

**ARCHULETA SCHOOL DISTRICT 50 JT  
PAGOSA SPRINGS, COLORADO**

**BASIC FINANCIAL STATEMENTS**

**June 30, 2010**

**ARCHULETA SCHOOL DISTRICT 50 JT  
PAGOSA SPRINGS, COLORADO**

**ROSTER OF SCHOOL OFFICIALS**

**JUNE 30, 2010**

**BOARD OF EDUCATION**

Linda Lattin – President

Ken Fox – Vice President

Joanne Irons – Secretary/Treasurer

Bill Nobles – Member

Greg Scheck – Member

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## **FINANCIAL SECTION**

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

## ARCHULETA SCHOOL DISTRICT 50 JT.

### MANAGEMENT'S DISCUSSION & ANALYSIS

This section of Archuleta School District 50 JT's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year, which ended June 30, 2010. Please read it in conjunction with the District's financial statements, which follow this section.

#### FINANCIAL HIGHLIGHTS

The District's total combined net assets were \$16,502,259 on June 30, 2010, an increase of \$1,867,367. Restricted net assets include reserves for debt obligations and emergencies required by TABOR under Article X, Section 20 of the Colorado Constitution. Unrestricted net assets of \$8,682,260 are available to meet the District's ongoing obligations.

Capital Reserve projects completed in 2009-2010 included, the purchase of two 15 passenger busses, repairs and re-striping of the allweather track, partial painting of the Junior High building, purchase and installation of surveillance cameras, and repairs to the boiler. Other projects were completed using Capital Reserve & Grant funds, included the purchase and installation of a walk-in freezer, repairs to the baseball field fences and crows nest, installing new surface materials and equipment on the Elementary playground.

The general fund reported a fund balance this year of \$7,312,470 an increase of \$1,090,563. Of these funds \$102,000 was insurance proceeds that were received in 2009-2010, the expenses for repairs will be incurred in 2010-2011. The district received one time funds of \$455,484 under Secure Rural Schools funding that was secured by Archuleta County, through ARRA legislation, and passed on to the school district. The district has refrained from using these funds as their continuation is always in question, and the need to rebuild the fund balance from past years of deficit spending. The districts Capital Reserve transfer was \$200,002, which is \$267,382 less than budgeted. We chose to leave these funds in the General Fund, which was available to the district, due to change in legislation.

The district student enrollment increased by 1 student, but because of the 5 year averaging our funded count decreased by 22 FTE's. Payment for Early Retirement in the amount of \$26,180 helped the district to realign staffing in light of the funding recessions and anticipated reductions from the state.

General Fund revenues were \$12,371,085 which is 86% of all governmental funds revenues.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts — management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements.

The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending. Governmental funds include the General, Preschool, Capital Reserve, Grant, and Bond Redemption Funds.

Propriety funds are operated like a business and include the Food Service and Insurance Funds.

Fiduciary funds are funds that we hold in trust for others and include the Student Activity (self-supporting clubs and classes) and the Private Purpose Trust Fund (interest only can be spent for Mooney and Newton A.S.E. programs).

The financial statements also include notes that explain some of the information in the report and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

## **District-wide Statements**

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

The two district-wide statements report the District's net assets and how they have changed.

The statement of Net Assets, the difference between the District's assets and liabilities, are one way to measure the District's financial health or position. Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

The Statement of Activities presents information reporting how the District's net assets changed during the most recent year.

Both district-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities).

The district-wide financial statements of the District include the Governmental activities. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum, staff development, health services, technology, maintenance, transportation and general administration. Property taxes and grants finance most of these activities. The bond fund is also included in the Governmental category.

To assess the overall health of the District, consideration needs to be given to additional non-financial factors such as changes in the District's tax base, changes in student enrollment, and the condition of school buildings along with major capital improvements.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's most significant funds — not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by State law and by bond covenants.

The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

**Governmental funds** — Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

The governmental funds reported a combined ending fund balance of \$9,190,729, an increase of \$1,152,729 from the previous year.

**Proprietary funds** – The District operates these funds like a business. These funds had combined net assets as of June 30, 2010, totaling \$1,348,529. This is an increase of \$106,097.

**Fiduciary funds** – These two funds are trust funds and account for resources held for the benefit of parties outside the district. The student activity fund is for all self-supporting clubs and classes. The permanent trust fund requires us to keep \$300,000 in trust and spend the interest earned on \$250,000 for the Archuleta Scholarship in Escrow program and interest on \$50,000 for summer school. In years that summer school is not held the interest will continue to accumulate.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Total net assets increased by \$1,867,367. A portion of the District’s restricted net assets in FY 2010 represented proceeds from General Obligation Bonds. Unrestricted net assets of \$8,682,260 represent resources available to fund the District’s programs and reserves next year.

### Changes in Net Assets

TABLE 1 - CONDENSED STATEMENT OF NET ASSETS

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current Assets	\$ 12,292,162	\$ 10,830,632	\$ 73,230	\$ 36,207	\$ 12,365,392	\$ 2,212,872
Non Current Assets	15,449,469	15,593,624	-	-	15,449,469	15,593,624
Total Assets	<u>27,741,631</u>	<u>26,424,256</u>	<u>73,230</u>	<u>36,207</u>	<u>27,814,861</u>	<u>26,460,463</u>
Current Liabilities	2,498,874	2,289,234	22,077	25,013	2,520,951	2,314,247
Long-Term Liabilities	8,791,651	9,511,225	-	-	8,791,651	9,511,225
Total Liabilities	<u>11,290,525</u>	<u>11,800,459</u>	<u>22,077</u>	<u>25,013</u>	<u>11,312,602</u>	<u>11,825,472</u>
Net Assets						
Invested in Capital Assets,	7,087,304	6,530,367	-	-	7,087,304	6,530,367
Restricted Net Assets	2,112,972	1,753,384	-	-	2,112,972	1,753,384
Unrestricted Net Assets	<u>7,250,830</u>	<u>6,340,046</u>	<u>51,153</u>	<u>11,194</u>	<u>7,301,983</u>	<u>6,351,240</u>
<b>Total Net Assets (Deficit)</b>	<b><u>\$ 16,451,106</u></b>	<b><u>\$ 14,623,797</u></b>	<b><u>\$ 51,153</u></b>	<b><u>\$ 11,194</u></b>	<b><u>\$ 16,502,259</u></b>	<b><u>\$ 14,634,991</u></b>

The District’s total governmental revenues were \$14,408,566. A significant portion, 73% of the District’s revenues comes from local taxes, 17% comes from state aid, with less than 1% from federal sources. The remaining 9% comes from local sources. The total cost of all programs and services was \$12,561,257. A significant portion of the total cost of all programs and services are for instructional and student services.

## Governmental Activities

Property tax revenues increased from the previous year due to increased assessed valuation in Archuleta County. Governmental fund revenues changed a minimal amount.

**TABLE 2 - CONDENSED STATEMENT OF ACTIVITIES**

	Governmental Activities		Business-type Activities		Total	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Program Revenues:</b>						
Charges for Services	\$ 100,723	\$ 78,421	\$ 115,702	\$ 136,152	\$ 216,425	\$ 214,573
Operating Grants	1,469,799	1,977,313	331,478	313,792	1,801,277	2,291,105
Capital Grants	657	-	-	-	657	-
Total Program Revenues	<u>1,571,179</u>	<u>2,055,734</u>	<u>447,180</u>	<u>449,944</u>	<u>2,018,359</u>	<u>2,505,678</u>
<b>General Revenues:</b>						
Taxes	10,445,576	8,717,736	-	-	10,445,576	8,717,736
State Equalization	2,260,263	3,164,928	-	-	2,260,263	3,164,928
Investment Income	22,999	86,153	47	217	23,046	86,370
Miscellaneous	108,549	131,742	-	-	108,549	131,742
Total General Revenues	<u>12,837,387</u>	<u>12,100,559</u>	<u>47</u>	<u>217</u>	<u>12,837,434</u>	<u>12,100,776</u>
<b>Total Revenues</b>	<u>14,408,566</u>	<u>14,156,293</u>	<u>447,227</u>	<u>450,161</u>	<u>14,855,793</u>	<u>14,606,454</u>
<b>Expenses</b>						
Instruction	7,929,536	8,278,745	-	-	7,929,536	8,278,745
Supporting Services	4,362,661	4,356,411	-	-	4,362,661	4,356,411
Interest on Long Term Debt	269,060	366,607	-	-	269,060	366,607
Food Service	-	-	427,269	518,476	427,269	518,476
Total Expenses	<u>12,561,257</u>	<u>13,001,763</u>	<u>427,269</u>	<u>518,476</u>	<u>12,988,526</u>	<u>13,520,239</u>
Operating Transfers	<u>(20,000)</u>	<u>(20,000)</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>-</u>
Change in Net Assets	1,827,309	1,134,530	39,958	(48,315)	1,867,267	1,086,215
Net Assets - Beginning	<u>14,623,797</u>	<u>13,489,267</u>	<u>11,195</u>	<u>59,510</u>	<u>14,634,992</u>	<u>13,548,777</u>
Net Assets - Ending	<u>\$ 16,451,106</u>	<u>\$ 14,623,797</u>	<u>\$ 51,153</u>	<u>\$ 11,195</u>	<u>\$ 16,502,259</u>	<u>\$ 14,634,992</u>

State equalization and property taxes accounted for most of the District's total revenue. The District's expenses are predominantly related to instructing, caring for and transporting students. The District's administrative, business activities and technology (district support) accounted for 7% of total cost.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

Governmental funds include the General, Preschool, Capital Reserve, Grant, and Bond Redemption. Revenues from governmental fund types totaled \$14,408,566. There was an increase in revenues from the previous year even though the enrollment decreased. We continue to receive more in grant funds each year. The majority of the grant requirements are tied directly to student instruction.

Funding for the General and Capital Reserve funds are based on pupil count. The pupil count decreased 9 students and the funded count decreased by 21.6 students as the current School Finance Act has an averaging provision for districts experiencing declining enrollment that lessens the financial impact. This decrease in students was anticipated. Equalized funding (the per pupil amount set by Colorado Department of Education) funded with local property tax and state aid decreased.

Proprietary funds include the Food Service Fund and Insurance Fund. The Board approved to subsidize Food Service up to \$20,000 in FY 2010. This money was transferred to help offset increased costs for food. The Insurance Fund had a small increase in revenue over expenditures. With the potential of severe claims and the increase in medical costs, this fund continues to be closely monitored.

Fiduciary funds include funds that are held in trust by the district. These funds are the Student Activity Fund; a fund for all self-supporting club and class activities. The Trust-Donation Fund is a fund that was established for private donations that have specific guidelines on how the money generated from the principal is to be spent. The interest on \$250,000 of the Whit Newton Fund is set-aside for the Archuleta Scholarship in Escrow program. Interest on \$50,000 of the Mooney donation is designated to help fund either remedial or accelerated programs.

