

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**MONTE VISTA, COLORADO**  
**FINANCIAL STATEMENTS**

**June 30, 2013**



**Wall,  
Smith,  
Bateman** Inc.  
Certified Public Accountants

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
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**June 30, 2013**

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Wall,  
Smith,  
Bateman Inc.

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Monte Vista School District No. 8  
Monte Vista, Colorado

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Monte Vista School District No. 8 (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Certified Public Accountants**

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### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Monte Vista School District No. 8, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-14 and budgetary comparison information on pages 44-45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information, as listed in the table of contents, and the Colorado school district's auditor's integrity report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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.

The other supplementary information, the schedule of expenditures of federal awards, and the Colorado school district's auditor's integrity report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, the schedule of expenditures of federal awards, and the Colorado school district's auditor's integrity report are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Wall, Smith, Bateman Inc." The signature is written in a cursive, flowing style.

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

December 16, 2013

**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

As management of the Monte Vista School District C-8, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements, which immediately follow this section.

**Financial Highlights**

Key financial highlights for the fiscal year ended June 30, 2013, are as follows:

- λ In total, net position for the District is \$32,619,362 , an increase of \$1,340,982 . The completion of the construction projects funded through the Colorado Building Excellent Schools Today (BEST) grant, are the primary reason for the large increase in net position .
- λ General Revenues accounted for \$8,214,382 in revenue or 69% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions, accounted for \$3,640,111 or 31% of total revenues of \$11,854,493 .

The District had \$10,600,518 in expenses related to governmental activities . Of these expenses only \$860,593 were offset by program specific charges for services, grants and contributions. An additional \$2,779,518 in BEST grant revenue was used to offset construction costs.

*Governmental Funds*

The District has four major governmental funds as determined by Governmental Accounting Standards Board Statement No. 34 (GASB 34). The major funds are the General Fund, Projects Fund, the Bond Redemption Fund, and the Building Fund.

- λ The General Fund had \$7,922,147 in revenues and \$8,222,445 in expenditures. The General Fund's fund balance decreased \$300,298 to \$1,790,536 from \$2,090,834 . A portion of the ending fund balance was set aside to meet other obligations as follows:

Restricted:	
TABOR 3% Reserve	\$ 245,000
Committed:	
Multi-year Contracts	110,000
Assigned:	
Designated for Subsequent Years	492,257
Pupil Count Audit	60,000
Future Vehicle Purchase	30,000
Unassigned:	<u>853,279</u>
Total Fund Balance	<u>\$1,790,536</u>

- λ The Projects Fund (Governmental Designated Purpose Grants) had revenues from grants and other sources of \$501,282 and expenditures of \$501,282 .
- λ The Bond Redemption Fund had revenues from property taxes and earnings on investments of \$594,732 and debt service payments of \$551,365 . The fund balance increased by \$43,367 to \$886,886 . The District passed a bond issue in November, 2008 for \$8.4 million. As of June 30, 2013, a total of \$8,397,301 of the \$8.4 million has been sold. The mill levy of 11.900 mills reflected the funding needed to meet the new obligations. The current fund balance is adequate to meet the current obligations of the bond issue.

**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

- λ The Building Fund is used to account for all resources available for acquiring capital sites, buildings and equipment as specified by the related bond issue.

*Business-Type Activity Fund*

The District has one Business-type Activity Fund which is the Food Service Fund.

- λ Net position for the enterprise fund (Food Services) increased by \$162,007 from \$4,806 to \$166,813. Operating expenses of \$455,832 exceeded operating revenues (food sales) of \$53,835. Federal grants of \$288,455 from the National School Lunch and Breakfast Program, commodities from the USDA of \$16,246 and other State and Federal grants of \$6,848 reduced the operating loss to \$90,445. The increase in net position comes from contributed capital in the form of new equipment acquired during construction of the new high school. Declining enrollment has impacted the profitability of the fund due to the decrease in revenue from sales and grants and the increasing costs of food. The District supplemented this program from general revenues in the amount of \$75,000, an increase of \$30,000 over the prior year, as the pricing of sales was insufficient to meet expenses. Every effort has been made to reduce costs where possible without reducing the quality of the program. Meal prices have been increased as allowable under the grant guidelines. New nutrition guidelines are impacting the costs of food now and in the future.

**Overview of the Financial Statements**

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

- λ The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- λ The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.
- λ The governmental funds statements tell how basic services such as instruction were financed in the short-term as well as what remains for future spending.
- λ Proprietary funds statements offer short and long-term financial information about the activities the District operates like businesses, such as nutritional services.
- λ Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

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

**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

*Government-wide Statements*

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position presents information on all of the district's assets, liabilities and deferred inflows of resources, with the difference between the two reported as net position. 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 government-wide statements report the District's *net position* and how it has changed. Net position – the difference between the District's assets, liabilities and deferred inflows of resources – is one way to measure the District's financial health or *position*.

- λ Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- λ To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the District's activities are divided into two categories:

- λ *Governmental activities:* Most of the District's basic services are included here, such as instruction, transportation, maintenance and operations, and administration. The School Finance Act of 1994, as amended, made up of property taxes and state equalization, finances most of these activities.
- λ *Business-type activities:* The District charges fees to help cover the costs of certain services it provides. In addition, costs are covered by federal grants and an allocation from general revenues. The District's nutritional services program is included here.

*Fund Financial Statements*

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- λ Some funds are required by state law and by bond covenants.
- λ The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The District has three kinds of funds:

- λ *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally 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 funds 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. Because this information does not encompass the additional long-term focus of the government-wide statements, additional schedules explain the relationship (or differences) between them.

**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

- λ *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information such as cash flows.
  
- λ *Fiduciary funds:* The District is the agent, or *fiduciary*, for assets that belong to others, such as small scholarship funds and student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

*Notes to the Financial Statements*

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

*Other Information*

In addition to the financial statements and accompanying notes, this report also contains other supplemental information concerning the District's non-major governmental funds. The combining statements of the non-major governmental funds are presented after the notes to the financial statements.

**Financial Analysis of the District as a Whole**

*Government-wide Analysis*

The assets of the District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the District. The majority of the current assets are the result of the property tax collection process; the District receives about 90% of the annual property tax assessment in the first half of the calendar year.

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

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2014. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2013.

**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

**Table I**  
**Condensed Statement of Net Position**  
**As of June 30, 2013**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total School District</u>		<u>% Change</u>
	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	
<b>Assets</b>							
Current Assets	\$ 11,513,358	\$ 4,178,543	\$ 52,467	\$ 55,842	\$ 11,565,825	\$ 4,234,385	-63.39%
Capital Assets	32,763,923	38,547,410	2,050	164,249	32,765,973	38,711,659	18.15%
<b>Total Assets</b>	<u>44,277,281</u>	<u>42,725,953</u>	<u>54,517</u>	<u>220,091</u>	<u>44,331,798</u>	<u>42,946,044</u>	<u>-3.13%</u>
<b>Liabilities</b>							
Current Liabilities	3,809,402	1,495,079	38,897	39,079	3,848,299	1,534,158	-60.13%
Long-Term Liabilities	9,137,328	8,744,121	10,814	14,199	9,148,142	8,758,320	-4.26%
<b>Total Liabilities</b>	<u>12,946,730</u>	<u>10,239,200</u>	<u>49,711</u>	<u>53,278</u>	<u>12,996,441</u>	<u>10,292,478</u>	<u>-20.81%</u>
<b>Deferred Inflows of Resources</b>							
Unavailable Revenue - Property Tax	<u>56,977</u>	<u>34,204</u>	<u>-</u>	<u>-</u>	<u>56,977</u>	<u>34,204</u>	<u>-39.97%</u>
<b>Net Position</b>							
Net Investment in Capital Assets	28,952,556	29,965,112	2,050	164,249	28,954,606	30,129,361	4.06%
Restricted	1,088,519	1,131,886	-	-	1,088,519	1,131,886	3.98%
Unrestricted	1,232,499	1,355,551	2,756	2,564	1,235,255	1,358,115	9.95%
<b>Total Net Position</b>	<u>\$ 31,273,574</u>	<u>\$ 32,452,549</u>	<u>\$ 4,806</u>	<u>\$ 166,813</u>	<u>\$ 31,278,380</u>	<u>\$ 32,619,362</u>	<u>4.29%</u>

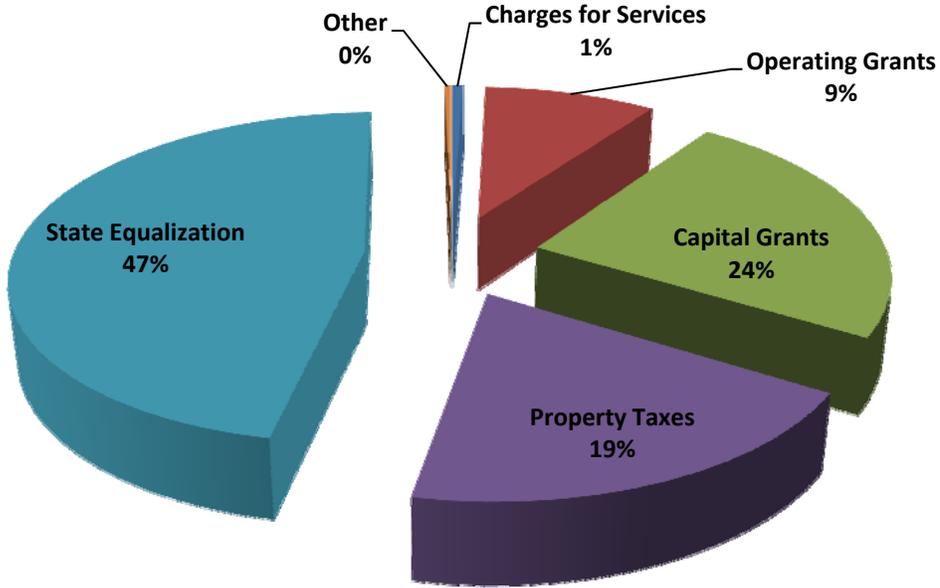
**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

