment	60,605	51,703	39,324	39,324	99,929	91,027
Subtotal	2,427,229	2,511,917	39,324	39,324	2,466,553	2,551,241
Less accumulated depreciation	1,238,067	1,303,333	35,717	35,227	1,273,784	1,338,560
Total capital assets	\$ 1,189,162	\$ 1,208,584	\$ 3,607	\$ 4,097	\$ 1,192,769	\$ 1,212,681

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

Long-Term Debt

At year end, the School District's long-term debt consisted of accrued compensated absences totaling \$18,922. Additional information on the District's long-term debt can be found in Note G to the basic financial statements.

Economic Factors and Next Year's Budget

- The decline in interest rates will make a difference in next years revenue.
- Fuel and utility costs could make a potential impact on budget plans.
- Multiple bus replacements are necessary.
- Enrollment looks to hold steady or possibly drop.
- Educational staffing salary base will be considered to be competitive with area schools.
- Updating and repairing housing units.
- Technology – continue to upgrade.
- Special Education placement costs.
- Facility infrastructure repairs and replacement.
- Parking lot resurfaced.

Requests for Information

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

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Basic Financial Statements

The basic financial statements of the District include the following:

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

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

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Net Assets
June 30, 2012

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 758,870		\$ 758,870
Cash with fiscal agent	20,993		20,993
Investments	1,051,578		1,051,578
Interfund balances	9,583	\$ (9,583)	-
Receivables	17,285	2,981	20,266
Due from fiduciary fund	886		886
Inventory		4,986	4,986
Capital assets, net of depreciation	1,189,162	3,607	1,192,769
Total assets	\$ 3,048,357	\$ 1,991	\$ 3,050,348
Liabilities			
Accounts payable	\$ 34,609	\$ 1,475	\$ 36,084
Accrued salaries and benefits	101,562		101,562
Noncurrent liabilities			
Due in more than one year	18,922		18,922
Total liabilities	155,093	1,475	156,568
Net assets			
Invested in capital assets	1,189,162	3,607	1,192,769
Restricted for:			
Emergencies	45,000		45,000
Capital purposes	50,869		50,869
Unrestricted	1,608,233	(3,091)	1,605,142
Total net assets	2,893,264	516	2,893,780
Total liabilities and net assets	\$ 3,048,357	\$ 1,991	\$ 3,050,348

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

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ARICKAREE SCHOOL DISTRICT R-2
Statement of Activities
For the Year Ended June 30, 2012

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction	\$ 855,525	\$ 3,547	\$ 78,761	
Supporting services				
Students	32,974			
Instructional staff	20,037			
General administration	211,929			
School administration	58,629		1,252	
Business services	30,946			
Operations and maintenance	188,168			
Student transportation	152,352		33,737	
Central support services	44,531			
Unallocated depreciation *	38,558			
Total governmental activities	1,633,649	3,547	113,750	\$ -
Business-type activities				
Nutrition services	106,163	33,570	32,579	
Total school district	\$ 1,739,812	\$ 37,117	\$ 146,329	\$ -

General revenues

Taxes

Property taxes, levied for general purposes

Specific ownership taxes

Delinquent taxes and interest

State categorical aid

Earnings on investments

Other

Sale of assets

Transfers

Total general revenues

Change in net assets

Net assets at beginning of year

Net assets at end of year

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

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

Net (Expenses) Revenues and
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (773,217)		\$ (773,217)
(32,974)		(32,974)
(20,037)		(20,037)
(211,929)		(211,929)
(57,377)		(57,377)
(30,946)		(30,946)
(188,168)		(188,168)
(118,615)		(118,615)
(44,531)		(44,531)
(38,558)		(38,558)
(1,516,352)	\$ -	(1,516,352)
	(40,014)	(40,014)
(1,516,352)	(40,014)	(1,556,366)
489,191		489,191
69,912		69,912
(1,583)		(1,583)
700,679		700,679
3,911		3,911
141,157		141,157
(4,829)		(4,829)
(30,000)	30,000	-
1,368,438	30,000	1,398,438
(147,914)	(10,014)	(157,928)
3,041,178	10,530	3,051,708
<u>\$ 2,893,264</u>	<u>\$ 516</u>	<u>\$ 2,893,780</u>