### **General Fund Budgetary Highlights**

The General Fund is the major operating fund of the District, providing most of the resources for the educational and support programs. Actual expenditures were below budget amounts and actual revenues received were below budget amounts, revenues exceeded expenditures by \$1,827,309. Although this may seem as a large increase there were specific reasons for this large increase. Archuleta School District received \$455,484 in Secure Rural School Funding that is not a continues source of revenue, and is being used to rebuild reserves that have been spent in the past few years. The district decided to only make a transfer to Capital Reserve of \$200,002 under the new legislatives guidelines, instead of the budgeted amount of \$467,384, which resulted in a General Fund balance increase of an additional \$267,382. The district also received \$102,531 in insurance proceeds that will be expended in 2010-2011. These actions help to increase the General Fund Ending Fund Balance. Transfers were made from the General Fund. The Capital Reserve transfer was \$200,002. The Food Service transfer was \$20,000. Reserves are still more than adequate to meet unforeseen district needs but the district needs to be cautious in spending down reserves in the future and will need to adjust expenditures if enrollment continues to decline, and anticipated reductions in funding from the State of Colorado.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of FY 2010, the District had invested \$15,449,469 in a broad range of capital assets, including land, equipment, buildings, and vehicles. This amount represents a net decrease of .23% or \$35,190.

	<b>Balance July 1 2009</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance June 30 2010</b>
<b><u>Governmental activities</u></b>				
Assets not being depreciated:				
Land	\$ 779,816	\$ -	\$ -	\$ 779,816
Assets being depreciated:				
Buildings	17,209,246	122,644	-	17,331,890
Equipment and vehicles	1,999,273	195,126	40,000	2,154,399
Total assets being depreciated	<u>19,208,519</u>	<u>317,770</u>	<u>40,000</u>	<u>19,486,289</u>
Less: Accumulated depreciation				
Buildings	(2,908,539)	(245,495)	-	(3,154,035)
Equipment and vehicles	(1,595,137)	(107,464)	(40,000)	(1,662,601)
Total accumulated depreciation	<u>(4,503,676)</u>	<u>(352,960)</u>	<u>(40,000)</u>	<u>(4,816,636)</u>
<b>Total capital assets, net</b>	<b><u>\$ 15,484,659</u></b>	<b><u>\$ (35,190)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 15,449,469</u></b>
Instruction		\$ 221,201		
Supporting Services		<u>131,759</u>		
<b>Total Depreciation</b>		<b><u>\$ 352,960</u></b>		
	<b>Balance July 1 2009</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance June 30 2010</b>
<b><u>Business-type activities</u></b>				
Assets being depreciated:				
Equipment and vehicles	\$ 50,161	\$ -	\$ -	\$ 50,161
Less: Accumulated depreciation				
Equipment and vehicles	(50,161)	-	-	(50,161)
<b>Total capital assets, net</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

## Long Term Debt

At year-end the District had \$9,561,595 in bonds and notes outstanding. The district refunded the outstanding bonds in February 2004 to receive a lower rate of interest. The net effective interest rate varies from 4.04%. The long term debt includes a multi-year copier lease, accrued compensated absences for employee sick leave earned and unamortized bond premium.

	<b>Balance July 1, 2009</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2010</b>	<b>Current Portion</b>
2004 General Obligation Refunding Bonds	\$ 8,330,000	\$ -	\$ -	\$ 8,330,000	\$ 640,000
2004 Capital Appreciation Bonds	645,000	-	645,000	-	-
Less: Future Appreciation	(45,748)	-	(45,748)	-	-
Net Bonds Payable	<u>8,929,252</u>	-	599,252	8,330,000	640,000
Capital Lease Payable - Copiers	25,040	28,490	21,365	32,165	21,238
Accrued Compensated Absences	442,649	118,627	108,588	452,688	37,588
Unamortized Bond Premium	<u>817,860</u>	-	<u>71,118</u>	<u>746,742</u>	<u>71,118</u>
Total	<u>\$ 10,214,801</u>	<u>\$ 147,117</u>	<u>\$ 800,323</u>	<u>\$ 9,561,595</u>	<u>\$ 769,944</u>
Accrued Vacation	59,235	47,350	33,830	72,755	1,455
Accrued Sick Leave - General	360,251	51,769	64,940	347,080	31,237
Accrued Sick Leave - Grants	15,768	7,735	4,675	18,828	4,895
Accrued Sick Leave - Food Service	<u>7,395</u>	<u>11,773</u>	<u>5,143</u>	<u>14,025</u>	<u>-</u>
Total Accrued Compensated Absences	<u>\$ 442,649</u>	<u>\$ 118,627</u>	<u>\$ 108,588</u>	<u>\$ 452,688</u>	<u>\$ 37,588</u>

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

General operating fund spending per student is budgeted to decrease in the FY 2010-2011 budget. This was a direct result of the State of Colorado decrease in Total Program funding. The District's FY 2011 funded pupil count was expected to decline for the fifth year because the district will lose its highest student count from 2005 for the purpose of averaging. Until there is a change in the local economy, the district may continue to experience declining enrollment.

The district will have to adjust expenditures and be continually cautious about funding employees from reserves, because of the economic conditions locally and state wide. The district is fortunate to be receiving PILT dollars, from the passage of the American Recovery and Restoration Act, however all districts statewide may be facing a "cliff" effect when that legislation expires with the budget of 2010-2011. Considerations will have to be examined also due to legislated changes in Colorado PERA's contribution rates. Employer contribution rates are scheduled to increase from a current rate of 13.85% for the calendar year of 2010, to a rate of 20.15% effective with the calendar year of 2018. These increased rates will have an impact on funds available for all other operations and salaries.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Finance Director at 970-264-2228 x 403.

Board of Education  
Archuleta School District 50 JT  
Pagosa Springs, Colorado

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Archuleta School District 50 JT, as of June 30, 2010, and for the year then ended, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Archuleta School District 50 JT'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Archuleta School District 50 JT, as of June 30, 2010, and the respective change 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2010 on our consideration of the Archuleta School District 50 JT's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information shown as required supplementary information in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Archuleta School District 50 JT's basic financial statements. The financial statements shown as other supplementary information on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of Archuleta School District 50 JT. This other supplementary information and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Johnson, Holscher & Company, P.C.*

November 8, 2010  
Centennial, Colorado

## **BASIC FINANCIAL STATEMENTS**

The Basic Financial Statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all government-wide and fund level activity as of June 30, 2010.

**Archuleta School District 50JT**  
**Statement of Net Assets**  
**June 30, 2010**

	<b>Governmental</b>	<b>Business-Type</b>	<b>Totals</b>
	<b>Activities</b>	<b>Activities</b>	<b>2010</b>
<b>ASSETS</b>			
Cash and Investments	\$ 9,410,886	\$ 33,372	\$ 9,444,258
Cash with Fiscal Agent	1,344,374	-	1,344,374
Taxes Receivable	1,270,339	-	1,270,339
Grants Receivable	59,190	-	59,190
Other Accounts Receivable	107,883	-	107,883
Inventory	-	39,858	39,858
Bond Issuance Costs	99,490	-	99,490
Capital Assets, not being depreciated	779,816	-	779,816
Capital Assets, being depreciated	14,669,653	-	14,669,653
<b>TOTAL ASSETS</b>	<b>27,741,631</b>	<b>73,230</b>	<b>27,814,861</b>
<b>Liabilities</b>			
Accounts Payable	61,624	-	61,624
Accrued Interest	24,363	-	24,363
Accrued Salaries & Benefits	1,352,790	22,077	1,374,867
Grant Deferred Revenue	1,000	-	1,000
Other Current Liabilities	289,153	-	289,153
Non-Current Liabilities			
Due Within One Year	769,944	-	769,944
Due In More Than One Year	8,791,651	-	8,791,651
<b>Total Liabilities</b>	<b>11,290,525</b>	<b>22,077</b>	<b>11,312,602</b>
<b>Net Assets</b>			
Invested in Capital Assets, net of Debt	7,087,304	-	7,087,304
Restricted Net Assets	2,112,972	-	2,112,972
Unrestricted Net Assets	7,250,830	51,153	7,301,983
<b>Total Net Assets</b>	<b>\$ 16,451,106</b>	<b>\$ 51,153</b>	<b>\$ 16,502,259</b>

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

Archuleta School District 50JT  
Statement of Activities  
For the Year Ended June 30, 2010

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Change in Net Assets</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Primary Government</b>							
<b>Governmental Activities</b>							
Instruction	\$ 7,929,536	\$ 94,772	\$ 748,417	\$ -	\$ (7,086,347)	\$ -	\$ (7,086,347)
Supporting Services	4,362,661	5,951	721,382	657	(3,634,671)	-	(3,634,671)
Interest on Long Term Debt	269,060	-	-	-	(269,060)	-	(269,060)
Total Governmental Activities	<u>12,561,257</u>	<u>100,723</u>	<u>1,469,799</u>	<u>657</u>	<u>(10,990,078)</u>	<u>-</u>	<u>(10,990,078)</u>
<b>Business Type Activities</b>							
Food Service	427,269	115,702	331,478	-	-	19,911	19,911
Total Primary Government	<u>\$ 12,988,526</u>	<u>\$ 216,425</u>	<u>\$ 1,801,277</u>	<u>\$ 657</u>	<u>(10,990,078)</u>	<u>19,911</u>	<u>(10,970,167)</u>
<b>General Revenues</b>							
Property Taxes					9,877,616	-	9,877,616
Specific Ownership Taxes					567,960	-	567,960
State Equalization					2,260,263	-	2,260,263
Investment Earnings					22,999	47	23,046
Insurance Proceeds					102,532	-	102,532
Other Revenues					6,017	-	6,017
Transfers					(20,000)	20,000	-
Total General Revenues and Transfers					<u>12,817,387</u>	<u>20,047</u>	<u>12,837,434</u>
Change in Net Assets					1,827,309	39,958	1,867,267
Beginning Net Assets					14,623,797	11,195	14,634,992
Ending Net Assets					<u>\$ 16,451,106</u>	<u>\$ 51,153</u>	<u>\$ 16,502,259</u>

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

Archuleta School District 50JT  
Balance Sheet  
Governmental Funds  
June 30, 2010  
(With Comparative Totals for June 30, 2009)

	Special Revenue			Debt Service Bond	Totals	
	General Fund	Capital Reserve Fund	Designated Grants Fund	Redemption Fund	2010	2009
<b>ASSETS</b>						
Cash and Investments	\$ 7,495,180	\$ 497,982	\$ (35,744)	\$ (109,615)	\$ 7,847,803	\$ 6,849,164
Cash with Fiscal Agent	-	-	-	1,344,374	1,344,374	1,298,748
Taxes Receivable	1,134,562	-	-	135,777	1,270,339	964,269
Grants Receivable	-	-	59,190	-	59,190	72,075
Other Accounts Receivable	98,142	-	-	9,741	107,883	227,433
<b>TOTAL ASSETS</b>	<u>\$ 8,727,884</u>	<u>\$ 497,982</u>	<u>\$ 23,446</u>	<u>\$ 1,380,277</u>	<u>\$ 10,629,589</u>	<u>\$ 9,411,689</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Liabilities</b>						
Accounts Payable	61,624	-	-	-	61,624	63,501
Accrued Salaries & Benefits	1,352,790	-	-	-	1,352,790	1,280,435
Deferred Revenue	1,000	-	-	-	1,000	26,918
Grant Deferred Revenue	-	-	23,446	-	23,446	2,835
<b>Total Liabilities</b>	<u>1,415,414</u>	<u>-</u>	<u>23,446</u>	<u>-</u>	<u>1,438,860</u>	<u>1,373,689</u>
<b>Fund Balance</b>						
Reserved Fund Balance						
Reserved for Debt Service	-	-	-	1,380,277	1,380,277	1,346,384
Reserved for TABOR Emergencies	425,000	-	-	-	425,000	407,000
Reserved for Multi-year Obligations	307,695	-	-	-	307,695	304,950
Unreserved	6,579,775	497,982	-	-	7,077,757	5,979,666
<b>Total Fund Balance</b>	<u>7,312,470</u>	<u>497,982</u>	<u>-</u>	<u>1,380,277</u>	<u>9,190,729</u>	<u>8,038,000</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 8,727,884</u>	<u>\$ 497,982</u>	<u>\$ 23,446</u>	<u>\$ 1,380,277</u>	<u>\$ 10,629,589</u>	<u>\$ 9,411,689</u>