**Table II**  
**Condensed Statement of Changes in Net Position**  
**Fiscal Year 2013**

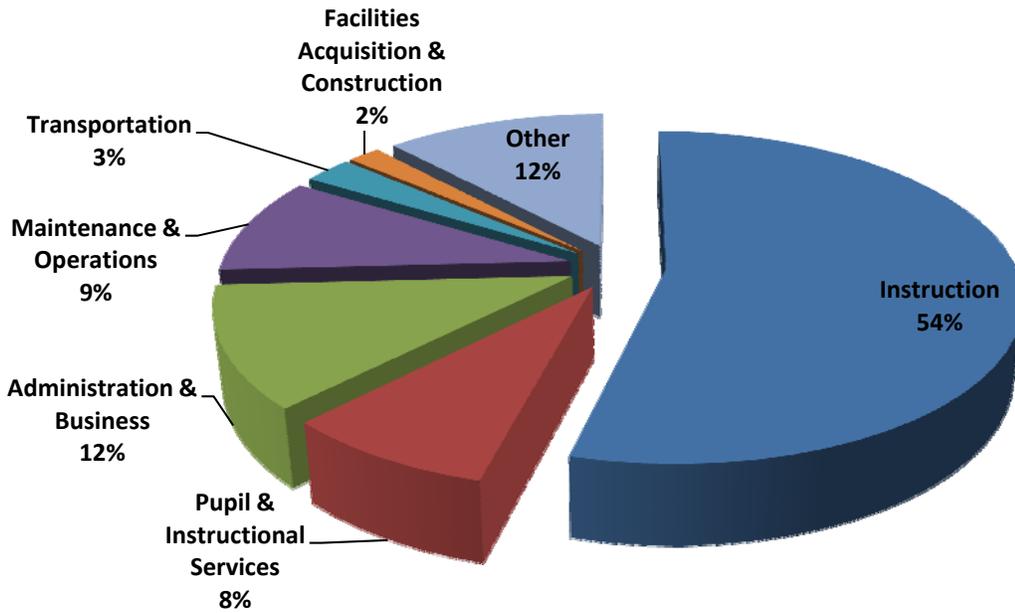
	Governmental Activities		Business-Type Activities		Total School District		% Change
	2012	2013	2012	2013	2011	2013	
<b>Revenue</b>							
Program Revenues:							
Charges for Services	\$ 10,745	\$ 17,861	\$ 57,428	\$ 53,835	\$ 68,173	\$ 71,696	5.17%
Operating Grants & Contributions	843,796	842,732	305,126	311,549	1,148,922	1,154,281	0.47%
Capital Grants & Contributions	21,414,023	2,779,518	-	177,452	21,414,023	2,956,970	-86.19%
General Revenues:							
Property Taxes	2,333,511	2,398,897	-	-	2,333,511	2,398,897	2.80%
State Equalization	6,081,831	5,777,474	-	-	6,081,831	5,777,474	-5.00%
Other	67,573	38,011	6	3	67,579	38,014	-43.75%
<b>Total Revenues</b>	<b>30,751,479</b>	<b>11,854,493</b>	<b>362,560</b>	<b>542,839</b>	<b>31,114,039</b>	<b>12,397,332</b>	<b>-60.16%</b>
<b>Expenses</b>							
Instruction	5,669,412	5,979,069	-	-	5,669,412	5,979,069	5.46%
Pupil & Instructional Services	889,151	916,341	-	-	889,151	916,341	3.06%
Administration & Business	1,362,568	1,304,765	-	-	1,362,568	1,304,765	-4.24%
Maintenance & Operations	916,983	1,050,398	-	-	916,983	1,050,398	14.55%
Transportation	480,723	292,356	-	-	480,723	292,356	-39.18%
Facilities Acquisition & Construction	-	193,676	-	-	-	193,676	0.00%
Other	766,974	863,913	425,751	455,832	1,192,725	1,319,745	10.65%
<b>Total Expenses</b>	<b>10,085,811</b>	<b>10,600,518</b>	<b>425,751</b>	<b>455,832</b>	<b>10,511,562</b>	<b>11,056,350</b>	<b>5.18%</b>
<b>Excess (Deficiency) Before Transfers</b>	<b>20,665,668</b>	<b>1,253,975</b>	<b>(63,191)</b>	<b>87,007</b>	<b>20,602,477</b>	<b>1,340,982</b>	<b>-93.49%</b>
<b>Transfer to Business-Type Activities</b>	<b>(45,000)</b>	<b>(75,000)</b>	<b>45,000</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Special Item</b>	<b>(1,044,448)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,044,448)</b>	<b>-</b>	<b>-100.00%</b>
<b>Increase (Decrease) in Net Position</b>	<b>19,576,220</b>	<b>1,178,975</b>	<b>(18,191)</b>	<b>162,007</b>	<b>19,558,029</b>	<b>1,340,982</b>	<b>-93.14%</b>
<b>Ending Net Position</b>	<b>\$ 31,273,574</b>	<b>\$ 32,452,549</b>	<b>\$ 4,806</b>	<b>\$ 166,813</b>	<b>\$ 31,278,380</b>	<b>\$ 32,619,362</b>	<b>4.29%</b>

**Monte Vista School District C-8  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2013**

**2012-2013 REVENUES - GOVERNMENT WIDE**



**2012-2013 EXPENDITURES - GOVERNMENT WIDE**



**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

*Governmental Activities*

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal, federal and state requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, designated and undesignated fund balance may serve as a useful measure of the net resources available for spending at the end of the fiscal year. The fund balance for the General Fund that has not been restricted or committed is \$1,435,536. The Tax Payer Bill of Rights (TABOR) Reserve, required by state statute, remained the same at \$245,000. This reserve is based on 3% of specific revenue sources. The District's TABOR Reserve is held in cash at local financial institutions.

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (SFA). Under the SFA, total program funding was \$7,879 per student or \$8,696,471. This is an increase of \$298 or 3.9% over the previous year. The total program funding was then adjusted by the "Negative Factor" of 16.11% or \$1,399,502, reducing the actual funding by about \$1,271 per student. The funded pupil count for fiscal year 2013 was 1,104.2. The District's funded pupil count decreased by approximately 4.1%. Funding for the SFA comes from property taxes, specific ownership tax and state equalization.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table III shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by unrestricted state equalization and property taxes. Other governmental revenues, from property taxes, state equalization, and interest on investments, were adequate to cover the excess costs.

**Table III**  
**Cost of Services – Governmental Activities**  
**Fiscal Year 2013**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>
Instruction	\$ 5,669,412	\$ 5,979,069	\$ 5,077,426	\$ 5,250,314
Pupil & Instructional Services	889,151	916,341	682,877	837,069
Administration & Business	1,362,568	1,304,765	1,355,568	1,304,765
Maintenance & Operations	916,983	1,050,398	916,983	1,050,398
Transportation	480,723	292,356	431,442	239,790
Facilities Acquisition & Constr	-	193,676	(21,414,023)	(2,585,842)
Other	766,974	863,913	766,974	863,913
<b>Total Expenses</b>	<u>\$ 10,085,811</u>	<u>\$ 10,600,518</u>	<u>\$ (12,182,753)</u>	<u>\$ 6,960,407</u>

The District received capital construction funds for building projects in the form of the BEST grant. Expenditures that offset those grants are recorded in the government wide statements as capitalized assets with only the depreciation shown in the cost of services.

*Business-Type Activities*

Business-type activities are made up of the Food Services Fund. The District's Food Service Fund showed a net loss of \$90,445 before operating transfers in fiscal year 2013.

**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

**General Fund Budgetary Highlights**

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on the modified accrual basis. Therefore, the District budgets each year for actual salaries for nine and ten month employees based on salaries for the school term of September to May, but paid out over twelve months (September to August). The July and August salaries are accrued in the budgeted financial statements. The Board of Education can make final changes to the fiscal year adopted budget on or before January 31<sup>st</sup>. These adjustments reflect information as of December 31<sup>st</sup>. After that, all changes must be approved by supplemental budget resolution.

The original 2012-13 adopted General Fund budget was amended in January, 2013, for the following reasons:

- λ In the original budget in June 2012, revenue numbers were based on Funded Pupil Count of 1,148.5. Actual count came in at 1,104.2, a decrease of 44.3. This results in a decrease in the state share (Equalization) of \$381,638.
- λ Assessed property values increased, with a corresponding increase in property tax revenues of \$80,078 for general fund revenue.
- λ The E-rate revenue was eliminated as that revenue is reflected as a reduction of the expenditures.
- λ Allocation to the CPP fund was decreased to \$120,000 to reflect the reduction in funded students.
- λ The audited beginning fund balance increase of \$238,574 helps offset expenditures for the current year that exceed current budgeted revenues. Even with this, the ending fund balance is expected to be reduced by \$125,465 to \$1,619,180.
- λ Major adjustments to General Fund expenditures include the December employee bonus of \$70,000, increase in the costs for internet access for the online program, due to the denial of e-rate funding, recalculation of salaries and benefits, and various reclassifications of individual line items.

Adjustments to other funds reflected final FY2013 ending fund balances and final numbers for grant funds.

The Monte Vista School Board approved the following supplemental budgets:

- λ The Projects Fund budget was amended in March, 2013, to reflect receipt of Title I-A Reallocated funding in the amount of \$143,866.
- λ The General Fund budget was amended in June, 2013, to approve the use of Contingency Reserve in the amount of \$22,000. This was used to increase the transfer to Food Service Fund.
- λ The Food Service Fund budget was amended in June, 2013, to record the increase in the transfer from the General Fund of \$22,000 and to account for equipment purchased during construction in the amount of \$177,452.
- λ The General Fund appropriations exceeded actual expenditures in fiscal year 2013 by \$1,759,667.

**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

**Capital Assets and Debt Administration**

*Capital Assets*

On June 30, 2013, the District had \$38,547,410 invested in sites, land improvements, buildings, equipment and vehicles, which was used in governmental activities. Table IV shows the investment in capital assets net of depreciation expense for governmental activities and business-type activities.

**Table IV**  
**Capital Assets at June 30, 2013**  
**(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		% Change
	2012	2013	2012	2013	2012	2013	
Sites	\$ 228,329	\$ 228,329	\$ -	\$ -	\$ 228,329	\$ 228,329	0.00%
Site Improvements - Inexhaustible	275,918	2,519,252	-	-	275,918	2,519,252	100.00%
Land Improvements	1,060,561	4,318,371	-	-	1,060,561	4,318,371	307.18%
Buildings	10,156,565	30,129,385	-	-	10,156,565	30,129,385	196.65%
Equipment	273,858	1,006,698	2,049	164,249	275,907	1,170,947	324.40%
Vehicles	387,379	345,375	-	-	387,379	345,375	-10.84%
Construction in Progress	20,253,037	-	-	-	20,253,037	-	-100.00%
<b>Totals</b>	<b>\$ 32,635,647</b>	<b>\$ 38,547,410</b>	<b>\$ 2,049</b>	<b>\$ 164,249</b>	<b>\$ 32,637,696</b>	<b>\$ 38,711,659</b>	<b>18.61%</b>

The Construction in Progress projects at June 30, 2012 included construction of the new high school, the addition on and remodel of Bill Metz Elementary and the remodel of the Middle School Science rooms and restrooms. These construction projects were funded by a BEST Grant and bonds. All these projects were completed in August, 2012. The new Bus Garage was completed in December, 2012.