ARICKAREE SCHOOL DISTRICT R-2
Balance Sheet
Governmental Funds
June 30, 2012

	General Fund	Capital Reserve Fund	Pupil Activity Fund	Total Governmental Funds
Assets				
Cash	\$ 605,042	\$ 53,614	\$ 100,214	\$ 758,870
Cash with fiscal agent	20,993			20,993
Investments	1,051,578			1,051,578
Property taxes receivable	13,855			13,855
Due from other funds	11,064			11,064
Grant receivables	996			996
Other receivables	2,434			2,434
Total assets	\$ 1,705,962	\$ 53,614	\$ 100,214	\$ 1,859,790
Liabilities and fund balance				
Liabilities				
Accounts payable	\$ 31,864	\$ 2,745		\$ 34,609
Due to other funds			\$ 595	595
Accrued salaries and benefits	101,562			101,562
Deferred revenue	6,458			6,458
Total liabilities	139,884	2,745	595	143,224
Fund balance				
Restricted for emergencies	45,000			45,000
Restricted for capital purposes		50,869		50,869
Assigned to capital projects	52,108			52,108
Assigned to risk-related activities	15,089			15,089
Assigned to pupil activities			99,619	99,619
Unassigned	1,453,881			1,453,881
Total fund balance	1,566,078	50,869	99,619	1,716,566
Total liabilities and fund balance	\$ 1,705,962	\$ 53,614	\$ 100,214	\$ 1,859,790

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

ARICKAREE SCHOOL DISTRICT R-2
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
June 30, 2012

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

Total fund balance - governmental funds	\$ 1,716,566
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	1,189,162
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	6,458
Long-term liabilities, including capital lease obligations, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(18,922)</u>
Net assets of the governmental activities	<u><u>\$ 2,893,264</u></u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2012

	General Fund	Capital Reserve Fund	Pupil Activity Fund	Total Governmental Funds
Revenues				
Local sources	\$ 601,637		\$ 102,158	\$ 703,795
Intermediate sources	180			180
State sources	762,717			762,717
Federal sources	42,739			42,739
Total revenues	1,407,273	\$ -	102,158	1,509,431
Expenditures				
Instruction	762,377		75,258	837,635
Supporting services	716,498			716,498
Capital outlay		72,849		72,849
Total expenditures	1,478,875	72,849	75,258	1,626,982
Excess of revenues over (under) expenditures	(71,602)	(72,849)	26,900	(117,551)
Other financing sources (uses)				
Sale of fixed assets		1,500		1,500
Transfers (out)	(30,000)			(30,000)
Total other financing sources (uses)	(30,000)	1,500	-	(28,500)
Excess of revenues over (under) expenditures and other sources (uses)	(101,602)	(71,349)	26,900	(146,051)
Fund balance at beginning of year	1,667,680	122,218	72,719	1,862,617
Fund balance at end of year	\$ 1,566,078	\$ 50,869	\$ 99,619	\$ 1,716,566

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

ARICKAREE SCHOOL DISTRICT R-2
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2012

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

Net change in fund balances - governmental funds	\$ (146,051)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation exceeded capital outlays in the current period.	(19,422)
Because some property taxes will not be collected for several months after the fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities.	2,160
In the statement of activities, certain expenses are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(6,018)
Repayment of principal on notes expenditures in the governmental funds, but the repayment reduces the long-term debt liability in the statement of net assets.	<u>21,417</u>
Change in net assets of governmental activities	<u><u>\$ (147,914)</u></u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Business-type Activities
	Food Service Fund
Assets	
Current assets	
Grant receivables	\$ 15
Other receivables	2,966
Inventory	4,986
Total current assets	7,967
Capital assets	
Machinery and equipment	39,324
Accumulated depreciation	(35,717)
Total capital assets	3,607
Total assets	\$ 11,574
Liabilities and net assets	
Current liabilities	
Accounts payable	\$ 1,475
Due to other funds	9,583
Total current liabilities	11,058
Net assets	
Invested in capital assets	3,607
Unrestricted	(3,091)
Total net assets	516
Total net assets	\$ 11,574

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2012

	Business-type Activities
	Food Service Fund
Operating revenues	
Charges for services	\$ 33,570
Operating expenses	
Salaries	27,318
Employee benefits	10,091
Purchased services	3,517
Supplies and materials	64,747
Depreciation	490
Total operating expenses	106,163
Operating loss	(72,593)
Nonoperating revenues	
Federal and state aid	32,579
Total nonoperating revenues	32,579
Loss before transfers	(40,014)
Transfers in	30,000
Change in net assets	(10,014)
Net assets at beginning of year	10,530
Net assets at end of year	\$ 516