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

**Archuleta School District 50JT  
Reconciliation of Governmental Fund Balances  
to Governmental Activities Net Assets  
June 30, 2010**

Fund Balance - Governmental Funds	\$ 9,190,729
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds	
Capital assets, not being depreciated	779,816
Capital assets, being depreciated	19,486,289
Accumulated depreciation	(4,816,636)
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds	
Cost of issuance	160,289
Accumulated amortization	(60,799)
Bond premiums	(746,742)
Internal Service operations primarily benefit Governmental Activities	
Internal Service Fund Net Assets	1,297,376
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.	
Bonds payable	(8,330,000)
Capital leases payable	(32,165)
Accrued interest payable	(24,363)
Accrued compensated absences	(452,688)
	(452,688)
Total Net Assets - Governmental Activities	\$ 16,451,106

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

Archuleta School District 50JT  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Year Ended June 30, 2010  
(With Comparative Totals for the Year Ended June 30, 2009)

	Special Revenue			Debt Service	Totals	
	General Fund	Capital Reserve	Designated	Bond	2010	2009
		Fund	Grants Fund	Redemption		
<b>REVENUES</b>						
Local Sources	\$ 9,722,392	\$ 115	\$ 10,047	\$ 1,042,024	\$ 10,774,578	\$ 9,575,230
Intermediate Sources	36,685	-	-	-	36,685	44,031
State Sources	2,575,764	-	321,439	-	2,897,203	3,772,101
Federal Sources	36,244	-	663,857	-	700,101	764,930
<b>TOTAL REVENUES</b>	<u>12,371,085</u>	<u>115</u>	<u>995,343</u>	<u>1,042,024</u>	<u>14,408,567</u>	<u>14,156,292</u>
<b>EXPENDITURES</b>						
Instruction	6,942,450	-	756,358	-	7,698,808	8,117,030
Pupil Support	404,274	-	149,979	-	554,253	459,469
Staff Support	225,845	-	89,006	-	314,851	219,226
General Administration	313,017	-	-	500	313,517	358,650
School Administration	737,150	-	-	-	737,150	733,856
Business Services	204,120	-	-	-	204,120	206,411
Operations and Maintenance	1,257,870	171,844	-	-	1,429,714	1,645,889
Transportation	540,722	-	-	-	540,722	565,182
Other Central Support	310,315	-	-	-	310,315	280,973
Risk Management	209,657	-	-	-	209,657	111,877
Debt Service	-	-	-	951,220	951,220	946,220
<b>TOTAL EXPENDITURES</b>	<u>11,145,420</u>	<u>171,844</u>	<u>995,343</u>	<u>951,720</u>	<u>13,264,327</u>	<u>13,644,783</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	<u>1,225,665</u>	<u>(171,729)</u>	<u>-</u>	<u>90,304</u>	<u>1,144,240</u>	<u>511,509</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Debt Proceeds	28,490	-	-	-	28,490	-
Transfer In (Out) - net	(163,592)	200,002	-	(56,411)	(20,001)	(20,000)
<b>CHANGE IN FUND BALANCE</b>	1,090,563	28,273	-	33,893	1,152,729	491,509
<b>BEGINNING FUND BALANCE</b>	6,221,907	469,709	-	1,346,384	8,038,000	7,546,491
<b>ENDING FUND BALANCE</b>	<u>\$ 7,312,470</u>	<u>\$ 497,982</u>	<u>\$ -</u>	<u>\$ 1,380,277</u>	<u>\$ 9,190,729</u>	<u>\$ 8,038,000</u>

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

**Archuleta School District 50JT**  
**Reconciliation of Governmental Changes in Fund Balance**  
**to Governmental Activities Change in Net Assets**  
**For the Year Ended June 30, 2010**

Change in Fund Balance - Governmental Funds	\$	1,152,729
<p>Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level</p>		
Capitalized Asset Purchases		317,770
Depreciation Expense		(352,960)
<p>Internal Service operations primarily benefit Governmental Activities</p>		
Change in net assets - Internal Service Funds		66,139
<p>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</p>		
Proceeds from debt issuances		(28,490)
Principal payments on bonds payable		599,252
Principal payments on capital leases		21,365
Amortization of costs, premiums and discounts		61,643
Change in accrued compensated absences		<u>(10,039)</u>
Total Net Assets - Governmental Activities	\$	<u>1,827,309</u>

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

**Archuleta School District 50JT**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2010**  
 (With Comparative Totals for June 30, 2009)

	Enterprise	Internal Service	Totals	
	Food Service			
	Fund	Insurance Fund	2010	2009
<b>ASSETS</b>				
Cash and Investments	\$ 33,372	\$ 1,563,083	\$ 1,596,455	\$ 1,424,536
Inventory	39,858	-	39,858	30,614
<b>TOTAL ASSETS</b>	<u>73,230</u>	<u>1,563,083</u>	<u>1,636,313</u>	<u>1,455,150</u>
<b>LIABILITIES</b>				
Accrued Salaries & Benefits	22,077	-	22,077	25,012
IBNR Liability	-	265,707	265,707	187,706
<b>TOTAL LIABILITIES</b>	<u>22,077</u>	<u>265,707</u>	<u>287,784</u>	<u>212,718</u>
<b>NET ASSETS</b>				
Unrestricted Net Assets	<u>\$ 51,153</u>	<u>\$ 1,297,376</u>	<u>\$ 1,348,529</u>	<u>\$ 1,242,432</u>
<b>Reconciliation of Fund Net Assets to Business-Type Activity Net Assets</b>				
<b>Proprietary Fund Net Assets</b>			\$ 1,348,529	
Internal Service Fund operations primarily benefit Governmental Activities				
Net Assets of the Internal Service Fund			<u>(1,297,376)</u>	
<b>Business-Type Activities Net Assets</b>			<u>\$ 51,153</u>	

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

Archuleta School District 50JT  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Proprietary Funds**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	Enterprise	Internal Service	Totals	
	Food Service			
	Fund	Insurance Fund	2010	2009
<b>OPERATING REVENUES</b>				
Food Service Revenue	\$ 115,702	\$ -	\$ 115,702	\$ 136,154
Employee Premiums	-	1,406,281	1,406,281	1,458,699
Insurance Proceeds	-	112,511	112,511	-
Other Local	-	40,782	40,782	35,049
<b>TOTAL OPERATING REVENUES</b>	<u>115,702</u>	<u>1,559,574</u>	<u>1,675,276</u>	<u>1,629,902</u>
<b>OPERATING EXPENSES</b>				
<b>Risk Management</b>				
PS - Professional	-	1,119,641	1,119,641	917,508
PS - Other	-	377,209	377,209	352,862
Total Risk Management	-	1,496,850	1,496,850	1,270,370
<b>Food Service</b>				
Salaries	147,184	-	147,184	159,517
Benefits	45,746	-	45,746	51,765
PS - Professional	60	-	60	(83)
PS - Other	1,654	-	1,654	4,965
Supplies	17,142	-	17,142	23,851
Food	187,033	-	187,033	249,899
Commodities	28,100	-	28,100	28,562
Property	350	-	350	-
Total Food Service	427,269	-	427,269	518,476
<b>TOTAL OPERATING EXPENSES</b>	<u>427,269</u>	<u>1,496,850</u>	<u>1,924,119</u>	<u>1,788,846</u>
<b>OPERATING INCOME</b>	<u>(311,567)</u>	<u>62,724</u>	<u>(248,843)</u>	<u>(158,944)</u>
<b>OTHER REVENUES (EXPENSES)</b>				
Investment Earnings	47	3,415	3,462	13,943
State Match - Child Nutrition	4,570	-	4,570	4,894
Smart Start Nutrition	2,508	-	2,508	3,003
State K-2 Reduced Lunch	1,548	-	1,548	2,217
Commodities	25,173	-	25,173	28,562
School Breakfast Program	75,670	-	75,670	75,051
National School Lunch Program	222,009	-	222,009	200,065
<b>NET OTHER REVENUES (EXPENSES)</b>	<u>331,525</u>	<u>3,415</u>	<u>334,940</u>	<u>327,735</u>
<b>CHANGE IN NET ASSETS BEFORE TRANSFERS</b>	19,958	66,139	86,097	168,791
Transfers	20,000	-	20,000	20,000
<b>CHANGE IN NET ASSETS</b>	39,958	66,139	106,097	188,791
<b>BEGINNING NET ASSETS</b>	11,195	1,231,237	1,242,432	1,053,641
<b>ENDING NET ASSETS</b>	<u>\$ 51,153</u>	<u>\$ 1,297,376</u>	<u>\$ 1,348,529</u>	<u>\$ 1,242,432</u>

**Reconciliation of Fund Change in Net Assets to Business-Type Activities Change in Net Assets**

<b>Proprietary Fund Change in Net Assets</b>	\$ 106,097
Internal Service Fund operations primarily benefit Governmental Activities	
Change in Net Assets of the Internal Service Fund	<u>(66,139)</u>
<b>Business-Type Activities Change in Net Assets</b>	<u>\$ 39,958</u>

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

**Archuleta School District 50JT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	Enterprise		Internal Service		Totals	
	Food Service					
	Fund	Insurance Fund	2010	2009		
Cash Flows from Operating Activities:						
Cash Received from Local Sources	\$ 115,702	\$ 1,559,574	\$ 1,675,276	\$ 1,629,902		
Cash Paid to Suppliers	(264,156)	(1,418,849)	(1,683,005)	(1,535,352)		
Cash Paid to Employees	(150,119)	-	(150,119)	(157,371)		
Net Cash Provided (Used) for Operating Activities	<u>(298,573)</u>	<u>140,725</u>	<u>(157,848)</u>	<u>(62,821)</u>		
Cash Flows Provided (Used) by Noncapital Financing Activities:						
Cash Received from USDA/Colorado Nutrition Services	306,305	-	306,305	314,385		
Cash Contributed from General Fund	20,000	-	20,000	20,000		
Net Cash Provided by Noncapital Financing Activities	<u>326,305</u>	<u>-</u>	<u>326,305</u>	<u>334,385</u>		
Cash Flows from Investing Activities:						
Interest Received	47	3,415	3,462	13,942		
Net Increase(Decrease) in Cash	27,779	144,140	171,919	285,506		
Cash, Beginning	5,593	1,418,943	1,424,536	1,139,030		
Cash, Ending	<u>\$ 33,372</u>	<u>\$ 1,563,083</u>	<u>\$ 1,596,455</u>	<u>\$ 1,424,536</u>		
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) for Operating Activities:						
Operating Income (Loss)	\$ (311,567)	\$ 62,724	\$ (248,843)	\$ (158,944)		
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Donated Commodities	25,173	-	25,173	28,562		
Changes in Assets and Liabilities Related to Operations:						
Increase (Decrease) in:						
Inventory	(9,244)	-	(9,244)	5,158		
Accrued Salaries & Benefits	(2,935)	-	(2,935)	2,146		
Other Current Liabilities	-	78,001	78,001	60,257		
Total Adjustments	<u>12,994</u>	<u>78,001</u>	<u>90,995</u>	<u>96,123</u>		
Net Cash Provided (Used) for Operating Activities	<u>\$ (298,573)</u>	<u>\$ 140,725</u>	<u>\$ (157,848)</u>	<u>\$ (62,821)</u>		