*Long-Term Debt*

At June 30, 2013, the District had \$8,976,739 in total long-term debt. Of this amount \$456,495 is due within one year. Table V details the outstanding debt and the portion due within one year for the District. Compensated absences of \$198,774, is considered paid when used, or when it is bought back upon retirement or resignation of an employee.

**Table V**  
**Outstanding Debt**  
**Current and Total at June 30, 2013**

	2012		2013	
	Due Within One Year	Total Debt	Due Within One Year	Total Debt
General Obligation Bonds	\$ 189,828	\$ 8,266,433	\$ 230,128	\$ 8,076,605
Capital Lease Obligation Payable	86,709	368,525	90,234	281,816
Early Retirement Bonus Payable	91,408	455,141	136,133	419,544
Compensated Absences Payable	20,117	201,462	-	198,774
<b>Totals</b>	<b>\$ 388,062</b>	<b>\$ 9,291,561</b>	<b>\$ 456,495</b>	<b>\$ 8,976,739</b>

**Monte Vista School District C-8**  
*Management's Discussion & Analysis*  
**For the Fiscal Year Ended June 30, 2013**

On December 17, 2009, the District issued general obligation bonds series 2009 in the amount of \$3,000,000 with an average interest rate of 5.06%. These bonds were issued from the \$8,400,000 ballot measure approved in November, 2008. The principal balance outstanding at June 30, 2013, was \$2,955,000.

On October 7, 2010, the District issued general obligation bonds series 2010 in the amount of \$1,645,000 with an average interest rate of 4.76%. The principal balance outstanding at June 30, 2013, was \$1,630,000. On December 16, 2010, the District issued general obligation bonds series 2010D-F matching money bonds in the amount of \$3,752,301 with an interest rate of 4.082%. The principal balance outstanding at June 30, 2013, was \$3,491,605. Both these bonds were issued from the \$8,400,000 ballot measure approved in November, 2008, bringing the total issued to \$8,397,301.

**Factors Bearing on the District's Future**

At the time these financial reports were prepared and audited, the District was aware of the following circumstances that could significantly affect its financial health in the future.

- λ The District has been experiencing declining enrollment since fiscal year 2000. The enrollment for 2013-2014 has dropped by 15.5 FTE. The School Finance Act, as changed in 2008, averages student counts for the previous four years plus the current year to determine the *funded pupil count (FPC)*. For fiscal year 2013-2014 it is still to our advantage to use the averaging method.
- λ Starting in FY 2010-11, an additional factor was included in the school finance formula. This factor acts as a reduction to other existing factors and shall not reduce any base per pupil funding districts receive through the school finance formula. In general, this factor is calculated by first determining the total program prior to application of the Negative Factor. The Negative Factor in FY 2010-11 was 10.364%, for FY 2011-12 the factor was 12.97%, and for 2012-13 it was 16.11%. This factor increased in 2013-14 to 16.29%. This reduction in funding along with the reduction in student count could have a significant impact on funding received from the State.

**Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, parents, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Superintendent's Office, Monte Vista School District C-8, 345 E. Prospect Avenue, Monte Vista, CO 81144.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**BASIC FINANCIAL STATEMENTS**

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**STATEMENT OF NET POSITION**  
**June 30, 2013**

	<u>Primary Government</u>		<u>TOTAL</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 3,863,171	\$ 25,974	\$ 3,889,145
Accounts Receivable	134,305	-	134,305
Property Tax Receivable	34,204	-	34,204
Prepaid Expenses	-	1,865	1,865
Due from Other Governments	132,668	31,415	164,083
Internal Balances	14,195	(14,195)	-
Inventories	-	10,783	10,783
<b>Total Current Assets</b>	<u>4,178,543</u>	<u>55,842</u>	<u>4,234,385</u>
<b>Noncurrent Assets</b>			
Capital Assets			
Land	228,329	-	228,329
Site Improvements	2,519,252	-	2,519,252
Land Improvements	4,604,350	-	4,604,350
Buildings	36,914,707	-	36,914,707
Equipment	1,600,852	218,726	1,819,578
Vehicles	1,022,255	-	1,022,255
Less Accumulated Depreciation	(8,342,335)	(54,477)	(8,396,812)
<b>Total Noncurrent Assets</b>	<u>38,547,410</u>	<u>164,249</u>	<u>38,711,659</u>
<b>TOTAL ASSETS</b>	<u>42,725,953</u>	<u>220,091</u>	<u>42,946,044</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	203,073	4,154	207,227
Accrued Salaries and Benefits	835,511	34,925	870,436
Lease Purchase Agreement	90,234	-	90,234
General Obligation Bonds	230,128	-	230,128
Early Retirement Bonus	136,133	-	136,133
<b>Total Current Liabilities</b>	<u>1,495,079</u>	<u>39,079</u>	<u>1,534,158</u>
<b>Noncurrent Liabilities</b>			
Premium on Issuance of Bonds	223,877	-	223,877
Lease Purchase Agreement	191,582	-	191,582
General Obligation Bonds	7,846,477	-	7,846,477
Early Retirement Bonus	283,411	-	283,411
Compensated Absences	198,774	14,199	212,973
<b>Total Noncurrent Liabilities</b>	<u>8,744,121</u>	<u>14,199</u>	<u>8,758,320</u>
<b>TOTAL LIABILITIES</b>	<u>10,239,200</u>	<u>53,278</u>	<u>10,292,478</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Tax	34,204	-	34,204
<b>NET POSITION</b>			
Net Investment in Capital Assets	29,965,112	164,249	30,129,361
Restricted for			
Debt Service	886,886	-	886,886
TABOR	245,000	-	245,000
Unrestricted	1,355,551	2,564	1,358,115
<b>TOTAL NET POSITION</b>	<u>\$ 32,452,549</u>	<u>\$ 166,813</u>	<u>\$ 32,619,362</u>

The accompanying notes are an integral part of this financial statement.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**STATEMENT OF ACTIVITIES**  
**Fiscal Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		TOTAL
					Governmental Activities	Business-Type Activities	
<b>Primary Government</b>							
<b>Governmental Activities</b>							
Instructional Program	\$ 5,979,069	\$ 12,078	\$ 716,677	\$ -	\$ (5,250,314)	\$ -	\$ (5,250,314)
Student Supporting Services	495,754	3,607	57,228	-	(434,919)	-	(434,919)
Instructional Staff Supporting Services	420,587	-	18,437	-	(402,150)	-	(402,150)
General Administration Supporting Services	533,762	-	-	-	(533,762)	-	(533,762)
School Administration Supporting Services	760,271	-	-	-	(760,271)	-	(760,271)
Business Supporting Services	10,732	-	-	-	(10,732)	-	(10,732)
Operations and Maintenance of Plant Services	1,050,398	-	-	-	(1,050,398)	-	(1,050,398)
Student Transportation Services	292,356	2,176	50,390	-	(239,790)	-	(239,790)
Central Supporting Services	370,079	-	-	-	(370,079)	-	(370,079)
Facilities Acquisition and Construction Services	193,676	-	-	2,779,518	2,585,842	-	2,585,842
Interest on Long-term Debt	493,834	-	-	-	(493,834)	-	(493,834)
<b>Total Governmental Activities</b>	<b>10,600,518</b>	<b>17,861</b>	<b>842,732</b>	<b>2,779,518</b>	<b>(6,960,407)</b>	<b>-</b>	<b>(6,960,407)</b>
<b>Business-Type Activities</b>							
Food services	455,832	53,835	311,549	177,452	-	87,004	87,004
<b>Total Business-Type Activities</b>	<b>455,832</b>	<b>53,835</b>	<b>311,549</b>	<b>177,452</b>	<b>-</b>	<b>87,004</b>	<b>87,004</b>
<b>Total Primary Government</b>	<b>\$ 11,056,350</b>	<b>\$ 71,696</b>	<b>\$ 1,154,281</b>	<b>\$ 2,956,970</b>	<b>(6,960,407)</b>	<b>87,004</b>	<b>(6,873,403)</b>
<b>General Revenues</b>							
Taxes							
General Property Taxes - Net					2,144,931	-	2,144,931
Specific Ownership Taxes					242,776	-	242,776
Other Taxes					11,190	-	11,190
State Equalization					5,777,474	-	5,777,474
Interest on Investments					1,624	3	1,627
Miscellaneous					36,387	-	36,387
<b>Total General Revenues</b>					<b>8,214,382</b>	<b>3</b>	<b>8,214,385</b>
<b>Transfers</b>					<b>(75,000)</b>	<b>75,000</b>	<b>-</b>
<b>Change in Net Position</b>					<b>1,178,975</b>	<b>162,007</b>	<b>1,340,982</b>
<b>Net Position, Beginning of Year</b>					<b>31,273,574</b>	<b>4,806</b>	<b>31,278,380</b>
<b>Net Position, End of Year</b>					<b>\$ 32,452,549</b>	<b>\$ 166,813</b>	<b>\$ 32,619,362</b>

The accompanying notes are an integral part of this financial statement.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**June 30, 2013**

	<b>GENERAL FUND</b>	<b>PROJECTS FUND</b>	<b>BOND REDEMPTION FUND</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,466,348	\$ 46,736	\$ 851,031
Accounts Receivable	97,800	-	36,505
Property Tax Receivable	20,507	-	13,697
Due from Other Governments	1,027	126,990	-
Due from Other Funds	111,275	-	-
	<u>2,696,957</u>	<u>173,726</u>	<u>901,233</u>
<b>TOTAL ASSETS</b>	<u>\$ 2,696,957</u>	<u>\$ 173,726</u>	<u>\$ 901,233</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 109,599	\$ 21,904	\$ -
Due to Other Funds	-	92,626	650
Accrued Salaries and Benefits	776,315	59,196	-
	<u>885,914</u>	<u>173,726</u>	<u>650</u>
<b>TOTAL LIABILITIES</b>	<u>885,914</u>	<u>173,726</u>	<u>650</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Tax	20,507	-	13,697
	<u>20,507</u>	<u>-</u>	<u>13,697</u>
 <b>FUND BALANCE</b>			
Restricted			
TABOR 3% Reserve	245,000	-	-
Debt Service	-	-	886,886
Bond Proceeds for Capital Construction	-	-	-
Committed			
Multi-year Contracts	110,000	-	-
Capital Projects	-	-	-
Pupil Activities	-	-	-
Assigned			
Designated for Subsequent Years	492,257	-	-
Pupil Count Audit	60,000	-	-
Future Vehicles	30,000	-	-
Unassigned	853,279	-	-
	<u>1,790,536</u>	<u>-</u>	<u>886,886</u>
<b>TOTAL FUND BALANCE</b>	<u>1,790,536</u>	<u>-</u>	<u>886,886</u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
	<u>\$ 2,696,957</u>	<u>\$ 173,726</u>	<u>\$ 901,233</u>

The accompanying notes are an integral part of this financial statement.