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	Business-type Activities
	Food Service Fund
Cash flows from operating activities	
Receipts from customers	\$ 33,164
Internal activity	9,583
Payments to suppliers	(78,454)
Payments to employees	(27,318)
	<hr/>
Net cash used by operating activities	(63,025)
Cash flows from noncapital financing activities	
Federal and state aid	30,846
Transfers in	30,000
	<hr/>
Net cash provided by noncapital financing activities	60,846
Net decrease in cash	(2,179)
Cash at beginning of year	<hr/> 2,179
Cash at end of year	<hr/> <u>\$ -</u>
Reconciliation of operating loss to net cash used by operating activities	
Operating loss	\$ (72,593)
Adjustments to reconcile operating loss to net cash used by operating activities	
Depreciation	490
Commodities	1,718
Changes in assets and liabilities	
Other receivables	(406)
Inventory	(1,731)
Accounts payable	(86)
Due to other funds	9,583
	<hr/>
Net cash used by operating activities	<u>\$ (63,025)</u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	<u>Private Purpose Trust Fund</u>
Assets	
Investments	\$ 5,000
Other receivables	<u>1,025</u>
Total assets	<u>\$ 6,025</u>
Liabilities	
Due to other funds	<u>\$ 886</u>
Total liabilities	886
Net assets	
Held in trust for scholarships	<u>5,139</u>
Total liabilities and net assets	<u>\$ 6,025</u>

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

ARICKAREE SCHOOL DISTRICT R-2
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2012

	Private Purpose Trust Fund
Additions	
Contributions and earnings	\$ 612
Total additions	612
Deductions	
Scholarship awards	631
Total deductions	631
Net decrease in net assets	(19)
Net assets at beginning of year	5,158
Net assets at end of year	\$ 5,139

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies

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

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

A.1 – Reporting entity

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

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

A.2 – Fund accounting

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

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

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

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

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

Capital Reserve Fund – This fund is a special revenue fund used to account for expenditures that are limited by statute to the acquisition of land, construction of new facilities, alterations and improvements to existing structures where the estimated total cost of labor and materials is in excess of \$2,500 or acquisition of school buses or other equipment where the estimated unit cost is in excess of \$1,000.

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

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

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

Fiduciary Funds focus on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The District has the following fiduciary fund:

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Note A.3 – Basis of presentation

Government-wide financial statements – The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

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

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

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

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

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

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

A.4 – Basis of accounting

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

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

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

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

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

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

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

A.5 – Encumbrances

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

A.6 – Cash and cash equivalents

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

A.7 – Short-term interfund receivables/payables

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.8 – Inventories

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

A.9 – Capital assets

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

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

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

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.10 – Compensated absences

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

Certain personnel and full-time employees receive up to ten days of sick leave each year, which can be accumulated up to thirty days maximum. Upon leaving employment with the District, these staff shall be paid for the accumulated days at a rate of \$30 per day.

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

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

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

A.11 – Accrued liabilities and long-term obligations

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

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.12 – Fund balance

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

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

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

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

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

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

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

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

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.13 – Net assets

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

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

A.14 – Operating revenues and expenses

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

A.15 – Interfund transactions

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

A.16 – Extraordinary and special items

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note B – Cash and investments

Cash and deposits

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

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have deposit policy for custodial credit risk. As of year-end, the District had total deposits of \$875,022, of which \$255,000 was insured and \$620,022 was collateralized with securities held by the pledging institution’s trust department or agent in the District’s name.