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

**Archuleta School District 50JT**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2010**  
**(With Comparative Totals for June 30, 2009)**

	A.S.E. - Mooney -		<u>Totals</u>	
	Hughes P.A.C. Fund	Pupil Activity Agency Fund	2010	2009
<b>ASSETS</b>				
Cash and Investments	\$ 559,741	\$ 85,488	\$ 645,229	\$ 642,788
<b>LIABILITIES</b>				
Accounts Payable	2,581	-	2,581	2,582
<b>NET ASSETS</b>				
Restricted Net Assets	<u>\$ 557,160</u>	<u>\$ 85,488</u>	<u>\$ 642,648</u>	<u>\$ 640,206</u>

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

**Archuleta School District 50JT**  
**Statement of Revenues, Expenses and Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

			2010	2009
	A.S.E. - Mooney - Hughes	Pupil Activity		
	P.A.C. Fund	Agency Fund	Total	Total
<b>ADDITIONS</b>				
Local Sources	\$ 5,969	\$ 148,212	\$ 154,181	\$ 147,675
<b>DEDUCTIONS</b>				
Instruction	-	151,370	151,370	142,421
Other Supporting Services	369	-	369	3,603
<b>TOTAL DEDUCTIONS</b>	369	151,370	151,739	146,024
<b>CHANGE IN NET ASSETS</b>	5,600	(3,158)	2,442	1,651
<b>BEGINNING NET ASSETS</b>	551,560	88,646	640,206	638,555
<b>ENDING NET ASSETS</b>	\$ 557,160	\$ 85,488	\$ 642,648	\$ 640,206

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

## ARCHULETA SCHOOL DISTRICT 50JT

### NOTES TO FINANCIAL STATEMENTS

June 30, 2010

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

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

##### **Reporting Entity**

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

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

##### **Basis of Presentation**

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

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

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

##### **Fund Financial Statements**

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds would be aggregated and reported as non-major funds. The fiduciary funds are presented separately. The District presently does not treat any of its funds as non-major.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

**ARCHULETA SCHOOL DISTRICT 50JT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2010**

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

**Basis of Presentation** (Continued)

Fund Financial Statements (Continued)

The District reports the following major governmental funds:

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

Special Revenue Funds:

Capital Reserve Fund - This fund is used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes.

Designated Grants Fund - This fund accounts for all grant activity of the District.

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

The District reports the following major proprietary funds:

Food Service (Enterprise) Fund – The Food Service Fund accounts for the District's food service program.

Risk Management (Internal Service) Fund – This fund accounts for the partial self insurance of the District's health insurance benefits.

The District reports the following fiduciary funds:

A.S.E.- Mooney- Hughes P.A.C. (Agency) Fund – This fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private and student groups.

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

**Measurement Focus and Basis of Accounting**

Government-Wide, Proprietary and Fiduciary Fund Financial Statements

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

## ARCHULETA SCHOOL DISTRICT 50JT

### NOTES TO FINANCIAL STATEMENTS

June 30, 2010

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

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

###### Governmental Fund Financial Statements

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

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

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and interpretations issued on or before November 30, 1989. Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

##### **Budgets and Budgetary Accounting**

Budgets are adopted on a basis consistent with generally accepted accounting principles except for the Enterprise Fund which budgets on a cash basis. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year end.

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

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

**ARCHULETA SCHOOL DISTRICT 50JT**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010**

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

**Assets, Liabilities and Net Assets/Fund Equity**

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

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

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

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

Property and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Property and equipment acquired for the proprietary fund is capitalized in the fund. Depreciation of exhaustible fixed assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary funds balance sheets.

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

Buildings and Site Improvements	40-75 years
Vehicles	7-15 years
Other Equipment	7 years

Accumulated unpaid sick and vacation and other pay are serviced from other revenues in the General Fund. These liabilities are only recorded on the government-wide financial statements as they are not expected to be financed from current resources. At June 30, 2010, the District has recorded accrued leave as disclosed in Note 6.

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

## ARCHULETA SCHOOL DISTRICT 50JT

### NOTES TO FINANCIAL STATEMENTS

June 30, 2010

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

##### **Assets, Liabilities and Net Assets/Fund Equity** (Continued)

Fund Equity/Net Assets – The unreserved/unrestricted fund balances and net assets for governmental funds and activities represent the amount available for budgeting future operations. The reserved fund balances/restricted net assets for governmental funds and activities represent the amount that has been legally identified for specific purposes. Unreserved retained earnings and unrestricted net assets for proprietary funds and business-type activities, respectively, represent the net assets available for future operations or distribution.

##### **Revenues and Expenditures/Expenses**

Revenues and Expenditures/Expenses – Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred. Revenues that are directly attributable to a program are shown as program revenues for the statement of activities. These revenues consist of, but are not limited to grants, fees and other charges for services. Expenditures, where eligible, are first charged to restricted net assets prior to being charged against unrestricted net assets. Revenues and expenses of proprietary funds are recognized in essentially the same manner as in commercial accounting.

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

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

##### **Comparative Data**

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

**ARCHULETA SCHOOL DISTRICT 50JT**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010**

**NOTE 2: CASH AND INVESTMENTS**

A summary of deposits and investments at June 30, 2010, follows:

Cash & Equivalents	\$ 3,250,992
Investments	<u>8,182,869</u>
<b>Total Cash &amp; Investments</b>	<b><u>\$ 11,433,862</u></b>

These balances are allocated as follows in the financial statements:

Governmental Activities - Unrestricted	\$ 9,410,886
Governmental Activities - Held By Others	1,344,374
Business-type Activities - Unrestricted	33,372
Fiduciary Funds	<u>645,229</u>
<b>Total Cash &amp; Investments</b>	<b><u>\$ 11,433,862</u></b>

**DEPOSITS**

**Custodial Credit Risk - Deposits**

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At June 30, 2010, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	<u>Bank Balance</u>	<u>Carrying Balance</u>
FDIC Insured	\$ 1,250,000	\$ 1,250,000
PDPA Collateralized	2,166,634	2,000,992
<b>Total Cash Balances</b>	<b><u>\$ 3,416,634</u></b>	<b><u>\$ 3,250,992</u></b>

## ARCHULETA SCHOOL DISTRICT 50JT

### NOTES TO FINANCIAL STATEMENTS

June 30, 2010

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

##### INVESTMENTS

###### Credit Risk

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

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

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

During the year ended June 30, 2010, the District invested funds in Colotrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. The pool invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similarly to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. This funds are rated AAAM by the Standard and Poor's Corporation.

###### Concentration of Credit Risk

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

###### Interest Rate Risk

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

**ARCHULETA SCHOOL DISTRICT 50JT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2010**

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

**INVESTMENTS**

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2010, the District did not have any investments requiring safekeeping.

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

	<u>Fair Value</u>	<u>Weighted Avg. Mat. in Years</u>	<u>Percentage of Portfolio</u>
Local Government Pool - Coltrust	\$ 8,182,869	0.00	100.00%

**NOTE 3: INVENTORIES**

Food Service Fund inventory as of June 30, 2010 of \$39,858, consisted of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

**NOTE 4: CAPITAL ASSETS**

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

	<u>Balance July 1 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30 2010</u>
<b><u>Governmental activities</u></b>				
Assets not being depreciated:				
Land	\$ 779,816	\$ -	\$ -	\$ 779,816
Assets being depreciated:				
Buildings	17,209,246	122,644	-	17,331,890
Equipment and vehicles	<u>1,999,273</u>	<u>195,126</u>	<u>40,000</u>	<u>2,154,399</u>
Total assets being depreciated	<u>19,208,519</u>	<u>317,770</u>	<u>40,000</u>	<u>19,486,289</u>
Less: Accumulated depreciation				
Buildings	(2,908,539)	(245,495)	-	(3,154,035)
Equipment and vehicles	<u>(1,595,137)</u>	<u>(107,464)</u>	<u>(40,000)</u>	<u>(1,662,601)</u>
Total accumulated depreciation	<u>(4,503,676)</u>	<u>(352,960)</u>	<u>(40,000)</u>	<u>(4,816,636)</u>
<b>Total capital assets, net</b>	<b><u>\$ 15,484,659</u></b>	<b><u>\$ (35,190)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 15,449,469</u></b>
Instruction		\$ 221,201		
Supporting Services		<u>131,759</u>		
<b>Total Depreciation</b>		<b><u>\$ 352,960</u></b>		

**ARCHULETA SCHOOL DISTRICT 50JT**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010**

**NOTE 4: CAPITAL ASSETS** (Continued)

Activity for business-type activity capital assets which are capitalized by the District is summarized below:

	<u>Balance</u> <u>July 1</u> <u>2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30</u> <u>2010</u>
<b><u>Business-type activities</u></b>				
Assets being depreciated:				
Equipment and vehicles	\$ 50,161	\$ -	\$ -	\$ 50,161
Less: Accumulated depreciation				
Equipment and vehicles	<u>(50,161)</u>	<u>-</u>	<u>-</u>	<u>(50,161)</u>
<b>Total capital assets, net</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

**NOTE 5: ACCRUED SALARIES AND BENEFITS**

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2010, are as follows:

General Fund	\$ 1,352,790
Food Service Fund	<u>22,077</u>
<b>Total Accrued Salaries &amp; Benefits</b>	<b><u>\$ 1,374,867</u></b>

**NOTE 6: LONG-TERM DEBT**

Changes in the District's long-term debt for the year ended June 30, 2010, were as follows:

	<u>Balance</u> <u>July 1,</u> <u>2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30,</u> <u>2010</u>	<u>Current</u> <u>Portion</u>
2004 General Obligation Refunding Bonds	\$ 8,330,000	\$ -	\$ -	\$ 8,330,000	\$ 640,000
2004 Capital Appreciation Bonds	645,000	-	645,000	-	-
Less: Future Appreciation	<u>(45,748)</u>	<u>-</u>	<u>(45,748)</u>	<u>-</u>	<u>-</u>
Net Bonds Payable	8,929,252	-	599,252	8,330,000	640,000
Capital Lease Payable - Copiers	25,040	28,490	21,365	32,165	21,238
Accrued Compensated Absences	442,649	118,627	108,588	452,688	37,588
Unamortized Bond Premium	<u>817,860</u>	<u>-</u>	<u>71,118</u>	<u>746,742</u>	<u>71,118</u>
<b>Total</b>	<b><u>\$ 10,214,801</u></b>	<b><u>\$ 147,117</u></b>	<b><u>\$ 800,323</u></b>	<b><u>\$ 9,561,595</u></b>	<b><u>\$ 769,944</u></b>

# ARCHULETA SCHOOL DISTRICT 50JT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2010

### NOTE 6: LONG-TERM DEBT (Continued)

#### Capital Leases

In 2006, the District entered into a capital lease agreement for the purchase of office copiers. The lease requires 48 monthly payments beginning on September, 2006 of \$1,850, including interest at 5.44%. Equipment with a value of \$80,000 has been capitalized under this lease. Future minimum lease payments are scheduled as follows:

For the year ending June 30:	Payments
2011	\$ 22,200
2012	11,100
Total future minimum payments	<u>33,300</u>
Less: interest portion	<u>(1,135)</u>
Present value of obligation under capital lease	<u>\$ 32,165</u>

#### 1996 General Obligation Bonds

On December 1, 1996, the District issued \$12,020,000 of general obligation bonds. The bonds were issued to build a new high school including a gymnasium and auditorium. The bonds require semi-annual payments of interest at rates varying from 5.00% to 5.65%. The bonds also require annual principal payments in December of each year through December 2007 with additional lump sum payment in December 2010, 2014 and 2020. Payments are made through the District's Bond Redemption Fund. All bond reserves are held by the District's trustee, Archuleta County. The District's portion of the bond payments were repaid during the year. The remaining portion of the bonds were defeased through the issuance of the 2004 general obligation refunding bonds. \$7,340,000 of defeased bonds were outstanding as of June 30, 2010, with funds held in escrow to make all future required payments.