<b>BUILDING FUND</b>	<b>TOTAL NONMAJOR FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
\$ 329,754	\$ 169,302	\$ 3,863,171
-	-	134,305
-	-	34,204
4,651	-	132,668
-	-	111,275
<u>\$ 334,405</u>	<u>\$ 169,302</u>	<u>\$ 4,275,623</u>
\$ 71,570	\$ -	\$ 203,073
3,804	-	97,080
-	-	835,511
<u>75,374</u>	<u>-</u>	<u>1,135,664</u>
-	-	34,204
-	-	245,000
-	-	886,886
259,031	-	259,031
-	-	110,000
-	154,662	154,662
-	14,640	14,640
-	-	492,257
-	-	60,000
-	-	30,000
-	-	853,279
<u>259,031</u>	<u>169,302</u>	<u>3,105,755</u>
<u>\$ 334,405</u>	<u>\$ 169,302</u>	<u>\$ 4,275,623</u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2013**

**Total governmental fund balances** \$ 3,105,755

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 38,547,410

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

General Obligation Bonds	\$ (8,076,605)	
Lease Purchase Agreements	(281,816)	
Early Retirement Bonus Payable	(419,544)	
Compensated Absences	<u>(198,774)</u>	
		(8,976,739)

Certain transactions relating to the activity of bonds are expensed in the governmental funds, but are required to be capitalized and amortized in the government-wide financial statements.

Premium on Issuance of Bonds	<u>(223,877)</u>
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**Net position of governmental activities** \$ 32,452,549

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES**  
**For the Year Ended June 30, 2013**

	<u>GENERAL FUND</u>	<u>PROJECTS FUND</u>	<u>BOND REDEMPTION FUND</u>
<b>REVENUES</b>			
Local Sources	\$ 1,926,018	\$ 6,906	\$ 594,732
State Sources	5,961,975	-	-
Federal Sources	33,854	494,376	-
<b>TOTAL REVENUES</b>	<u>7,921,847</u>	<u>501,282</u>	<u>594,732</u>
<b>EXPENDITURES</b>			
Instructional Program	4,499,805	320,579	-
Student Supporting Services	361,340	5,940	-
Instructional Staff Supporting Services	245,824	174,763	-
General Administration Supporting Services	509,120	-	-
School Administration Supporting Services	759,468	-	-
Business Supporting Services	-	-	-
Operations and Maintenance of Plant Services	1,000,121	-	-
Student Transportation Services	261,286	-	-
Central Supporting Services	332,699	-	-
Facilities Acquisition and Construction Services	-	-	-
Debt Service	100,682	-	551,365
<b>TOTAL EXPENDITURES</b>	<u>8,070,345</u>	<u>501,282</u>	<u>551,365</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(148,498)</u>	<u>-</u>	<u>43,367</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of Capital Assets	300	-	-
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(152,100)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(151,800)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(300,298)	-	43,367
<b>Fund Balance, Beginning of Year</b>	<u>2,090,834</u>	<u>-</u>	<u>843,519</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,790,536</u>	<u>\$ -</u>	<u>\$ 886,886</u>

<b>BUILDING FUND</b>	<b>TOTAL NONMAJOR FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
\$ 106	\$ 56,708	\$ 2,584,470
2,779,518	-	8,741,493
-	-	528,230
<u>2,779,624</u>	<u>56,708</u>	<u>11,854,193</u>
-	112,939	4,933,323
-	-	367,280
-	-	420,587
-	388	509,508
-	-	759,468
-	-	-
-	-	1,000,121
-	-	261,286
-	-	332,699
7,472,460	-	7,472,460
-	-	652,047
<u>7,472,460</u>	<u>113,327</u>	<u>16,708,779</u>
<u>(4,692,836)</u>	<u>(56,619)</u>	<u>(4,854,586)</u>
-	-	300
-	77,100	77,100
-	-	(152,100)
<u>-</u>	<u>77,100</u>	<u>(74,700)</u>
(4,692,836)	20,481	(4,929,286)
<u>4,951,867</u>	<u>148,821</u>	<u>8,035,041</u>
<u>\$ 259,031</u>	<u>\$ 169,302</u>	<u>\$ 3,105,755</u>

The accompanying notes are an integral part of this financial statement.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2013**

**Net change in fund balances - total governmental funds** \$ (4,929,286)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between capital outlay and depreciation in the current period.

Fixed asset additions	\$ 7,354,384	
Depreciation expense	<u>(1,442,621)</u>	5,911,763

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payment on general obligation bonds	189,828	
Principal payment on lease purchase agreement	<u>86,709</u>	276,537

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	2,688	
Early Retirement Bonus Payable	<u>35,597</u>	38,285

The premium/discount and bond issuance costs associated with the issuance of the bonds provides a current financial resource to the debt service fund, but they must be capitalized and amortized over the life of the bonds in the government-wide financial statements.

Accretion of Premium on Bond	9,952	
Amortization of Bond Issuance Costs	<u>(128,276)</u>	<u>(118,324)</u>

**Change in net position of governmental funds** \$ 1,178,975

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2013**

	<b>FOOD SERVICE FUND</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 25,974
Due from Other Governments	31,415
Prepaid Expenses	1,865
Inventories	10,783
<b>Total Current Assets</b>	<b>70,037</b>
<b>Noncurrent Assets</b>	
Capital Assets	
Equipment	218,726
Less Accumulated Depreciation	(54,477)
<b>Total Noncurrent Assets</b>	<b>164,249</b>
<b>TOTAL ASSETS</b>	<b>234,286</b>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts Payable	4,154
Due to Other Funds	14,195
Accrued Salaries and Benefits	34,925
<b>Total Current Liabilities</b>	<b>53,274</b>
<b>Noncurrent Liabilities</b>	
Compensated Absences	14,199
<b>Total Noncurrent Liabilities</b>	<b>14,199</b>
<b>TOTAL LIABILITIES</b>	<b>67,473</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	164,249
Unrestricted	2,564
<b>TOTAL NET POSITION</b>	<b>\$ 166,813</b>

The accompanying notes are an integral part of this financial statement.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2013**

	<b>FOOD SERVICE FUND</b>
<b>OPERATING REVENUES</b>	
Food Sales	\$ 53,835
<b>Total Operating Revenues</b>	53,835
<b>OPERATING EXPENSES</b>	
Salaries	161,048
Fringe Benefits	63,323
Other Purchased Services	7,648
Food	176,881
Commodities	17,557
Other Supplies	12,786
Depreciation	15,253
Capital Outlay	1,336
<b>Total Operating Expenses</b>	455,832
Operating Income (Loss)	(401,997)
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Federal Child Nutrition Funding	288,455
Child Nutrition Match	6,848
USDA Donated Food	16,246
Interest Income	3
<b>Total Nonoperating Revenues (Expenses)</b>	311,552
Income (Loss) Before Operating Transfers	(90,445)
<b>OPERATING TRANSFERS</b>	
Transfers from Other Funds	75,000
<b>Total Operating Transfers</b>	75,000
<b>CAPITAL CONTRIBUTIONS</b>	
Capital Contributions	177,452
<b>Total Capital Contributions</b>	177,452
Change in Net Position	162,007
<b>Net Position, Beginning of Year</b>	4,806
<b>Net Position, End of Year</b>	\$ 166,813

The accompanying notes are an integral part of this financial statement.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Year Ended June 30, 2013

	<b>FOOD SERVICE FUND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers	\$ 53,835
Cash Payments to Suppliers	(188,511)
Cash Payments to Employees	(221,270)
	(355,946)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Cash Received from Grantors	282,627
Cash Received from Other Funds	80,000
	362,627
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Cash Received for Interest	3
	3
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	
Net Increase (Decrease) in Cash and Cash Equivalents	6,684
<b>Cash and Cash Equivalents, Beginning of Year</b>	19,290
<b>Cash and Cash Equivalents, End of Year</b>	\$ 25,974
<b>Reconciliation of income from operations to net cash provided (used) by operating activities</b>	
Income (Loss) from operations	\$ (401,997)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities	
USDA Commodities	17,557
Depreciation Expense	15,253
(Increase) decrease in Prepaid Expense	49
(Increase) decrease in Purchased Inventory	(4,570)
Increase (decrease) in Accounts Payable	466
Increase (decrease) in Due to Other Funds	14,195
Increase (decrease) in Compensated Absences	3,385
Increase (decrease) in Accrued Salaries and Benefits	(284)
	(355,946)
<b>Net Cash provided (used) by Operating Activities</b>	\$ (355,946)
<b>NONCASH NONCAPITAL FINANCING ACTIVITIES</b>	
USDA Donated Commodities	\$ 16,246
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Contributed Capital Assets through Governmental Fund	\$ 177,452

The accompanying notes are an integral part of this financial statement.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2013**

	<u>STUDENT ACTIVITY AGENCY FUND</u>
<b>ASSETS</b>	
Cash	\$ <u>144,591</u>
<b>TOTAL ASSETS</b>	<u>\$ 144,591</u>
<b>LIABILITIES</b>	
Due to Student Activities	\$ <u>144,591</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 144,591</u>

The accompanying notes are an integral part of this financial statement.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of the District reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*. The District's significant accounting policies are described below.

**REPORTING ENTITY**

*Primary Government*

Monte Vista School District No. 8 is a public school as established by Colorado State Statute. The District is declared to be a corporate body with perpetual existence and in its name may hold property, sue and be sued, and be a party to contracts for any purpose authorized by law. Members of the school board are voted on at large by the registered, qualified electors of the District. Taxes are levied upon all taxable property within the District's boundaries by the County Commissioners. The County Treasurer collects the taxes and remits them to the school district. The school also receives State and Federal funds. The school board has the authority to issue bonds up to 20% of the latest assessed valuation of the taxable property in the district. The board also has authority to select the depository of school funds and acquire short-term loans.