Investments

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

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

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

<u>Investment type</u>	<u>Fair value</u>	<u>Investment maturities (in years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>
Investment in Colotrust	<u>\$ 989,495</u>	<u>\$ 989,495</u>	<u>\$ -</u>	<u>\$ -</u>

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note B – Cash and investments (Continued)

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

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

Cash in bank	\$ 758,870
Cash with fiscal agent	20,993
Investments in certificates of deposit	67,083
Investments in Colostrust	<u>989,495</u>
Total	<u>\$ 1,836,441</u>
 <u>Statement of net assets</u>	
Cash	\$ 758,870
Cash with fiscal agent	20,993
Investments	<u>1,051,578</u>
Subtotal	1,831,441
 <u>Statement of fiduciary net assets</u>	
Investments	<u>5,000</u>
Total	<u>\$ 1,836,441</u>

Note C – Receivables

Receivables at year-end consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Receivables</u>
Property taxes receivable	\$ 13,855	\$ -	\$ 13,855
Grants receivable	996	15	1,011
Other receivables	<u>2,434</u>	<u>2,966</u>	<u>5,400</u>
Total	<u>\$ 17,285</u>	<u>\$ 2,981</u>	<u>\$ 20,266</u>

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note C – Receivables (Continued)

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

Note D – Interfund transactions

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

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>Governmental funds</u>		
General fund	\$ 11,064	\$ -
Pupil activity fund	-	595
Private-purpose trust fund	-	886
Subtotal	11,604	1,481
<u>Proprietary funds</u>		
Food service fund	-	9,583
Total	<u>\$ 11,064</u>	<u>\$ 11,064</u>

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

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental funds</u>		
General fund	\$ -	\$ 30,000
<u>Proprietary funds</u>		
Food service fund	30,000	-
Total	<u>\$ 30,000</u>	<u>\$ 30,000</u>

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note D – Interfund transactions (Continued)

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The District transferred funds in the amount of \$30,000 from the General Fund to the Food Service Fund to subsidize the costs of maintaining the District’s food service operations.

Note E – Capital assets

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 29,645	\$ -	\$ -	\$ 29,645
Construction in progress	<u>2,350</u>	<u>-</u>	<u>(2,350)</u>	<u>-</u>
Total capital assets, not being depreciated	31,995	-	(2,350)	29,645
Capital assets, being depreciated:				
Buildings and improvements	1,947,444	4,700	-	1,952,144
Other equipment	51,703	8,902	-	60,605
Licensed vehicles	<u>480,775</u>	<u>30,635</u>	<u>(126,575)</u>	<u>384,835</u>
Total capital assets, being depreciated	<u>2,479,922</u>	<u>44,237</u>	<u>(126,575)</u>	<u>2,397,584</u>
Total capital assets	2,511,917	44,237	(128,925)	2,427,229
Less accumulated depreciation for:				
Buildings and improvements	(841,272)	(38,557)	-	(879,829)
Other equipment	(42,479)	(1,645)	-	(44,124)
Licensed vehicles	<u>(419,582)</u>	<u>(14,778)</u>	<u>120,246</u>	<u>(314,114)</u>
Total accumulated depreciation	<u>(1,303,333)</u>	<u>(54,980)</u>	<u>120,246</u>	<u>(1,238,067)</u>
Governmental activities capital assets, net	<u>\$ 1,208,584</u>	<u>\$ (10,743)</u>	<u>\$ (8,679)</u>	<u>\$ 1,189,162</u>
Business-type activities				
Machinery and equipment	\$ 39,324	\$ -	\$ -	\$ 39,324
Less accumulated depreciation	<u>(35,227)</u>	<u>(490)</u>	<u>-</u>	<u>(35,717)</u>
Business-type activities capital assets, net	<u>\$ 4,097</u>	<u>\$ (490)</u>	<u>\$ -</u>	<u>\$ 3,607</u>

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note E – Capital assets (Continued)

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

Governmental activities	
Operations and maintenance	\$ 4,084
Student transportation	12,338
Unallocated	<u>38,558</u>
Subtotal	54,980
Business-type activities	
Food service operations	<u>490</u>
Total depreciation expense	<u>\$ 55,470</u>

Note F – Accrued salaries and benefits

Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned but not paid at year-end are estimated to be \$101,562. Accordingly, this accrued compensation is reflected as a liability in the accompanying financial statements.