#### 2004 General Obligation Refunding Bonds

On February 5, 2004, the District issued \$8,900,000 of general obligation bonds. The bonds were issued to partially refund the 1996 general obligation bonds. The bonds require semi-annual payments of interest at rates varying from 2.0% to 4.2%. The bonds also require annual principal payments in December of each year through December, 2020. Payments are made through the District's Bond Redemption Fund. All bond reserves are held by the District's trustee, Archuleta County.

#### 2004 Capital Appreciation General Obligation Bonds

On February 5, 2004, the District issued \$438,661 of capital appreciation bonds in conjunction with the \$8,900,000 2004 general obligation bonds. These bonds have a redemption amount of \$1,930,000. The District recognizes the current accretion on the bonds annually as an expenditure of the governmental activities. The bonds were used in funding the escrow account required to partially refund the 1996 general obligation bonds. The bonds mature at appreciated value in December 2007, 2008, and 2009. Payments will be made through the District's Bond Redemption Fund. All bond reserves are held by the District's trustee, Archuleta County. These bonds were fully repaid during the fiscal year.

**ARCHULETA SCHOOL DISTRICT 50JT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2010**

**NOTE 6: LONG-TERM DEBT** (Continued)

A schedule of required future bond payments is as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 640,000	\$ 297,820	\$ 937,820
2012	625,000	280,045	905,045
2013	640,000	259,470	899,470
2014	665,000	236,633	901,633
2015	685,000	213,008	898,008
2016 to 2020	4,145,000	620,412	4,765,412
2021 to 2025	930,000	19,530	949,530
<b>Total</b>	<b><u>\$ 8,330,000</u></b>	<b><u>\$ 1,926,918</u></b>	<b><u>\$ 10,256,918</u></b>

**2004 Bond Premiums and Issuance Costs**

Upon the issuance of the 2004 general obligation and capital appreciation bonds, the District recognized bond premiums of \$1,203,083 and issuance costs of \$160,289. The premium and issuance costs will be amortized over the life of the bonds through December, 2020.

**Accrued Compensated Absences**

The District allows eligible employees to carryover used vacation of up to 20 days. Sick leave and personal leave will be paid out annually, subsequent to the end of the year, for accruals in excess of 60 days at either the current substitute teacher rate or a percentage thereof, depending upon the employee type. Any remaining sick and vacation leave accruals will be paid upon termination at the above listed rates. The District has accrued all potential payments as noncurrent liabilities in the governmental activities. In addition, the District has included the current portion of the accrued compensated absences as part of the accrued salaries and benefits reported in the funds. Payments for unused leave are typically funded through the General Fund.

**NOTE 7: JOINTLY GOVERNED ORGANIZATION**

The District is a participant among five Districts in a jointly governed organization to operate the San Juan Board of Cooperative Services (BOCS). The BOCS was formed for the purpose of administrative functions among member districts for special education and federal grants. During the year ended June 30, 2010, the District paid \$185,507 in assessments to the BOCS. The BOCS is governed by a board of directors consisting of a member of the board of education and the superintendent from each of the participating members. The District does not have an ongoing financial interest in or ongoing financial responsibility for the BOCS. Financial statements for the BOCS can be obtained from the BOCS administrative offices at: 201 East 12<sup>th</sup> Street, Durango, CO 81301.

**ARCHULETA SCHOOL DISTRICT 50JT**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010**

**NOTE 8: 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.

Colorado School Districts Self Insurance Pool

For liability and property claims, the District is involved with the Colorado School Districts Self Insurance Pool, a separate and independent governmental and legal entity formed by intergovernmental agreement by member districts.

The purposes of the Pool are to provide members defined liability, property, and workers compensation coverage and to assist members to prevent and reduce losses and injuries to property and to persons or property which might result in claims being made against members of the Pool, their employees and officers.

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 of 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 costs. 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 ability to significantly affect the operations of the Pool.

Health and Dental Insurance

The District partially self insures its health insurance claims. The District provides annual coverage up to \$55,000 for medical and \$1,200 for dental, with an attachment point at \$1,120,756 for medical. The District and carries commercial insurance for all claims in excess of that amount. A summary of the District's self insured claims and liability is as follows:

Claims liability for the fiscal year	Balance July 1	Claims incurred	Claims paid	Balance June 30
2009	\$ 127,449	\$ 1,068,776	\$ 1,008,519	\$ 187,706
2010	\$ 187,706	\$ 1,086,520	\$ 1,008,519	\$ 265,707

Other Insurance

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

**NOTE 9: DEFINED BENEFIT PENSION PLAN**

**Plan Description.** The District contributes to the Combined State and School Division 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 CSSDTF. 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).

## ARCHULETA SCHOOL DISTRICT 50JT

### NOTES TO FINANCIAL STATEMENTS

June 30, 2010

#### **NOTE 9: DEFINED BENEFIT PENSION PLAN** (Continued)

**Basis of Accounting for the CSSDTF.** The financial statements of the CSSDTF are prepared using the accrual basis of accounting. Member and employer contributions are recognized as revenues in the period in which the employer pays compensation to the member. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The CSSDTF plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

**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 is 12.95% of covered salary for the period July 1, 2009 through December 31, 2009 and 13.85% for the period January 1, 2010 through June 30, 2010. A portion of the District's contribution is allocated for the Health Care Trust Fund (See Note 8). The District's contributions to CSSDTF for the years ending June 30, 2010, 2009 and 2008 were \$970,656, \$914,480, and \$842,833, respectively, equal to their required contributions for each year.

#### **NOTE 10: 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 the 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).

**Basis of Accounting for the HCTF.** The financial statements of the HCTF are prepared using the accrual basis of accounting. Member and employer contributions are recognized as revenues in the period in which the employer pays compensation to the member. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The HCTF plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

**Funding Policy.** The District is required to contribute at a rate of 1.02% of covered salary from July 1, 2009 through June 30, 2010 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 Colorado Revised Statutes, as amended. The District's contributions to HCTF for the years ending June 30, 2010, 2009, and 2008 were \$71,236, \$72,612, and \$73,092, respectively, equal to their required contributions for each year.

**ARCHULETA SCHOOL DISTRICT 50JT**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010**

**NOTE 11: DEFINED CONTRIBUTION PENSION PLAN**

**Plan Description.** The (CSSDTF) members (See Note 9) 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 23% of covered salary to a maximum limit set by the IRS. The 401(k) Plan member contribution for the year ended June 30, 2010 were \$223,023. The employer made no contributions to the 401(k) Plan on behalf of plan members.

**NOTE 12: INTERFUND ACTIVITY**

The District has recorded an annual operating transfer from the General Fund to Food Service Fund of \$20,000 and a transfer from the Bond Redemption Fund of specific ownership taxes, as allowed by statute, to the General Fund of \$56,411.

**NOTE 13: COMMITMENTS AND CONTINGENCIES**

Claims and Judgments – The District participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2010, 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 any of the individual governmental funds or the overall financial position of the District.

Tabor Amendment – In November 1992, Colorado voters passed Article X, Section 20, (the Tabor Amendment), to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the Amendment. In November, 1997, voters within the District passed the following ballot question:

“Shall Archuleta School District 50JT located in Archuleta and Hinsdale Counties, **without imposing any new taxes or increases in tax rates**, be allowed to collect, retain, and expend all revenues from all sources in 1998 and subsequent years, notwithstanding any state restriction on fiscal year spending, including without limitation of the restrictions of Article X, Section 20 of the Colorado Constitution?”

The Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment. The District has established an emergency reserve of \$425,000, as required by the Amendment.

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

Archuleta School District 50JT  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
General Fund  
For the Year Ended June 30, 2010  
(With Comparative Totals for the Year Ended June 30, 2009)

	2010				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2009 Actual
<b>REVENUES</b>					
<b>Local Sources</b>					
Property Taxes	\$ 8,030,126	\$ 8,279,158	\$ 8,359,502	\$ 80,344	\$ 6,969,941
Specific Ownership Taxes	583,039	612,505	504,935	(107,570)	614,277
Delinquent Taxes	-	-	86,743	86,743	116,128
Other Taxes	500,000	450,000	455,484	5,484	561,179
Tuition From Individuals	50,000	50,000	73,385	23,385	55,800
Investment Earnings	85,000	85,000	19,773	(65,227)	69,568
Pupil Activity Revenues	20,000	20,000	21,387	1,387	21,276
Rent Revenue	5,000	5,000	1,760	(3,240)	1,345
Donations	50,000	92,000	86,682	(5,318)	92,991
Indirect Cost Revenue	-	-	4,191	4,191	-
Insurance Proceeds	-	-	102,532	102,532	2,645
Other Local	20,000	20,000	6,018	(13,982)	30,598
Total Local Sources	<u>9,343,165</u>	<u>9,613,663</u>	<u>9,722,392</u>	<u>108,729</u>	<u>8,535,748</u>
<b>Intermediate Sources</b>					
Mineral Leases	-	-	1,203	1,203	3,680
Impact Fee Revenue	-	-	379	379	1,834
Other Intermediate Source Revenue	52,000	52,000	35,103	(16,897)	38,517
Total Intermediate Sources	<u>52,000</u>	<u>52,000</u>	<u>36,685</u>	<u>(15,315)</u>	<u>44,031</u>
<b>State Sources</b>					
State Equalization	2,713,350	2,531,846	2,260,263	(271,583)	2,696,618
Hold Harmless Kindergarten	-	-	45,886	45,886	43,453
Transportation	150,000	150,000	145,447	(4,553)	162,566
State Grants from CDE					
State ELPA	3,455	3,455	11,590	8,135	11,999
On-Line School Grant	-	-	5,000	5,000	1,860
State Vocational Education	25,000	25,000	27,962	2,962	43,722
Other Agency State Grants	-	7,500	7,000	(500)	-
State Grants Provided through BOCES	77,216	77,216	72,616	(4,600)	60,820
Total State Sources	<u>2,969,021</u>	<u>2,795,017</u>	<u>2,575,764</u>	<u>(219,253)</u>	<u>3,021,038</u>
<b>Federal Sources</b>					
Federal Grants from CDE					
Medicaid Reimbursement	25,000	25,000	33,164	8,164	47,680
Other Federal Grants	10,000	10,000	3,080	(6,920)	5,000
Total Federal Sources	<u>35,000</u>	<u>35,000</u>	<u>36,244</u>	<u>1,244</u>	<u>52,680</u>
<b>TOTAL REVENUES</b>	<u>12,399,186</u>	<u>12,495,680</u>	<u>12,371,085</u>	<u>(124,595)</u>	<u>11,653,497</u>

(Continued)