*Component Units*

The District's combined financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- § The organization is legally separate (can sue and be sued in their own name)
- § The District holds the corporate powers of the organization
- § The District appoints a voting majority of the organization's board
- § The District is able to impose its will on the organization
- § The organization has the potential to impose a financial benefit/burden on the District
- § There is fiscal dependency by the organization on the District
- § The organization is financially accountable to the District
- § The organization receives or holds funds that are for the benefit of the District; and the District has access to a majority of the funds held; and the funds that are accessible are also significant to the District

Based on the aforementioned criteria, the Monte Vista School District No. 8 has no component units.

**GOVERNMENT -WIDE AND FUND FINANCIAL STATEMENTS**

The government -wide financial statements include the statement of net position and the statement of activities. Government -wide statements report information on all of the activities of the District, except for District fiduciary activity. The effect of interfund transfers has been removed from the government -wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- § Charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function or segment and
- § Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental funds and enterprise funds, each reported as a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements, imposed by the provider, are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District reports the following major governmental funds:

- § The *General Fund* is the general operating fund of the District. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- § The *Projects Fund* is used to record financial transactions for grants received for designated programs funded by federal, state, or local grantors.
- § The *Bond Redemption Fund* is used to account for the accumulation of resources for the payment of principal, interest, and related expenses on long-term general obligation debt or long-term voter-approved lease-purchase debt.
- § The *Building Fund* is used to account for all resources available for acquiring capital sites, buildings, and equipment.

Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flows.

The District's only proprietary fund is the Food Service Fund, used to account for the District's food service program. Revenues are derived from District contributions and student and adult charges. Expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

The proprietary fund is accounted for using the accrual basis of accounting as follows:

- § Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.
- § Current-year contributions, administrative expenses, and premium payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary fund financial statements consist of the Trust and Agency Fund established to record transactions relating to assets held by the District in a trustee capacity or as an agent for student organizations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between governmental activities and business-type activities, which are presented as internal balances and eliminated in the total primary government column.

**ASSETS, LIABILITIES , DEFERRED INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE**

***Cash***

The District's cash and cash equivalents are considered to be cash in bank, certificates of deposit, and liquid investments with maturity of three months or less.

***Property Taxes***

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The School District's property taxes are collected by the County Treasurer who remits monthly receipts to the District. Property tax revenue is recognized when received by the County Treasurer.

Uncollected property taxes that became an enforceable lien January 1, 2013, has been recorded in the financial statements as an asset and a corresponding unearned revenue.

***Receivables/Payables From Other District Funds***

Balances that originate from current lending/borrowing arrangements between funds are referred to as "Due To/From Other Funds."

***Inventories***

Purchased inventories are stated at cost and consist of supplies and food to be used within one year. Donated inventory is priced at the U.S. Department of Agriculture established values.

***USDA Commodities***

The Food Service Fund receives donated commodities to use in meal preparation from the U.S. Department of Agriculture. The value of these commodities received during the year is shown as income, and the value of commodities used is shown as expense.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

***Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

***Capital Assets***

Capital Assets, which include land, land improvements, buildings, equipment, vehicles, and construction in progress are reported in the applicable governmental activities column in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	15-50
Buildings	10-50
Equipment	5-20
Vehicles	8-12

***Long-Term Obligations***

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as debt service expenditures .

***Voluntary Early Retirement Bonus Plan***

All employees shall be eligible to participate upon completion of 20 years of service, the last 10 of which are to be uninterrupted service to the district. Any employee with fewer than 20 years but at least 15 years of uninterrupted service to the district can elect early retirement with a loss of five percent for each year short of the minimum 20 years. Depending on years of service, an employee can receive a bonus of 20% to 70% of their last salary, excluding extra pay, paid out in January following retirement over the term of one to five years.

***Compensated Absences***

Teachers and administrative staff of the District receive 10, 11, or 12 days each contract year for personal leave based on the number of months worked each year. Personal leave may accumulate up to 40 days; any days earned over 40 days is paid to employees in June of each year and the balance is paid upon retirement or resignation from the District at a rate of \$80 per day for full-time certified employees and \$70 per day for full-time classified employees. Part-time employees are paid based upon the length of day worked. A liability is accrued in the government-wide financial statements.

***Unearned Grant Revenue***

Revenues on grants, which are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenues .

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

*Deferred Inflows of Resources*

In addition to liabilities, the statement of net position and the balance sheet report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

*Net Position*

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in the following three components:

- § *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- § *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- § *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

*Fund Balance*

Fund balances are reported by classification based on the extent to which the District is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of the following five categories:

- § *Nonspendable Fund Balance* – amounts that cannot be spent because they are not in spendable form, such as inventory and prepaid expenditures .
- § *Restricted Fund Balance* – amounts restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- § *Committed Fund Balance* – amounts that can only be used for specific purposes as a result of constraints imposed through adopted resolution by the Board of Education, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- § *Assigned Fund Balance* – amounts a government intends to use for a specific purpose; intent can be expressed by the Board of Education or by an official or body to which governing body delegates the authority.
- § *Unassigned Fund Balance* – amounts that are available for any purpose; these amounts are reported only in the General Fund.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

When an expenditure is incurred for purposes for which both restricted and unrestricted net position/fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, and unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

***Encumbrances***

The District does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are rebudgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

***Use of Estimates***

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

***New Accounting Pronouncements***

During 2013, the District adopted the provisions of the following Governmental Accounting Standards Board (GASB) pronouncements:

GASB Statement No. 61, *The Financial Reporting Entity; Omnibus - an amendment of GASB Statements No. 14 and No. 34*, requirements result in financial reporting entity financial statements being more relevant by improving the guidance for including, presenting, and disclosing information about components and equity interest transactions of a financial reporting entity.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA pronouncements*, incorporates into GASB's authoritative literature certain accounting and financial reporting guidance included in Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants (AICPA) Committee on Accounting Procedure, which do not conflict with or contradict GASB pronouncements.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, incorporates deferred outflows of resources and deferred inflows of resources, as defined by GASB Concepts Statement No. 4, into the definitions of the required components of the residual measure of net position, formerly net assets. This statement also provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. This statement affects the format and reporting of the balance sheet at the government-wide level and also at the fund level.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

*Budgets and Budgetary Accounting*

Monte Vista School District No. 8 follows the procedures set forth in the Colorado School District Budget Law when preparing annual budgets for each fund. Budget procedures include:

- 1) Preparation of budget documents by administrative staff shall be submitted to the Board no later than June 1 of each year.
- 2) Publication of a notice stating that the budget is available for public inspection.
- 3) Discussion of the budget in a meeting open to the public.
- 4) Adoption of the budget in a public meeting by appropriate resolution.

Formal budgetary integration is employed as a management control device for all funds of the District. All fund budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Board of Education adopted supplemental appropriations during fiscal year 2013.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget if applicable.

**NOTE 3 CASH AND DEPOSITS**

A summary of Cash and Deposits for the District are as follows:

Cash in Banks	\$ 4,016,834
Cash held in Trust	15,902
Cash on Hand	1,000
Less: amounts related to Trust & Agency Funds	<u>(144,591)</u>
Total cash and deposits on the Statement of Net Position	<u><u>\$ 3,889,145</u></u>

*Cash and Deposits*

Colorado State Statutes govern the District's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories, determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds 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 the aggregate uninsured deposits.

The District's remaining matching bond proceeds of \$15,902 are held in Trust for the BEST construction projects.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

*Custodial Credit Risk – Deposits*

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of year-end, \$3,647,316 of the District’s bank balance of \$4,144,052 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

**NOTE 4 PROPERTY TAXES RECEIVABLE**

At June 30, 2013, the District had an estimated property tax receivable as follows:

General Fund	\$	20,507
Bond Redemption Fund		13,697
		13,697
	\$	34,204

**NOTE 5 ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2013, consisted of the following:

General Fund		
June, July, and August Treasurer's Collections	\$	96,576
Other		1,224
Bond Redemption Fund		
June, July, and August Treasurer's Collections		36,505
		36,505
	\$	134,305

**NOTE 6 DUE FROM OTHER GOVERNMENTS**

Intergovernmental receivables include amounts due from grantors for specific program grants. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred. As of June 30, 2013, the District had \$164,083 due from Federal, State, and Local governments, reflected as Due from Other Governments in the accompanying basic financial statements.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

**NOTE 7 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

*Interfund Receivables/Payables*

The District reports interfund balances between many of its funds. The balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

Interfund receivable and payable balances at June 30, 2013, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Projects Fund	\$ 92,626
	Bond Redemption Fund	650
	Building Fund	3,804
	Food Service Fund	14,195
		\$ 111,275

*Interfund Transfers*

Interfund transfers for the year ended June 30, 2013, were as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Food Service Fund	General Fund	\$ 75,000
Nonmajor Funds	General Fund	77,100
		\$ 152,100

These transfers were made to subsidize the Food Service Fund, Pupil Activity Fund and Capital Reserve Capital Projects Fund.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

**NOTE 8 CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2013, was as follows:

	Balance 6/30/2012	Additions	Deletions	Balance 6/30/2013
<b>Governmental Activities</b>				
Capital Assets Not Being Depreciated				
Land	\$ 228,329	\$ -	\$ -	\$ 228,329
Site Improvements- Inexhaustible	275,918	2,243,334	-	2,519,252
Construction in Progress	<u>20,253,037</u>	<u>-</u>	<u>20,253,037</u>	<u>-</u>
Total capital assets not being depreciated	<u>20,757,284</u>	<u>2,243,334</u>	<u>20,253,037</u>	<u>2,747,581</u>
Capital Assets Being Depreciated				
Land Improvements	1,213,007	3,391,343	-	4,604,350
Buildings	15,944,935	20,969,772	-	36,914,707
Equipment	628,164	972,688	-	1,600,852
Vehicles	991,971	30,284	-	1,022,255
Total Capital Assets Being Depreciated	<u>18,778,077</u>	<u>25,364,087</u>	<u>-</u>	<u>44,142,164</u>
Less: Accumulated Depreciation For				
Land Improvements	152,446	133,533	-	285,979
Buildings	5,788,370	996,952	-	6,785,322
Equipment	354,306	239,848	-	594,154
Vehicles	604,592	72,288	-	676,880
Total Accumulated Depreciation	<u>6,899,714</u>	<u>1,442,621</u>	<u>-</u>	<u>8,342,335</u>
Net Capital Assets being depreciated	<u>11,878,363</u>	<u>23,921,466</u>	<u>-</u>	<u>35,799,829</u>
Total Capital Assets	<u>\$32,635,647</u>	<u>\$26,164,800</u>	<u>\$20,253,037</u>	<u>\$38,547,410</u>
<b>Business-type Activities</b>				
Equipment	\$ 41,274	\$ 177,452	\$ -	\$ 218,726
Less: Accumulated Depreciation	<u>(39,224)</u>	<u>(15,253)</u>	<u>-</u>	<u>(54,477)</u>
Total Capital Assets	<u>\$ 2,050</u>	<u>\$ 162,199</u>	<u>\$ -</u>	<u>\$ 164,249</u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