Note G – Long-term debt

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

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Due within one year</u>
Governmental Activities					
CDE repayment	\$ 21,416	\$ -	\$ (21,416)	\$ -	\$ -
Compensated absences	<u>12,905</u>	<u>6,017</u>	<u>-</u>	<u>18,922</u>	<u>-</u>
Total	<u>\$ 34,321</u>	<u>\$ 6,017</u>	<u>\$ (21,416)</u>	<u>\$ 18,922</u>	<u>\$ -</u>

Payments on the compensated absences attributable to the governmental activities will be liquidated primarily by the General Fund. The District believes that the current portion of compensated absences is negligible and is therefore not reported.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note H – Defined benefit pension plan

Plan description

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

Funding policy

Plan members and the District are required to contribute to the CSSDTF at a rate set by statute. The contribution requirements of plan members and the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% and for the District 14.75% of covered salary between July 1 and December 31, 2011 and 15.65% of covered salary between January 1 and June 30, 2012. Also, a portion of the District's contribution (1.02% of covered salary) is allocated for the Health Care Trust Fund (see below). The District's contributions to the CSSDTF for the years ended June 30, 2012, 2011, and 2010 were \$107,717, \$109,190, and \$107,360, respectively, equal to their required contributions for each year.

Note I – Postemployment healthcare benefits

Plan description

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

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note I – Postemployment healthcare benefits (Continued)

Funding policy

The District is required to contribute at a rate of 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the CRS, as amended. The District's contribution to the HCTF for the years ended June 30, 2012, 2011, and 2010 were \$7,226, \$7,789, and \$8,170, respectively, equal to their required contributions for each year.

Note J – Defined contribution plan

Plan description

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

Funding policy

The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$17,000 in 2012). The contribution requirements for the District are established under Title 24, Article 51, Section 1402 of the CRS, as amended. The 401(k) Plan member contributions from the District for the year ended June 30, 2012 were \$8,030.

Note K – Risk management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Colorado School Districts Self-Insurance Pool (the Pool). The Pool's objectives are to provide member school districts defined property and liability coverages through self-insurance and excess insurance purchased from commercial companies. The District pays an annual contribution to the Pool for its insurance coverages. The District's contribution for the year was \$27,867. The District continues to carry commercial insurance for all other risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three fiscal years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note L – Commitments and contingencies

Federal and state funding

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

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in student enrollment. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. During the year ended June 30, 2002, the voters of the District approved a ballot initiative permitting the District to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR's language in order to determine its compliance. The District has reserved funds in the General Fund in the amount of \$45,000 for the emergency reserve.

Budget law

Expenditures in the Food Service Fund exceeded appropriations by \$3,503, and may be in violation of Colorado Local Government Budget Laws.

ARICKAREE SCHOOL DISTRICT R-2
Notes to Financial Statements

Note M – Joint venture

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

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

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

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

For the year, the District's contribution was \$57,742.

Required Supplementary Information

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

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

Capital Reserve Fund – This fund is used to account for expenditures that are limited by statute to the acquisition of land, construction of new facilities, alterations and improvements to existing structures where the estimated total cost of labor and materials is in excess of \$2,500 or acquisition of school buses or other equipment where the estimated unit cost is in excess of \$1,000.

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

ARICKAREE SCHOOL DISTRICT R-2
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources	\$ 506,900	\$ 506,900	\$ 601,637	\$ 94,737
Intermediate sources	150	150	180	30
State sources	757,366	757,366	762,717	5,351
Federal sources	43,523	43,523	42,739	(784)
Total revenues	1,307,939	1,307,939	1,407,273	99,334
Expenditures				
Instruction	889,156	889,156	762,377	126,779
Supporting services	817,312	817,312	716,498	100,814
Appropriated reserves	1,161,682	1,269,151		1,269,151
Total expenditures	2,868,150	2,975,619	1,478,875	1,496,744
Excess of revenues over (under) expenditures	(1,560,211)	(1,667,680)	(71,602)	1,596,078
Other financing sources (uses)				
Transfers out	(30,000)	(30,000)	(30,000)	-
Excess of revenues over (under) expenditures and other financing uses	<u>\$ (1,590,211)</u>	<u>\$ (1,697,680)</u>	(101,602)	<u>\$ 1,596,078</u>
Fund balance at beginning of year			1,667,680	
Fund balance at end of year			<u>\$ 1,566,078</u>	

ARICKAREE SCHOOL DISTRICT R-2
Capital Reserve Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Earnings on investments	\$ 124,578	\$ 122,218		\$ (122,218)
Total revenues	124,578	122,218	\$ -	(122,218)
Expenditures				
Capital outlay	124,578	122,218	72,849	49,369
Excess of revenues over (under) expenditures	-	-	(72,849)	(72,849)
Other financing sources				
Sale of fixed assets			1,500	1,500
Excess of revenues and other financing sources over (under) expenditures	\$ -	\$ -	(71,349)	\$ (71,349)
Fund balance at beginning of year			122,218	
Fund balance at end of year			\$ 50,869	