See the accompanying Independent Auditors' Report

**Archuleta School District 50JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	2010				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2009 Actual
(Continued)					
<b>EXPENDITURES</b>					
<b>Instruction</b>					
Salaries	4,523,634	4,546,516	4,782,914	(236,398)	4,512,727
Benefits	1,304,269	1,358,998	1,300,591	58,407	1,234,354
PS - Professional	329,378	332,878	295,425	37,453	215,706
PS - Property	67,456	67,456	68,719	(1,263)	51,052
PS - Other	545,811	611,398	416,070	195,328	484,687
Supplies	499,247	507,411	243,646	263,765	499,476
Property	27,045	28,245	18,938	9,307	41,525
Other Expenses	100,492	100,494	(183,853)	284,347	148,533
Total Instruction	<u>7,397,332</u>	<u>7,553,396</u>	<u>6,942,450</u>	<u>610,946</u>	<u>7,188,060</u>
<b>Supporting Services</b>					
<b>Pupil Support</b>					
Salaries	303,518	303,518	302,478	1,040	298,876
Benefits	82,467	82,467	87,118	(4,651)	80,621
PS - Professional	4,450	4,450	4,261	189	3,484
PS - Other	5,150	5,150	2,414	2,736	1,532
Supplies	11,115	11,115	5,602	5,513	8,636
Property	1,250	1,250	-	1,250	289
Other Expenses	-	-	2,401	(2,401)	-
Total Pupil Support	<u>407,950</u>	<u>407,950</u>	<u>404,274</u>	<u>3,676</u>	<u>393,438</u>
<b>Staff Support</b>					
Salaries	171,018	171,019	172,442	(1,423)	154,263
Benefits	49,595	49,595	32,325	17,270	42,188
PS - Professional	18,865	42,110	6,304	35,806	634
PS - Property	1,000	1,000	(109)	1,109	347
PS - Other	15,750	9,500	5,434	4,066	1,013
Supplies	25,395	28,894	9,224	19,670	20,781
Property	300	300	-	300	-
Other Expenses	-	-	225	(225)	-
Total Staff Support	<u>281,923</u>	<u>302,418</u>	<u>225,845</u>	<u>76,573</u>	<u>219,226</u>
<b>General Administration</b>					
Salaries	282,820	276,235	209,450	66,785	241,848
Benefits	61,138	59,228	38,182	21,046	39,554
PS - Professional	50,000	50,000	10,939	39,061	16,217
PS - Property	8,000	8,000	4,480	3,520	4,502
PS - Other	25,000	25,000	16,765	8,235	23,093
Supplies	20,000	20,000	23,088	(3,088)	22,875
Property	2,000	2,000	-	2,000	-
Other Expenses	12,000	12,000	10,113	1,887	10,061
Total General Administration	<u>460,958</u>	<u>452,463</u>	<u>313,017</u>	<u>139,446</u>	<u>358,150</u>
<b>School Administration</b>					
Salaries	579,926	579,926	569,234	10,692	557,639
Benefits	168,177	168,177	146,492	21,685	143,741
PS - Professional	23,300	23,300	7,085	16,215	5,885
PS - Property	5,500	5,500	-	5,500	-
PS - Other	15,000	15,000	3,004	11,996	5,418
Supplies	12,000	12,000	5,981	6,019	11,999
Property	14,050	12,850	2,578	10,272	5,000
Other Expenses	5,567	5,567	2,776	2,791	4,174
Total School Administration	<u>823,520</u>	<u>822,320</u>	<u>737,150</u>	<u>85,170</u>	<u>733,856</u>

(Continued)

See the accompanying Independent Auditors' Report

**Archuleta School District 50JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	2010				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2009 Actual
(Continued)					
<b>EXPENDITURES (Continued)</b>					
<b>Supporting Services (Continued)</b>					
<b>Business Services</b>					
Salaries	127,000	127,000	125,788	1,212	129,042
Benefits	36,830	36,830	32,554	4,276	33,469
PS - Professional	36,000	36,000	42,813	(6,813)	41,614
PS - Property	1,000	1,000	-	1,000	-
PS - Other	2,500	2,500	154	2,346	956
Supplies	5,000	5,000	2,811	2,189	1,330
Property	2,500	2,500	-	2,500	-
Other Expenses	2,500	2,500	-	2,500	-
<b>Total Business Services</b>	<u>213,330</u>	<u>213,330</u>	<u>204,120</u>	<u>9,210</u>	<u>206,411</u>
<b>Operations and Maintenance</b>					
Salaries	485,608	485,608	473,154	12,454	477,284
Benefits	145,682	145,682	150,810	(5,128)	154,432
PS - Professional	-	-	12,701	(12,701)	2,515
PS - Property	515,227	515,227	388,150	127,077	428,323
PS - Other	103,000	103,000	69,478	33,522	66,417
Supplies	170,845	212,845	162,257	50,588	113,245
Property	13,000	13,000	1,320	11,680	9,200
<b>Total Operations and Maintenance</b>	<u>1,433,362</u>	<u>1,475,362</u>	<u>1,257,870</u>	<u>217,492</u>	<u>1,251,416</u>
<b>Transportation</b>					
Salaries	386,731	386,731	356,647	30,084	371,780
Benefits	113,893	113,893	102,183	11,710	96,470
PS - Professional	22,090	22,090	16,136	5,954	20,567
PS - Property	45,000	45,000	24,382	20,618	30,188
PS - Other	35,800	35,800	20,539	15,261	26,828
Supplies	315,000	315,000	134,400	180,600	142,244
Property	10,200	10,200	182	10,018	24,078
Other Expenses	-	-	(113,747)	113,747	(146,973)
<b>Total Transportation</b>	<u>928,714</u>	<u>928,714</u>	<u>540,722</u>	<u>387,992</u>	<u>565,182</u>
<b>Other Central Support</b>					
Salaries	106,150	106,150	105,992	158	107,283
Benefits	31,845	31,845	27,640	4,205	27,201
PS - Professional	65,000	65,000	48,652	16,348	45,947
PS - Property	10,000	10,000	-	10,000	-
PS - Other	12,500	12,500	-	12,500	-
Supplies	5,000	5,000	38,985	(33,985)	18,962
Property	128,000	128,000	89,046	38,954	81,580
<b>Total Other Central Support</b>	<u>358,495</u>	<u>358,495</u>	<u>310,315</u>	<u>48,180</u>	<u>280,973</u>
<b>Risk Management</b>					
PS - Other	135,000	210,150	209,657	493	111,877
<b>Contingency</b>					
	3,193,602	3,225,605	-	3,225,605	-
<b>TOTAL EXPENDITURES</b>	<u>15,634,186</u>	<u>15,950,203</u>	<u>11,145,420</u>	<u>4,804,783</u>	<u>11,308,589</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	(3,235,000)	(3,454,523)	1,225,665	4,680,188	344,908
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers	(415,000)	(417,384)	(163,592)	253,792	70,000
Capital Lease Proceeds	-	-	28,490	28,490	-
<b>CHANGE IN FUND BALANCE</b>	(3,650,000)	(3,871,907)	1,090,563	4,962,470	414,908
<b>BEGINNING FUND BALANCE</b>	6,000,000	6,221,907	6,221,907	-	5,806,999
<b>ENDING FUND BALANCE</b>	<u>\$ 2,350,000</u>	<u>\$ 2,350,000</u>	<u>\$ 7,312,470</u>	<u>\$ 4,962,470</u>	<u>\$ 6,221,907</u>

See accompanying Independent Auditors' Report.

Archuleta School District 50JT  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Capital Reserve Fund  
For the Year Ended June 30, 2010  
(With Comparative Totals for the Year Ended June 30, 2009)

	2010				2009 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>					
<b>Local Sources</b>					
Investment Earnings	\$ 3,000	\$ 3,000	\$ 115	\$ (2,885)	\$ 434
<b>State Sources</b>					
State Equalization	-	-	-	-	473,819
<b>TOTAL REVENUES</b>	<u>3,000</u>	<u>3,000</u>	<u>115</u>	<u>(2,885)</u>	<u>474,253</u>
<b>EXPENDITURES</b>					
<b>Supporting Services</b>					
<b>Operations and Maintenance</b>					
Property	768,000	940,093	171,844	768,249	394,473
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	(765,000)	(937,093)	(171,729)	765,364	79,780
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers	465,000	467,384	200,002	(267,382)	-
<b>CHANGE IN FUND BALANCE</b>	(300,000)	(469,709)	28,273	497,982	79,780
<b>BEGINNING FUND BALANCE</b>	300,000	469,709	469,709	-	389,929
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 497,982</u>	<u>\$ 497,982</u>	<u>\$ 469,709</u>

See accompanying Independent Auditors' Report.

**Archuleta School District 50JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Designated Grants Fund**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	2010				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2009 Actual
<b>REVENUES</b>					
<b>Local Sources</b>					
Donations	\$ -	\$ -	\$ 10,048	\$ 10,048	\$ 5,509
<b>State Sources</b>					
State Grants from CDE					
Other CDE State Grants	-	25,000	25,000	-	10,000
State Grants from Other Agencies					
Other Agency State Grants	275,800	377,174	259,439	(117,735)	223,643
State Grants Provided through BOCES	110,000	62,000	37,000	(25,000)	43,600
Total State Sources	<u>385,800</u>	<u>464,174</u>	<u>321,439</u>	<u>(142,735)</u>	<u>277,243</u>
<b>Federal Sources</b>					
Federal Grants from CDE					
NCLB Title I, Part A - Improving Basic Programs	341,383	340,221	340,221	-	345,440
NCLB Title IV, Part A - Safe and Drug Free Schools	5,751	5,214	5,214	-	6,323
NCLB Title V, Part A - Innovative Education	3,178	3,178	-	(3,178)	-
NCLB Title II, Part D - Enhancing Education through Technology	-	-	3,178	3,178	3,250
NCLB Title II, Part A - Teacher & Principal Training	93,935	94,006	94,006	-	95,607
ARRA - Title II-D - Ed Tech	-	6,709	300	(6,409)	-
ARRA - Title I, Part A	84,848	86,700	56,986	(29,714)	-
ARRA - National School Lunch Equipment	-	17,038	17,038	-	-
NCLB Reading First	-	41,911	41,393	(518)	252,987
Federal Grants from Other State Agencies					
Carl Perkins Vocational Education	-	-	503	503	-
Federal Provided through BOCES	123,956	124,020	105,018	(19,002)	8,643
Total Federal Sources	<u>653,051</u>	<u>718,997</u>	<u>663,857</u>	<u>(55,140)</u>	<u>712,250</u>
<b>TOTAL REVENUES</b>	<u>1,038,851</u>	<u>1,183,171</u>	<u>995,344</u>	<u>(187,827)</u>	<u>995,002</u>
<b>EXPENDITURES</b>					
<b>Instruction</b>					
Salaries	656,170	624,789	334,457	290,332	631,860
Benefits	122,306	107,600	82,508	25,092	146,675
PS - Professional	100,318	93,112	4,385	88,727	98,263
PS - Other	-	-	503	(503)	5,123
Supplies	69,257	66,843	19,109	47,734	41,849
Property	-	12,953	12,953	-	-
Other Expenses	-	-	302,444	(302,444)	5,200
Total Instruction	<u>948,051</u>	<u>905,297</u>	<u>756,359</u>	<u>148,938</u>	<u>928,970</u>
<b>Supporting Services</b>					
<b>Pupil Support</b>					
Salaries	64,600	110,690	81,451	29,239	23,332
Benefits	13,100	29,920	22,681	7,239	6,218
PS - Professional	15,600	14,586	15,642	(1,056)	17,627
PS - Other	7,250	2,658	3,593	(935)	3,061
Supplies	7,250	31,555	24,723	6,832	15,794
Other Expenses	-	1,765	1,889	(124)	-
Total Pupil Support	<u>107,800</u>	<u>191,174</u>	<u>149,979</u>	<u>41,195</u>	<u>66,032</u>
<b>Staff Support</b>					
Salaries	-	54,275	45,228	9,047	-
Benefits	-	15,740	11,747	3,993	-
PS - Professional	-	-	27,054	(27,054)	-
Supplies	-	16,685	4,977	11,708	-
Total Staff Support	<u>-</u>	<u>86,700</u>	<u>89,006</u>	<u>(2,306)</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>1,055,851</u>	<u>1,183,171</u>	<u>995,344</u>	<u>187,827</u>	<u>995,002</u>
<b>CHANGE IN FUND BALANCE</b>	(17,000)	-	-	-	-
<b>BEGINNING FUND BALANCE</b>	17,000	-	-	-	-
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Independent Auditors' Report.