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

<b>Governmental Activities</b>	
Instructional Program	\$ 1,084,031
Student Support Services	128,474
General Administration Supporting Services	24,254
School Administration Supporting Services	803
Business Supporting Services	10,732
Operations and Maintenance of Plant Services	85,627
Student Transportation Services	71,320
Central Supporting Services	37,380
Total depreciation expense - governmental activities	<u>\$ 1,442,621</u>
<b>Business-type Activities</b>	
Food Services	<u>\$ 15,253</u>
Total depreciation expense - business-type activities	<u>\$ 15,253</u>

**NOTE 9 ACCRUED SALARIES AND BENEFITS**

The teachers, administrators, and the administrative staff are employed under nine, ten, and eleven month contracts. All District employees are paid on a twelve-month basis, therefore, a difference exists between the actual amount of salaries earned under the contract and the amount paid. The difference between salaries earned and paid, including the District's share of benefits, has been accrued in the financial statements in the amount of \$870,436.

**NOTE 10 OPERATING LEASES**

The District has entered into an operating lease arrangement for several copy machines. This lease is considered for accounting purposes as an operating lease. Lease expenses for the year totaled \$37,695.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

**NOTE 11 LONG-TERM LIABILITIES**

*Changes in Long-Term Liabilities*

Long-term liability balances for the year ended June 30, 2013, were as follows:

	Balance 6/30/2012	Additions	Deletions	Balance 6/30/2013	Due Within One Year
<b>Governmental Activities</b>					
G.O. Bonds Payable	\$ 8,266,433	\$ -	\$ 189,828	\$ 8,076,605	\$ 230,128
Lease Purchase Agreements	368,525	-	86,709	281,816	90,234
Early Retirement Bonus Payable	455,141	55,811	91,408	419,544	136,133
Compensated Absences	201,462	-	2,688	198,774	-
Bond Premium	233,829	-	9,952	223,877	9,951
<b>Total Governmental Activities</b>	<b>\$ 9,525,390</b>	<b>\$ 55,811</b>	<b>\$ 380,585</b>	<b>\$ 9,200,616</b>	<b>\$ 466,446</b>
<b>Business-type Activities</b>					
Compensated Absences	\$ 10,814	\$ 3,385	\$ -	\$ 14,199	\$ -
<b>Total Business-type Activities</b>	<b>\$ 10,814</b>	<b>\$ 3,385</b>	<b>\$ -</b>	<b>\$ 14,199</b>	<b>\$ -</b>

*General Obligation Bonds Payable*

**Series 2009**

On December 17, 2009, the District issued general obligation bonds series 2009 in the amount of \$3,000,000 with an average interest rate of 5.06% to be paid in full on December 1, 2034. The bonds were issued for the purpose of financing the renovating, replacing, constructing, and equipping of facilities and improvements to the Marsh Elementary School and preliminary costs for the High School and Bill Metz construction projects. The principal balance outstanding at June 30, 2013, was \$2,955,000.

**Series 2010**

On October 7, 2010, the District issued general obligation bonds series 2010 in the amount of \$1,645,000 with an average interest rate of 4.76% to be paid in full on December 1, 2035. The bonds were issued for the purpose of financing the renovating, replacing, constructing, and equipping of facilities and improvements to the Middle School. The principal balance outstanding at June 30, 2013, was \$1,630,000.

**Series 2010D-F Matching Money Bonds**

On December 16, 2010, the District issued general obligation bonds series 2010D-F matching money bonds in the amount of \$3,752,301 with an interest rate of 4.082% to be paid in full December 1, 2030. The bonds were issued for the District's match for the Building Excellent Schools Today Act (BEST) grant for the construction of the new high school and the construction and renovation of the Bill Metz elementary school. The principal balance outstanding at June 30, 2013, was \$3,491,605.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

The annual debt service for the general obligation bonds is as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
FY 2014	\$ 230,128	\$ 353,570	\$ 583,698
FY 2015	235,643	345,929	581,572
FY 2016	241,385	337,770	579,155
FY 2017	252,360	329,085	581,445
FY 2018	258,579	319,889	578,468
FY 2019-2023	1,435,444	1,441,380	2,876,824
FY 2024-2028	1,748,747	1,107,130	2,855,877
FY 2029-2033	2,149,319	669,912	2,819,231
FY 2034-2036	1,525,000	118,419	1,643,419
Total	<u>\$ 8,076,605</u>	<u>\$ 5,023,084</u>	<u>\$ 13,099,689</u>

***Lease Purchase Agreements***

The District entered into two annually renewable lease purchase agreements between Wells Fargo Brokerage Services, LLC, as lesser, and the District, as lessee, for the purpose of funding the Energy Performance Contract and for various other maintenance projects around the District. The first lease, dated March 26, 2004, was for \$890,313 with an interest rate of 4.00%. The second lease dated June 17, 2004, was for \$61,050 with an interest rate of 4.40%. Both leases have a term of 12 years with final payment due on March 26, 2016. Payments were made from the General Fund in fiscal year 2013.

The annual debt service for the lease purchase agreements is as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
FY 2014	\$ 90,234	\$ 10,448	\$ 100,682
FY 2015	93,903	6,779	100,682
FY 2016	97,679	2,960	100,639
Total	<u>\$ 281,816</u>	<u>\$ 20,187</u>	<u>\$ 302,003</u>

***Early Retirement Bonus Payable***

The District currently has twenty eight employees participating in the voluntary early retirement program. Payment to the retiree is determined based on years of service to the District.

**NOTE 12 DEFINED BENEFIT PENSION PLAN**

***Plan Description***

The District contributes to the School Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The SDTF provides retirement and disability, post retirement annual increases, and death benefits for members or their beneficiaries. All employees of the District are members of the SDTF. 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 comprehensive annual financial report that includes financial statements and required supplementary information for the SDTF. That report may be obtained online at [www.copera.org](http://www.copera.org) or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

*Funding Policy*

The District is required to contribute member and employer contributions to PERA 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 it is 10.15% of covered salary. A portion of the District's contribution (1.02% of covered salary) is allocated to the Health Care Trust Fund (See Note 13). The District is also required to pay an amortization equalization disbursement (AED) equal to 3.40% of the total payroll for calendar year 2013, (3.00% of total payroll for the calendar year 2012, and 2.60% of total payroll of the calendar year 2011.) Additionally, the District is required to pay a supplemental amortization equalization disbursement (SAED) equal to 3.00% of the total payroll for the calendar year 2013 (2.50% of total payroll for calendar year 2012, and 2.00% of total payroll for 2011). If the District rehires a PERA retiree as an employee or under any other work arrangement, it is required to report and pay employer contributions (including the AED and SAED) on the amounts paid for the retiree; and member contributions of 8.0% are required. For the years ending June 30, 2013, 2012, and 2011, the Monte Vista School District's employer contributions to the SDTF were \$812,310, \$798,719, and \$754,671, respectively, equal to their required contributions for each year.

**NOTE 13 POSTEMPLOYMENT HEALTHCARE BENEFITS**

*Plan Description*

The District contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained online at [www.copera.org](http://www.copera.org) or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

*Funding Policy*

The District is required to contribute at a rate of 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF from the defined benefit plan (see Note 12) is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. For the years ending June 30, 2013, 2012, and 2011, the District's employer contributions to the HCTF were \$51,454, \$53,599, and \$51,939, respectively, equal to their required contributions for each year.

**NOTE 14 DEFINED CONTRIBUTION PENSION PLAN**

*Plan Description*

Employees of the District who are members of the SDTF (see Note 12) may voluntarily contribute to the Voluntary Investment Program, 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. PERA issues a publicly available annual report for Colorado PERA's 401(k) and DC Plans. That report may be obtained online at [www.copera.org](http://www.copera.org) or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203, or by calling PERA at 303-832-9500 or 1-800-759-PERA (7372).

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

*Funding Policy*

The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$17,500 for the calendar year 2013 and \$17,000 for calendar year 2012). In addition, catch-up contributions, up to \$5,500 for the calendar year 2013 and calendar year 2012, were allowed for participants who had attained age 50 before the close of the plan year, subject to the limitations of IRC §414 (v). The contribution requirements for the District are established under Title 24, Article 51, Section 1402 of the CRS, as amended. For the years ended June 30, 2013 and 2012, the 401(k) Plan member contributions from the District were \$67,894 and \$38,648, respectively.

**NOTE 15 JOINT VENTURES AND RELATED PARTIES**

The District participates in the following entities. These joint ventures and related parties do not meet the criteria for inclusion within the reporting entity because the following entities:

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

**San Luis Valley Board of Cooperative Educational Services (BOCES)**

The BOCES is an organization that provides member districts educational services at a shared lower cost per district. The Board of the BOCES is selected from the elected members of the District Boards. The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is approximately 7% at June 30, 2013. Complete separate financial statements may be obtained from BOCES.

**Colorado School Districts' Self-Insurance Pool**

The District belongs to the Colorado School Districts' Self-Insurance Pool. The Pool was established by the Colorado Association of School Boards (CASB) to provide insurance coverage to participants in the areas of General Liability, Errors and Omissions, Automobile Liability, Auto Physical Damage, Auto Personal Injury Protection, Real and Personal Property, Crime, and other coverage. The Board of Directors is composed of eight persons, several of who are appointed by the Board of Directors of CASB and the Executive Director of CASB. The pool is managed by an independent manager chosen by the Board of Directors. Each member's initial contribution and subsequent contributions are determined by the Pool based on factors including, but not limited to, the aggregate Pool claims, the cost of administrative and other operating expenses, the number of participants, the adequacy of both Operating and Reserve Funds and other factors touching on the status of the Pool or an individual participant, and as approved by the Colorado Insurance Commissioner.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

As the District did not exercise oversight responsibility nor have sufficient control over Pool activities, the Pool is not a component unit of the District and only the District's share of contributions to the Pool is recorded as expenditures in the General Fund. The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2013. Complete separate financial statements may be obtained from the Colorado School Districts' Self-Insurance Pool.