ARICKAREE SCHOOL DISTRICT R-2
Pupil Activity Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Pupil activities	\$ 100,000	\$ 100,000	\$ 102,158	2,158
Total revenues	100,000	100,000	102,158	2,158
Expenditures				
Pupil activities	100,000	100,000	75,258	24,742
Total expenditures	100,000	100,000	75,258	24,742
Excess or revenues over (under) expenditures	\$ -	\$ -	26,900	\$ 26,900
Fund balance at beginning of year			72,719	
Fund balance at end of year			\$ 99,619	

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

Note A – Budgetary data

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

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

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Other Supplementary Information

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

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General Fund

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

ARICKAREE SCHOOL DISTRICT R-2
General Fund
Schedule of Revenues
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Property taxes	\$ 418,316	\$ 418,316	\$ 487,031	\$ 68,715
Specific ownership taxes	65,984	65,984	69,912	3,928
Delinquent taxes and interest			(1,583)	(1,583)
Earnings on investments	5,100	5,100	3,911	(1,189)
Other local revenue	38,843	38,843	42,366	3,523
Total local sources	528,243	528,243	601,637	73,394
Intermediate sources	150	150	180	30
State sources				
Equalization	751,741	751,741	691,706	(60,035)
Vocational education			26,107	26,107
Transportation			33,737	33,737
Other state sources			116	116
Services within the BOCES	5,625	5,625	11,051	5,426
Total state sources	757,366	757,366	762,717	5,351
Federal sources				
REAP	17,000	17,000	17,145	145
Education jobs funds			1,252	1,252
Services within the BOCES	26,523	26,523	24,342	(2,181)
Total federal sources	43,523	43,523	42,739	(784)
Total revenues	\$ 1,329,282	\$ 1,329,282	\$ 1,407,273	\$ 77,991

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ARICKAREE SCHOOL DISTRICT R-2
Schedule of Expenditures
General Fund
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Expenditures				
Instruction				
Salaries	\$ 564,476	\$ 564,476	\$ 501,500	\$ 62,976
Employee benefits	177,080	177,080	169,353	7,727
Purchased services	59,400	59,400	51,016	8,384
Supplies and materials	72,700	72,700	34,350	38,350
Property	7,200	7,200	1,466	5,734
Other	8,300	8,300	4,692	3,608
Total instruction	889,156	889,156	762,377	126,779
Supporting services				
Students				
Salaries	19,535	19,535	20,610	(1,075)
Employee benefits	8,000	8,000	6,372	1,628
Purchased services	6,250	6,250	5,564	686
Supplies and materials	200	200	428	(228)
Total students	33,985	33,985	32,974	1,011
Instructional staff				
Salaries	9,300	9,300	13,459	(4,159)
Employee benefits	2,500	2,500	4,722	(2,222)
Purchased services	1,000	1,000	824	176
Supplies and materials	3,500	3,500	922	2,578
Other			110	(110)
Total instructional staff	16,300	16,300	20,037	(3,737)
General administration				
Salaries	88,459	88,459		88,459
Employee benefits	7,400	7,400	5,725	1,675
Purchased services	104,200	104,200	183,987	(79,787)
Supplies and materials	9,000	9,000	5,551	3,449
Property			1,151	(1,151)
Other	24,000	24,000	15,515	8,485
Total general administration	233,059	233,059	211,929	21,130

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
School administration				
Salaries	34,500	34,500	37,443	(2,943)
Employee benefits	14,000	14,000	20,015	(6,015)
Purchased services	500	500	136	364
Supplies and materials	1,500	1,500	1,035	465
Total school administration	50,500	50,500	58,629	(8,129)
Business services				
Salaries	19,148	19,148	20,105	(957)
Employee benefits	10,000	10,000	9,881	119
Purchased services	700	700	568	132
Supplies and materials	1,000	1,000	392	608
Total business services	30,848	30,848	30,946	(98)
Operations and maintenance				
Salaries	47,000	47,000	35,851	11,149
Employee benefits	21,500	21,500	14,518	6,982
Purchased services	28,000	28,000	12,209	15,791
Supplies and materials	110,000	110,000	110,472	(472)
Property	2,000	2,000	4,388	(2,388)
Total operations and maintenance	208,500	208,500	177,438	31,062
Student transportation				
Salaries	65,500	65,500	51,207	14,293
Employee benefits	38,500	38,500	26,137	12,363
Purchased services	11,000	11,000	5,490	5,510
Supplies and materials	80,000	80,000	57,180	22,820
Property	2,000	2,000		2,000
Other	100	100		100
Total student transportation	197,100	197,100	140,014	57,086