## **OTHER SUPPLEMENTARY INFORMATION**

## **DEBT SERVICE FUND**

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

**Archuleta School District 50JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Bond Redemption Fund**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	<b>2010</b>		<b>Variance with Final Budget</b>	<b>2009</b>	
	<b>Final Budget</b>	<b>Actual</b>		<b>Budget</b>	<b>Actual</b>
<b>REVENUES</b>					
<b>Local Sources</b>					
Property Taxes	\$ 882,000	\$ 964,494	\$ 82,494	\$ 923,246	
Specific Ownership Taxes	70,000	63,025	(6,975)	79,369	
Delinquent Taxes	-	11,393	11,393	14,775	
Investment Earnings	12,500	3,112	(9,388)	16,151	
<b>TOTAL REVENUES</b>	<u>964,500</u>	<u>1,042,024</u>	<u>77,524</u>	<u>1,033,541</u>	
<b>EXPENDITURES</b>					
<b>Supporting Services</b>					
<b>General Administration</b>					
PS - Professional	3,280	500	2,780	500	
<b>Debt Service</b>					
Principal	103,645	645,000	(541,355)	140,787	
Interest	847,575	306,220	541,355	805,433	
Total Debt Service	<u>951,220</u>	<u>951,220</u>	<u>-</u>	<u>946,220</u>	
<b>Contingency</b>	<u>1,286,384</u>	<u>-</u>	<u>1,286,384</u>	<u>-</u>	
<b>TOTAL EXPENDITURES</b>	<u>2,240,884</u>	<u>951,720</u>	<u>1,289,164</u>	<u>946,720</u>	
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	(1,276,384)	90,304	1,366,688	86,821	
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers	(70,000)	(56,411)	13,589	(90,000)	
<b>CHANGE IN FUND BALANCE</b>	(1,346,384)	33,893	1,380,277	(3,179)	
<b>BEGINNING FUND BALANCE</b>	<u>1,346,384</u>	<u>1,346,384</u>	<u>-</u>	<u>1,349,563</u>	
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 1,380,277</u>	<u>\$ 1,380,277</u>	<u>\$ 1,346,384</u>	

See accompanying Independent Auditors' Report.

## **PROPRIETARY FUNDS**

Proprietary Funds account for operations that are financed and operated in a manner similar to private enterprises, where the cost of providing goods or services to the general public is financed or recovered primarily by user charges, or activities that provide direct support to the District's other funds.

The District has one enterprise fund as follows:

### **Food Service Fund**

This fund accounts for all financial activities associated with the District school lunch program.

The District has one internal service fund as follows:

### **Self Insurance Fund**

This fund accounts for the partially self insurance of the District's health insurance benefits.

**Archuleta School District 50JT**  
**Schedule of Revenues, Expenses and Changes in Net Assets**  
**Budget and Actual**  
**Food Service Fund**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	<b>2010</b>		<b>Variance with Final Budget</b>	<b>2009</b>	
	<b>Final Budget</b>	<b>Actual</b>		<b>Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>					
Food Service Revenue	\$ 183,000	\$ 115,702	\$ (67,298)	\$ 136,153	
<b>OPERATING EXPENSES</b>					
<b>Food Service</b>					
Salaries	160,750	147,184	13,566	159,517	
Benefits	46,750	45,746	1,004	51,765	
PS - Professional	-	60	(60)	(83)	
PS - Other	4,500	1,654	2,846	4,965	
Supplies	20,000	17,142	2,858	23,851	
Food	195,000	187,033	7,967	249,899	
Commodities	25,000	28,100	(3,100)	28,562	
Property	550	350	200	-	
<b>Contingency</b>	9,944	-	9,944	-	
<b>TOTAL OPERATING EXPENSES</b>	<u>462,494</u>	<u>427,269</u>	<u>35,225</u>	<u>518,476</u>	
<b>OPERATING INCOME</b>	<u>(279,494)</u>	<u>(311,567)</u>	<u>(32,073)</u>	<u>(382,323)</u>	
<b>OTHER REVENUES (EXPENSES)</b>					
Investment Earnings	250	47	(203)	217	
State Grants from CDE					
State Match - Child Nutrition	4,750	4,570	(180)	4,894	
Smart Start Nutrition	3,000	2,508	(492)	3,003	
State K-2 Reduced Lunch	-	1,548	1,548	2,217	
Federal Grants from CDE					
Commodities	13,300	25,173	11,873	28,562	
School Breakfast Program	52,000	75,670	23,670	75,051	
National School Lunch Program	175,000	222,009	47,009	200,065	
<b>NET OTHER REVENUES (EXPENSES)</b>	<u>248,300</u>	<u>331,525</u>	<u>83,225</u>	<u>314,009</u>	
<b>CHANGE IN NET ASSETS BEFORE TRANSFERS</b>	<u>(31,194)</u>	<u>19,958</u>	<u>51,152</u>	<u>(68,314)</u>	
<b>Transfers</b>	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>	
<b>CHANGE IN NET ASSETS</b>	<u>(11,194)</u>	<u>39,958</u>	<u>51,152</u>	<u>(48,314)</u>	
<b>BEGINNING NET ASSETS</b>	<u>11,194</u>	<u>11,195</u>	<u>1</u>	<u>59,509</u>	
<b>ENDING NET ASSETS</b>	<u>\$ -</u>	<u>\$ 51,153</u>	<u>\$ 51,153</u>	<u>\$ 11,195</u>	

See accompanying Independent Auditors' Report.

**Archuleta School District 50JT**  
**Schedule of Revenues, Expenses and Changes in Net Assets**  
**Budget and Actual**  
**Insurance Fund**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	<b>2010</b>			<b>2009</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	
<b>OPERATING REVENUES</b>				
Employee Premiums	\$ 1,255,000	\$ 1,406,280	\$ 151,280	\$ 1,458,699
Insurance Proceeds	100,000	112,511	12,511	-
Other Local	50,000	40,783	(9,217)	35,051
<b>TOTAL OPERATING REVENUES</b>	<u>1,405,000</u>	<u>1,559,574</u>	<u>154,574</u>	<u>1,493,750</u>
<b>OPERATING EXPENSES</b>				
<b>Risk Management</b>				
PS - Professional	1,695,237	1,119,641	575,596	917,508
PS - Other	350,000	377,209	(27,209)	352,862
Supplies	1,000	-	1,000	-
<b>Contingency</b>	<u>610,000</u>	<u>-</u>	<u>610,000</u>	<u>-</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>2,656,237</u>	<u>1,496,850</u>	<u>1,159,387</u>	<u>1,270,370</u>
<b>OPERATING INCOME</b>	<u>(1,251,237)</u>	<u>62,724</u>	<u>1,313,961</u>	<u>223,380</u>
<b>OTHER REVENUES (EXPENSES)</b>				
Investment Earnings	20,000	3,415	(16,585)	13,725
<b>CHANGE IN NET ASSETS</b>	<u>(1,231,237)</u>	<u>66,139</u>	<u>1,297,376</u>	<u>237,105</u>
<b>BEGINNING NET ASSETS</b>	<u>1,231,237</u>	<u>1,231,237</u>	<u>-</u>	<u>994,132</u>
<b>ENDING NET ASSETS</b>	<u>\$ -</u>	<u>\$ 1,297,376</u>	<u>\$ 1,297,376</u>	<u>\$ 1,231,237</u>

See accompanying Independent Auditors' Report.

## **FIDUCIARY FUNDS**

Private Purpose Trust Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private and student groups. The District's private purpose trust fund is its Scholarship Fund.

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

**Archuleta School District 50JT**  
**Schedule of Revenues, Expenses and Changes in Fiduciary Net Assets**  
**Budget and Actual**  
**Fiduciary Funds**  
**A.S.E. - Mooney - Hughes P.A.C. Fund**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	<b>2010</b>		<b>Variance with Final Budget</b>	<b>2009 Actual</b>
	<b>Final Budget</b>	<b>Actual</b>		
<b>ADDITIONS</b>				
Local Sources	\$ 5,000	\$ 5,969	\$ 969	\$ 4,268
<b>DEDUCTIONS</b>				
Instruction	236,560	-	236,560	665
Other Supporting Services	20,000	369	19,631	3,603
<b>TOTAL DEDUCTIONS</b>	<u>256,560</u>	<u>369</u>	<u>256,191</u>	<u>4,268</u>
<b>CHANGE IN NET ASSETS</b>	(251,560)	5,600	257,160	-
<b>BEGINNING NET ASSETS</b>	<u>551,560</u>	<u>551,560</u>	-	<u>551,560</u>
<b>ENDING NET ASSETS</b>	<u>\$ 300,000</u>	<u>\$ 557,160</u>	<u>\$ 257,160</u>	<u>\$ 551,560</u>

See accompanying Independent Auditors' Report.

**Archuleta School District 50JT**  
**Schedule of Revenues, Expenses and Changes in Fiduciary Net Assets**  
**Budget and Actual**  
**Fiduciary Funds**  
**Pupil Activity Agency Fund**  
**For the Year Ended June 30, 2010**  
**(With Comparative Totals for the Year Ended June 30, 2009)**

	<u>2010</u>		<b>Variance with Final Budget</b>	<u>2009</u>
	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>ADDITIONS</b>				
Local Sources	\$ 200,000	\$ 148,212	\$ (51,788)	\$ 143,407
<b>DEDUCTIONS</b>				
Instruction	211,646	151,370	60,276	141,756
Contingency	77,000	-	77,000	-
<b>TOTAL DEDUCTIONS</b>	<u>288,646</u>	<u>151,370</u>	<u>137,276</u>	<u>141,756</u>
<b>CHANGE IN NET ASSETS</b>	(88,646)	(3,158)	85,488	1,651
<b>BEGINNING NET ASSETS</b>	<u>88,646</u>	<u>88,646</u>	-	<u>86,995</u>
<b>ENDING NET ASSETS</b>	<u>\$ -</u>	<u>\$ 85,488</u>	<u>\$ 85,488</u>	<u>\$ 88,646</u>

See accompanying Independent Auditors' Report.

## **SINGLE AUDIT COMPLIANCE**

Board of Education  
Archuleta School District 50 JT  
Pagosa Springs, Colorado

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of Archuleta School District 50 JT as of and for the year ended June 30, 2010, and have issued our report thereon dated November 8, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Archuleta School District 50 JT's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Archuleta School District 50 JT's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Archuleta School District 50 JT's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Archuleta School District 50 JT's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Archuleta School District 50 JT in a separate letter dated November 8, 2010.