**NOTE 16 COMMITMENTS AND CONTINGENCIES**

The District participates in federal grant programs subject to program compliance audits by the grantors or their representatives. The amount, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

**NOTE 17 TABOR EMERGENCY RESERVE**

Colorado voters passed an amendment to the State constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment.

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

On November 6, 2001 voters approved a ballot measure authorizing the District to collect, retain and expend all revenues including grants and other funds collected during 2000-01 budget year and each subsequent year from any source, notwithstanding the limitations of Article X, Section 20 of the Colorado constitution, provided, however, that no property tax mill levy be increased at any time nor shall any new tax be imposed without the prior approval of the voters.

The amendment also requires that Emergency Reserves be established. These reserves must be at least three percent of fiscal year spending. This Emergency Reserve has been presented as restricted fund balance in the General Fund balance sheet and a restricted net position in the government-wide statement of net position. The entity is not allowed to use the Emergency Reserve to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

**NOTE 18 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. These risks are covered by Colorado School District's Self Insurance Pool. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2013**

**NOTE 19 PUPIL ACTIVITY AGENCY FUND BUDGET AND ACTUAL**

The District is required by the Colorado School District Budget Law to budget for the District's Pupil Activity Agency Fund. In accordance with GAAP, however, there is not a statement of revenues, expenses and changes in fund balance for agency funds to report the budget information, because agency funds do not recognize revenues, expenses or fund balance in accordance with GAAP. Therefore, the budget and actual amounts for agency funds received and disbursed for the year ended June 30, 2013, are presented below:

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Beginning Balance Pupil Activity Deposits	\$ 100,000	\$ 114,776	\$ 14,776
Agency Fund Receipts	150,000	179,413	29,413
Agency Fund Disbursements	<u>(250,000)</u>	<u>(149,598)</u>	<u>100,402</u>
Ending Balance Pupil Activity Deposits	<u>\$ -</u>	<u>\$ 144,591</u>	<u>\$ 144,591</u>

# **MONTE VISTA SCHOOL DISTRICT NO. 8**

## **REQUIRED SUPPLEMENTARY INFORMATION**

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and each of the District's major special revenue funds.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2013**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
Local Sources	\$ 1,774,209	\$ 1,921,129	\$ 1,926,018	\$ 4,889
State Sources	6,307,068	5,939,694	5,961,975	22,281
Federal Sources	30,000	30,000	33,854	3,854
<b>TOTAL REVENUES</b>	<b>8,111,277</b>	<b>7,890,823</b>	<b>7,921,847</b>	<b>31,024</b>
<b>EXPENDITURES</b>				
Instructional Program	4,537,602	4,631,807	4,499,805	132,002
Student Supporting Services	365,717	375,113	361,340	13,773
Instructional Staff Supporting Services	242,974	246,037	245,824	213
General Administration Supporting Services	500,204	503,848	509,120	(5,272)
School Administration Supporting Services	765,301	799,902	759,468	40,434
Business Supporting Services	3,200	3,200	-	3,200
Operations and Maintenance of Plant Services	873,819	891,171	1,000,121	(108,950)
Student Transportation Services	283,322	260,697	261,286	(589)
Central Support Services	414,835	418,784	332,699	86,085
Debt Service	102,273	102,273	100,682	1,591
Operating Reserves	1,744,645	1,597,180	-	1,597,180
<b>TOTAL EXPENDITURES</b>	<b>9,833,892</b>	<b>9,830,012</b>	<b>8,070,345</b>	<b>1,759,667</b>
Excess (deficiency) of revenues over expenditures	(1,722,615)	(1,939,189)	(148,498)	1,790,691
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	300	300
Transfers to Other Funds	(130,100)	(152,100)	(152,100)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(130,100)</b>	<b>(152,100)</b>	<b>(151,800)</b>	<b>300</b>
Net Change in Fund Balance	(1,852,715)	(2,091,289)	(300,298)	1,790,991
<b>Fund Balance, Beginning of Year</b>	<b>1,852,715</b>	<b>2,091,289</b>	<b>2,090,834</b>	<b>(455)</b>
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,790,536</b>	<b>\$ 1,790,536</b>

**Notes To Required Supplementary Information**

The basis of budgeting is the same as GAAP.  
This schedule is presented on the GAAP basis.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**PROJECTS FUND**  
**For the Year Ended June 30, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
<b>REVENUES</b>				
Local Sources	\$ -	\$ 8,089	\$ 6,906	\$ (1,183)
Federal Sources	513,165	672,753	494,376	(178,377)
<b>TOTAL REVENUES</b>	<u>513,165</u>	<u>680,842</u>	<u>501,282</u>	<u>(179,560)</u>
<b>EXPENDITURES</b>				
Instructional Program	327,940	333,641	320,579	13,062
Student Supporting Services	20,127	13,983	5,940	8,043
Instructional Staff Supporting Services	165,098	333,218	174,763	158,455
<b>TOTAL EXPENDITURES</b>	<u>513,165</u>	<u>680,842</u>	<u>501,282</u>	<u>179,560</u>
Net Change in Fund Balance	-	-	-	-
<b>Fund Balance, Beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**Notes To Required Supplementary Information**

The basis of budgeting is the same as GAAP.

This schedule is presented on the GAAP basis.

## **MONTE VISTA SCHOOL DISTRICT NO. 8**

### **OTHER SUPPLEMENTARY INFORMATION**

The combining financial statements represent the second level of financial reporting for the District. These schedules present more detailed information for the individual funds in a format that segregates information by fund type.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for and report the proceeds of special revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

**Pupil Activity Fund** – Used to record financial transactions related to school-sponsored pupil intrascholastic and interscholastic athletic and other related activities. These activities are supported in whole or in part by revenues from pupils, gate receipts, and other fundraising activities.

**CAPITAL PROJECTS FUND**

**Capital Reserve Capital Projects Fund** – Used to account for the purposes and limitations specified by Section 22-45-103(1)(c), C.R.S. including the acquisition of sites, buildings, equipment, and vehicles.

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING SCHEDULE - BALANCE SHEET**  
**June 30, 2013**

	<b>SPECIAL REVENUE FUND</b>		
	<b>PUPIL ACTIVITY FUND</b>	<b>CAPITAL RESERVE CAPITAL PROJECTS FUND</b>	<b>TOTAL NONMAJOR FUNDS</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 14,640	\$ 154,662	\$ 169,302
<b>TOTAL ASSETS</b>	<u>\$ 14,640</u>	<u>\$ 154,662</u>	<u>\$ 169,302</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>TOTAL LIABILITIES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>FUND BALANCE</b>			
Committed			
Capital Projects	-	154,662	154,662
Pupil Activities	14,640	-	14,640
<b>TOTAL FUND BALANCE</b>	<u>14,640</u>	<u>154,662</u>	<u>169,302</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 14,640</u>	<u>\$ 154,662</u>	<u>\$ 169,302</u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Year Ended June 30, 2013**

	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL RESERVE CAPITAL PROJECTS FUND</u>	<u>TOTAL NONMAJOR FUNDS</u>
	<u>PUPIL ACTIVITY FUND</u>		
<b>REVENUES</b>			
Local Sources	\$ 53,087	\$ 3,621	\$ 56,708
<b>TOTAL REVENUES</b>	<u>53,087</u>	<u>3,621</u>	<u>56,708</u>
<b>EXPENDITURES</b>			
Instructional Program	112,939	-	112,939
General Administration Supporting Services	388	-	388
<b>TOTAL EXPENDITURES</b>	<u>113,327</u>	<u>-</u>	<u>113,327</u>
Excess (deficiency) of revenues over expenditures	<u>(60,240)</u>	<u>3,621</u>	<u>(56,619)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from Other Funds	<u>52,100</u>	<u>25,000</u>	<u>77,100</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>52,100</u>	<u>25,000</u>	<u>77,100</u>
Net Change in Fund Balance	(8,140)	28,621	20,481
<b>Fund Balance, Beginning of year</b>	<u>22,780</u>	<u>126,041</u>	<u>148,821</u>
<b>Fund Balance, End of year</b>	<u>\$ 14,640</u>	<u>\$ 154,662</u>	<u>\$ 169,302</u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**PUPIL ACTIVITY FUND**  
**For the Year Ended June 30, 2013**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
Local Sources	\$ 142,900	\$ 142,900	\$ 53,087	\$ (89,813)
<b>TOTAL REVENUES</b>	<u>142,900</u>	<u>142,900</u>	<u>53,087</u>	<u>(89,813)</u>
<b>EXPENDITURES</b>				
Instructional Program	225,000	225,000	112,939	112,061
General Administrative Supporting Services	-	-	388	(388)
<b>TOTAL EXPENDITURES</b>	<u>225,000</u>	<u>225,000</u>	<u>113,327</u>	<u>111,673</u>
Excess (deficiency) of revenues over expenditures	<u>(82,100)</u>	<u>(82,100)</u>	<u>(60,240)</u>	<u>21,860</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Other Funds	52,100	52,100	52,100	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>52,100</u>	<u>52,100</u>	<u>52,100</u>	<u>-</u>
Net Change in Fund Balance	(30,000)	(30,000)	(8,140)	21,860
<b>Fund Balance, Beginning of year</b>	<u>30,000</u>	<u>30,000</u>	<u>22,780</u>	<u>(7,220)</u>
<b>Fund Balance, End of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 14,640</u></u>	<u><u>\$ 14,640</u></u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**CAPITAL RESERVE CAPITAL PROJECTS FUND**  
**For the Year Ended June 30, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
<b>REVENUES</b>				
Local Sources	\$ 9,000	\$ 9,000	\$ 3,621	\$ (5,379)
<b>TOTAL REVENUES</b>	<u>9,000</u>	<u>9,000</u>	<u>3,621</u>	<u>(5,379)</u>
<b>TOTAL EXPENDITURES</b>	<u>160,000</u>	<u>160,000</u>	<u>-</u>	<u>160,000</u>
Excess (deficiency) of revenues over expenditures	<u>(151,000)</u>	<u>(151,000)</u>	<u>3,621</u>	<u>154,621</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Other Funds	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net Change in Fund Balance	(126,000)	(126,000)	28,621	154,621
<b>Fund Balance, Beginning of Year</b>	<u>126,000</u>	<u>126,000</u>	<u>126,041</u>	<u>41</u>
<b>Fund Balances, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 154,662</u>	<u>\$ 154,662</u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**BOND REDEMPTION FUND**  
**For the Year Ended June 30, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
<b>REVENUES</b>				
Local Sources	\$ 521,000	\$ 600,789	\$ 594,732	\$ (6,057)
<b>TOTAL REVENUES</b>	<u>521,000</u>	<u>600,789</u>	<u>594,732</u>	<u>(6,057)</u>
<b>EXPENDITURES</b>				
Debt Service	551,856	551,856	551,365	491
Operating Reserves	<u>694,144</u>	<u>892,452</u>	<u>-</u>	<u>892,452</u>
<b>TOTAL EXPENDITURES</b>	<u>1,246,000</u>	<u>1,444,308</u>	<u>551,365</u>	<u>892,943</u>
Net Change in Fund Balance	(725,000)	(843,519)	43,367	886,886
<b>Fund Balance, Beginning of Year</b>	<u>725,000</u>	<u>843,519</u>	<u>843,519</u>	<u>-</u>
<b>Fund Balances, End of Year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 886,886</u></u>	<u><u>\$ 886,886</u></u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**BUILDING FUND**  
**For the Year Ended June 30, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
<b>REVENUES</b>				
Local Sources	\$ -	\$ -	\$ 106	\$ 106
State Sources	3,573,699	3,573,699	2,779,518	(794,181)
<b>TOTAL REVENUES</b>	<u>3,573,699</u>	<u>3,573,699</u>	<u>2,779,624</u>	<u>(794,075)</u>
<b>EXPENDITURES</b>				
Facilities Acquisition and Construction Services	8,926,000	8,926,000	7,472,460	1,453,540
<b>TOTAL EXPENDITURES</b>	<u>8,926,000</u>	<u>8,926,000</u>	<u>7,472,460</u>	<u>1,453,540</u>
Net Change in Fund Balance	(5,352,301)	(5,352,301)	(4,692,836)	659,465
<b>Fund Balance, Beginning of Year</b>	<u>5,352,301</u>	<u>5,352,301</u>	<u>4,951,867</u>	<u>(400,434)</u>
<b>Fund Balances, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,031</u>	<u>\$ 259,031</u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION - BUDGET AND ACTUAL**  
**FOOD SERVICE FUND**  
**For the Year Ended June 30, 2013**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
<b>OPERATING REVENUES</b>				
Food Sales	\$ 61,700	\$ 61,700	\$ 53,835	\$ (7,865)
<b>Total Operating Revenues</b>	<u>61,700</u>	<u>61,700</u>	<u>53,835</u>	<u>(7,865)</u>
<b>OPERATING EXPENSES</b>				
Salaries	150,600	160,600	161,048	(448)
Fringe Benefits	65,400	67,400	63,323	4,077
Purchased Property Services	500	500	-	500
Other Purchased Services	4,200	8,200	7,648	552
Food	180,000	186,000	176,881	9,119
Commodities	20,000	20,000	17,557	2,443
Other Supplies	15,300	15,300	12,786	2,514
Depreciation	2,000	15,253	15,253	-
Capital Outlay	500	164,699	1,336	163,363
<b>Total Operating Expenses</b>	<u>438,500</u>	<u>637,952</u>	<u>455,832</u>	<u>182,120</u>
Operating income (loss)	<u>(376,800)</u>	<u>(576,252)</u>	<u>(401,997)</u>	<u>174,255</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Federal Child Nutrition Funding	277,000	277,000	288,455	11,455
Child Nutrition Match	6,800	6,800	6,848	48
USDA Donated Food	20,000	20,000	16,246	(3,754)
Interest Income	-	-	3	3
<b>Total Nonoperating Revenues (Expenses)</b>	<u>303,800</u>	<u>303,800</u>	<u>311,552</u>	<u>7,752</u>
Income (Loss) Before Operating Transfers	<u>(73,000)</u>	<u>(272,452)</u>	<u>(90,445)</u>	<u>182,007</u>
<b>OPERATING TRANSFERS</b>	<u>53,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
<b>CAPITAL CONTRIBUTIONS</b>	<u>-</u>	<u>177,452</u>	<u>177,452</u>	<u>-</u>
Change in Net Position	(20,000)	(20,000)	162,007	182,007
<b>Net Position, Beginning of year</b>	<u>20,000</u>	<u>20,000</u>	<u>4,806</u>	<u>(15,194)</u>
<b>Net Position, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,813</u>	<u>\$ 166,813</u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2013**

<b>FEDERAL GRANTOR/PASS-THROUGH GRANTOR / PROGRAM OR CLUSTER TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS-THROUGH ENTITY IDENTIFYING NUMBER</b>	<b>FEDERAL EXPENDITURES</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
COLORADO DEPARTMENT OF EDUCATION			
<i>Child Nutrition Cluster</i>			
School Breakfast Program	10.553	4553	\$ 50,736
National School Lunch Program	10.555	4555	253,965
Total for <i>Child Nutrition Cluster</i>			<u>304,701</u>
RIO GRANDE COUNTY TREASURER			
<i>Forest Service Schools and Roads Cluster</i>			
Secure Payments for States and Counties Containing Federal Lands	10.665	7665	30,322
<b>U.S. DEPARTMENT OF EDUCATION</b>			
COLORADO DEPARTMENT OF EDUCATION			
<i>Title I, Part A Cluster</i>			
No Child Left Behind, Title I, Part A			
Improving Basic Programs Operated by Schools	84.010	4010	326,456
No Child Left Behind, Title I, Part A-Competitive	84.010	5010	28,204
Total for <i>Title I, Part A Cluster</i>			<u>354,660</u>
No Child Left Behind, Title VI Part B; Subpart II: Rural and Low Income Schools	84.358	7358	7,904
No Child Left Behind, Title II, Part A: Teacher and Principal Training and Recruiting Fund	84.367	4367	104,048
No Child Left Behind, Title III, Part A: English Language Acquisition: Language Enhancement	84.365	4365	18,437
Race to the Top Phase 3	84.413	4413	9,327
<b>FEDERAL GRANTOR AWARDS PASSED THROUGH CDE AND TRINIDAD STATE JUNIOR COLLEGE:</b>			
Carl Perkins Vocational & Applied Technology Education Act, Title I	84.048	4048	<u>3,532</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u><u>\$ 832,931</u></u>

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2013**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**NOTE 1: BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Monte Vista School District No. 8 under programs of the federal government for the year ended June 30, 2013. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of Monte Vista School District No. 8, it is not intended to and does not present the financial position, changes in net position or cash flows of Monte Vista School District No. 8.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *State and Local Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**NOTE 3: FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the schedule at the fair market value of commodities received and disbursed.

**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**



Wall,  
Smith,  
Bateman Inc.

To the Board of Education  
Monte Vista School District No. 8  
Monte Vista, Colorado

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Monte Vista School District No. 8 (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 16, 2013.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Certified Public Accountants**

700 Main Street, Suite 200 PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | [www.wsbcpa.com](http://www.wsbcpa.com)

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wall, Smith, Bateman Inc.  
Alamosa, Colorado

December 16, 2013

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**



Wall,  
Smith,  
Bateman Inc.

To the Board of Education  
Monte Vista School District No. 8  
Monte Vista, Colorado

**Report on Compliance for Each Major Federal Program**

We have audited Monte Vista School District No. 8's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the District'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 on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Monte Vista School District No. 8 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

**Certified Public Accountants**

700 Main Street, Suite 200 PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | [www.wsbcpa.com](http://www.wsbcpa.com)

## Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Wall, Smith, Bateman Inc.  
Alamosa, Colorado

December 16, 2013

**MONTE VISTA SCHOOL DISTRICT NO. 8**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Fiscal Year Ended June 30, 2013**

**Section I – Summary of Auditor s’ Results**

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- λ Material weakness(es) identified? \_\_\_\_\_yes   X  no
- λ Significant deficiency(ies) identified that are **not** considered to be material weakness (es)? \_\_\_\_\_yes   X  none reported
- λ Noncompliance material to financial statements noted? \_\_\_\_\_yes   X  no

Federal Awards

Internal control over major programs:

- λ Material weakness(es) identified? \_\_\_\_\_yes   X  no
- λ Significant deficiency(ies) identified that are **not** considered to be material weakness (es)? \_\_\_\_\_yes   X  none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553 and 10.555	Child Nutrition Cluster

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

Auditee qualified as a low-risk auditee? \_\_\_\_\_X\_\_\_\_\_yes \_\_\_\_\_no

**Section II – Financial Statement Findings**

None

**Section III – Federal Award Findings and Questioned Costs**

None

**Section IV – Prior Year Audit Findings**

None



**Colorado Department of Education**

**Auditors Integrity Report**

District: 2740 - MONTE VISTA C-8

Fiscal Year 2012-13

Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources +	0001-0999 Total Expenditures & Other Uses -	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance =
<b>Governmental</b>				
10 General Fund	2,087,289	7,536,047	7,840,906	1,782,430
18 Risk Mgmt Sub-Fund of General Fund	3,544	114,001	109,439	8,106
19 Colorado Preschool Program Fund	0	120,000	120,000	0
<b>Sub- Total</b>	<b>2,090,833</b>	<b>7,770,048</b>	<b>8,070,345</b>	<b>1,790,536</b>
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Capital Reserve Spec Revenue Fund	0	0	0	0
22 Govt Designated-Purpose Grants Fund	0	501,283	501,283	0
23 Pupil Activity Special Revenue Fund	22,780	105,187	113,327	14,640
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	843,519	594,732	551,365	886,886
39 Non-Voter Approved Debt Service Fund	0	0	0	0
41 Building Fund	4,951,868	2,779,623	7,472,459	259,032
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	126,041	28,621	0	154,662
<b>Totals</b>	<b>8,035,040</b>	<b>11,779,494</b>	<b>16,708,779</b>	<b>3,105,755</b>
<b>Proprietary</b>				
51 Food Service Fund	4,805	617,839	455,831	166,812
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
<b>Totals</b>	<b>4,805</b>	<b>617,839</b>	<b>455,831</b>	<b>166,812</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	114,776	179,413	149,598	144,591
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
<b>Totals</b>	<b>114,776</b>	<b>179,413</b>	<b>149,598</b>	<b>144,591</b>

FINAL

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