(continued)

ARICKAREE SCHOOL DISTRICT R-2
Schedule of Expenditures
General Fund
Budget and Actual
For the Year Ended June 30, 2012

(continued)	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Central support services				
Purchased services	47,020	47,020	44,531	2,489
Total central support services	47,020	47,020	44,531	2,489
Total supporting services	817,312	817,312	716,498	100,814
Appropriated reserves	1,161,682	1,269,151		1,269,151
Total expenditures	<u>\$ 2,868,150</u>	<u>\$ 2,975,619</u>	<u>\$ 1,478,875</u>	<u>\$ 1,496,744</u>

Major Proprietary Funds

The District reports the following major proprietary fund:

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

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

ARICKAREE SCHOOL DISTRICT R-2
Food Service Fund
Statement of Revenues, Expenses and Changes in Net Assets
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Charges for services	\$ 26,000	\$ 26,000	\$ 33,570	\$ 7,570
Operating expenses				
Salaries	25,900	25,900	27,318	(1,418)
Employee benefits	6,750	6,750	10,091	(3,341)
Purchased services	4,500	4,500	3,517	983
Supplies and materials	41,859	62,710	64,747	(2,037)
Property	1,500	1,500		1,500
Depreciation	1,300	1,300	490	810
Total operating expenses	81,809	102,660	106,163	(3,503)
Operating loss	(55,809)	(76,660)	(72,593)	4,067
Nonoperating revenues				
Federal aid				
Nutrition reimbursements	25,500	25,500	29,953	4,453
Commodity revenue			1,718	1,718
State aid	100	100	908	808
Total nonoperating revenues	25,600	25,600	32,579	6,979
Loss before transfers	(30,209)	(51,060)	(40,014)	11,046
Transfers in	30,000	30,000	30,000	-
Change in net assets	\$ (209)	\$ (21,060)	(10,014)	\$ 11,046
Net assets at beginning of year			10,530	
Net assets at end of year			\$ 516	

Fiduciary Funds

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

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

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

ARICKAREE SCHOOL DISTRICT R-2
Scholarship Trust Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Contributions and earnings	\$ 650	\$ 650	\$ 612	\$ (38)
Total revenues	650	650	612	(38)
Expenditures				
Scholarship awards	650	650	631	19
Total expenditures	650	650	631	19
Excess of revenues over (under) expenditures	\$ -	\$ -	(19)	\$ (19)
Net assets at beginning of year			5,158	
Net assets at end of year			\$ 5,139	

**Colorado Department of Education
Supplementary Schedule**

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

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Independent Auditors' Report on Supplementary Schedule

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

We have audited the basic financial statements of the Arickaree School District R-2 (the District) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 19, 2012. The basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Auditors' Electronic Financial Data Integrity Check Figures Report is presented for purposes of additional analysis and is not a required part of the basic financial statements of the District. Such information is presented in accordance with the requirements of the Colorado Department of Education. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
December 19, 2012

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources -	0001 - 0999 Total Expenditures & Other Uses =	6700 - 6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental				
10 General Fund	1,646,336	1,338,996	1,434,344	1,550,989
18 Risk Mgmt Sub-Fund of General Fund	21,343	38,277	44,531	15,089
19 Colorado Preschool Program Fund	0	0	0	0
Subtotal	1,667,680	1,377,273	1,478,875	1,566,078
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Capital Reserve Spec Revenue Fund	122,218	1,500	72,849	50,869
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	72,719	102,158	75,259	99,619
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	0	0	0	0
39 Non-Voter Approved Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
TOTALS	1,862,617	1,480,932	1,626,983	1,716,567
Proprietary				
51 Food Service Fund	10,530	96,149	106,163	516
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
TOTALS	10,530	96,149	106,163	516
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	5,158	612	631	5,139
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	5,158	612	631	5,139

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