This report is intended solely for the information and use of management, the Board of Education, others within the entity, and the U.S. Department of Education, and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Johnson, Holman & Company, P.C.*

Centennial, CO  
November 8, 2010

Board of Education  
Archuleta School District 50 JT  
Pagosa Springs, Colorado

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

**Compliance**

We have audited the compliance of Archuleta School District 50 JT with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. Archuleta School District 50 JT's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Archuleta School District 50 JT's management. Our responsibility is to express an opinion on Archuleta School District 50 JT's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Archuleta School District 50 JT's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Archuleta School District 50 JT's compliance with those requirements.

In our opinion, Archuleta School District 50 JT complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

**Internal Control Over Compliance**

The management of Archuleta School District 50 JT's responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Archuleta School District 50 JT's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Archuleta School District 50 JT's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Education, others within the entity, the U.S. Department of Education, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Centennial, CO  
November 8, 2010

**ARCHULETA SCHOOL DISTRICT 50JT**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2010**

**Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: unqualified

Internal control over financial reporting:

• Material weaknesses identified? \_\_\_\_\_ yes  no

• Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes  no

Noncompliance material to financial statements noted? \_\_\_\_\_ yes  no

*Federal Awards*

Internal control over major programs:

• Material weaknesses identified? \_\_\_\_\_ yes  no

• Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes  no

Type of auditors' report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_\_\_ yes  no

Identification of major program:

84.010 Title I, Part A – Improving Basic Programs  
 84.389 Title I, Part A – Improving Basic Programs (ARRA)

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?  yes \_\_\_\_\_ no

**Findings Related to Financial Statements**

None noted.

**Findings and Questioned Costs for Federal Awards**

None noted.

**Archuleta School District 50JT  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2010**

<u>Grantor/Grant Title</u>	State		Expenditures
	Grant Number	CFDA Number	
<b>U.S. Department of Education</b>			
<b>Passthrough Colorado Department of Education</b>			
NCLB Title I, Part A - Improving Basic Programs	4010	84.010	\$ 340,221
NCLB Title IV, Part A - Safe and Drug Free Schools	4186	84.186	5,214
NCLB Title II, Part D - Enhancing Education through Technology	4318	84.318	3,178
NCLB Title II, Part A - Teacher & Principal Training	4367	84.367	94,006
ARRA - Title II-D - Ed Tech	4386	84.386	300
ARRA - Title I, Part A	4389	84.389	56,986
NCLB Reading First	6357	84.357	41,393
ARRA - State Fiscal Stabilization	4397	84.397	3,080
<b>Passthrough Colorado Community College System</b>			
Carl Perkins Vocational Education	4048	84.048	503
<b>Total U.S. Department of Education</b>			<u>544,881</u>
<b>U.S. Department of Agriculture</b>			
<b>Passthrough Colorado Department of Education</b>			
School Breakfast Program	4553	10.553	75,670
National School Lunch Program	4555	10.555	222,009
ARRA - National School Lunch Equipment	4579	10.579	17,038
<b>Passthrough Colorado Department of Human Services</b>			
Commodities	4555	10.555	25,173
<b>Total U.S. Department of Agriculture</b>			<u>339,890</u>
<b>Total Federal Expenditures</b>			<u>\$ 884,771</u>

**Basis of Presentation:** This schedule of expenditures of federal awards has been presented using the modified accrual basis of accounting, except for the U.S. Department of Agriculture grants which have been presented using the full accrual basis. The basis of accounting used in this schedule is consistent with the presentation of the information presented in the basic financial statements. Commodities shown above represent non-cash transactions.

See accompanying Independent Auditors' Report.

## **STATE COMPLIANCE**

Board of Education  
Archuleta School District 50 JT  
Pagosa Springs, Colorado

**INDEPENDENT AUDITORS' REPORT ON AUDITOR'S ELECTRONIC  
FINANCIAL DATA INTEGRITY CHECK FIGURES AND  
BOLDED BALANCE SHEET REPORTS**

We have audited the basic financial statements of Archuleta School District 50 JT, as of and for the year ended June 30, 2010, and have issued our report thereon dated November 8, 2010. These basic financial statements are the responsibility of Archuleta School District 50 JT'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 U.S. generally accepted auditing standards. 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 conducted for the purpose of forming an opinion on the basic financial statements of Archuleta School District 50 JT, taken as a whole and on the combining and individual fund financial statements. The accompanying Auditor's Electronic Financial Data Integrity Check Figures and Bolded Balance Sheet Reports are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in these schedules 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.

*Johnson, Holscher & Company, P.C.*

Centennial, CO  
December 3, 2010

12/03/2010  
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Colorado Department of Education  
Fiscal Year 2009-2010  
Colorado School District/BOCES  
Auditor's Integrity Report

ARCHULETA ARCHULETA COUNTY 50 JT  
District Code: 0220

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	6,221,907	12,050,981	10,960,418	7,312,470
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	185,002	185,002	0
Subtotal	6,221,907	12,235,983	11,145,420	7,312,470
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Capital Reserve Spec Revenue Fund	469,709	200,117	171,844	497,982
22 Govt Designated-Purpose Grants Fund	-0	995,344	995,344	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
30 Debt Service Fund	0	0	0	0
31 Bond Redemption Fund	1,346,384	985,613	951,720	1,380,277
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	8,038,000	14,417,057	13,264,327	9,190,729
Proprietary				
51 Food Service Fund	11,195	467,227	427,269	51,153
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	1,231,237	600,570	534,430	1,297,376
60,65-69 Other Internal Service Funds	0	0	0	0
TOTALS	1,242,431	1,067,797	961,699	1,348,529
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	551,560	5,968	369	557,160
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	88,646	148,212	151,370	85,488
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
TOTALS	640,206	154,181	151,739	642,647

\*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.

From submitted data file: fd0220.15a

Program: fdrdh.sqr

File: fd0220.dba

FINAL

Bolded Balance Sheet Report  
Must mirror the combined balance sheet pages from your audit.

Desc/ Bolted Bal Sheet Codes	Governmental					Proprietary					Fiduciary			Totals
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 21-29	Debt Service Funds 31-39	Capital Projects Funds 41-49	Enterprise Fund 51 (food)	Enterprise Funds 52-59	Other Risk-Related Activity Funds 63-64	Internal Service Funds 65-69 (60)	Trust & Agency Funds 72-79	Foundations Fund 85		
ASSETS														
Cash and Investments (8100-8104,8111)	7,495,180	0	0	462,238	-109,615	0	33,372	0	1,563,083	0	645,229	0	10,089,487	
Cash with Fiscal Agent (8105)	0	0	0	0	1,344,374	0	0	0	0	0	0	0	1,344,374	
Other Investment Accounts (8112-8115)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Taxes Receivable (8121,8122)	1,134,562	0	0	0	135,777	0	0	0	0	0	0	0	1,270,339	
Interfund Loans Receivable (8131,8132)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Governmental Accounts Rec (8141)	85,090	0	0	0	9,741	0	0	0	0	0	0	0	94,831	
Grants Accounts Receivable (8142)	0	0	0	59,190	0	0	0	0	0	0	0	0	59,190	
Other Receivables (8151-8154,8161)	13,052	0	0	0	0	0	0	0	0	0	0	0	13,052	
Inventories (8171,8172,8173)	0	0	0	0	0	0	39,858	0	0	0	0	0	39,858	
Prepaid Expenses (8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Current Assets (8191-8194,8199)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sites (8211)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Site Improvements (8221)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Accumulated Depreciation on Site Improvements (8222)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Buildings (8241)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Equipment (8231-8234)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Assets</b>	<b>8,727,883</b>	<b>0</b>	<b>0</b>	<b>521,427</b>	<b>1,380,277</b>	<b>0</b>	<b>73,230</b>	<b>0</b>	<b>1,563,083</b>	<b>0</b>	<b>645,229</b>	<b>0</b>	<b>12,911,130</b>	
LIABILITIES & FUND EQUITY														
LIABILITIES														
Interfund Payables (7401,7402)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Intergovernmental Payables (7411)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Payables (7421-7423)	61,623	0	0	0	0	0	0	0	0	0	2,582	0	64,205	
Contracts Payable (7431,7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Accrued Expenses (7441-7445,7451,7452,7455)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Payroll Ded. and Withholdings (7471-7473)	1,352,790	0	0	0	0	0	22,077	0	0	0	0	0	1,374,867	
Deferred Revenue (7481)	1,000	0	0	0	0	0	0	0	0	0	0	0	1,000	
Grants Deferred Revenue (7482)	0	0	0	23,446	0	0	0	0	0	0	0	0	23,446	
Other Current Liabilities (7491,7492,7499)	0	0	0	0	0	0	0	265,707	0	0	0	0	265,707	
Long-Term Liabilities (7521,7531,7561,7590)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Compensated Absences (7541,)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Note: Fund 90 District Debt Accounts 7511 through 7519 are not shown on this report														
<b>Total Liabilities</b>	<b>1,415,413</b>	<b>0</b>	<b>0</b>	<b>23,446</b>	<b>0</b>	<b>0</b>	<b>22,077</b>	<b>0</b>	<b>265,707</b>	<b>0</b>	<b>2,582</b>	<b>0</b>	<b>1,729,225</b>	

Bolded Balance Sheet Report  
Must mirror the combined balance sheet pages from your audit.

Desc/ Bolted Bal Sheet Codes	Governmental										Proprietary					Fiduciary		Totals
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 21-29	Debt Service Funds 31-39	Capital Projects Funds 41-49	Enterprise Fund 51 (food)	Enterprise Funds 52-59	Other Risk-Related Activity Funds 63-64	Internal Service Funds65-69(60)	Trust & Agency Funds Funds 72-79	Foundations Fund 85						
<b>FUND EQUITY</b>																		
Res. for Inv, Prepaid Exp, Enc (6751,6752,6753)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserved Fund Balances (6759)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserved Fund Balances (6760)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserved for TABOR 3% Reserved (6761)	425,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	425,000
Reserved for TABOR Multi-Year (6762)	307,695	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	307,695
Unallocated Fund Balance (6763)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Renewal Reserve (6764)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (Restricted Under GASB 54) (6765)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk Related Activity Reserve (Restricted Under GASB 54) (6766)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Full Day Kindergarten Reserve (6767)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (6768)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unreserved Fund Balance (6770)	6,579,776	0	0	497,982	1,380,277	0	51,153	0	1,297,376	642,647	0	10,449,211	0	0	0	0	0	10,449,211
Invest. in Cap. Assets(fund51) (6790)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets(fund 51) (6791)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets (6792)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior-Period Adjustment (6880)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Fund Equity</b>	<b>7,312,470</b>	<b>0</b>	<b>0</b>	<b>497,982</b>	<b>1,380,277</b>	<b>0</b>	<b>51,153</b>	<b>0</b>	<b>1,297,376</b>	<b>642,647</b>	<b>0</b>	<b>11,181,905</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,181,905</b>
<b>Total Liabilities &amp; Fund Equity</b>	<b>8,727,883</b>	<b>0</b>	<b>0</b>	<b>521,427</b>	<b>1,380,277</b>	<b>0</b>	<b>73,230</b>	<b>0</b>	<b>1,563,083</b>	<b>645,229</b>	<b>0</b>	<b>12,911,130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,911,130</b>
For Each Fund Type: Do Assets=Liability+Fund Equity	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK