

Garfield School District Re-2

Learning Today for Tomorrow



Garfield County

Covering the City of Rifle, and the Towns of Silt & New Castle, Colorado

Year-To-Date Statement of Revenues, Expenditures, & Changes in Fund Balances by Fund As of December 31, 2015



Garfield School District Re-2
General Fund
December 31, 2015 Quarterly Reporting

PURPOSE: This fund accounts for the general operations of the District, including instructional and support expenditures and revenue.

REVENUE DISCUSSION: Major revenue sources for the general fund include state equalization funding, other state funding, property taxes, specific ownership taxes, mineral lease revenues, Medicaid funding, and investment earnings. Below is a list of anticipated revenue variances:

State Equalization Funding	37,841	Includes additional state funding just approved.
Estimated Add'l Property tax	64,963	Amount milled for abatements
Earnings on Investments	9,000	Additional interest rates
Other increases, State/Fed.	36,213	
Revenue Variance Estimated	<u>148,017</u>	

EXPENDITURE DISCUSSION: Approximately 82% of the general fund budget is attributable to salaries and employee benefits. Of total general fund expenditures, 56% are attributable to direct instructional expenditures. Below is a list of anticipated expense variances:

Expense Variance Estimated	<u>138,138</u>	favorable
Budgeted Reduction in FB	(1,299,968)	
Projected Reduction in FB	<u>(1,013,813)</u>	
Difference	<u>286,155</u>	
6/30/15 Fund Balance	12,092,304	
Less: Fund Reduction, FY16	<u>(1,013,813)</u>	
6/30/16 Projected Fund Bal.	<u>11,078,491</u>	

General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Year-to-Date December 31, 2015

2015-16

	Original Budget	Current Budget	YTD Actual	Remaining Budget	% Bud. Used	2014-15 Actual
Revenues:						
<i>Taxes:</i>						
Local property taxes	9,969,145	9,959,076	109,320	9,849,756	1%	10,213,297
Specific ownership taxes	1,080,000	1,080,000	455,472	624,528	42%	1,066,160
<i>State sources:</i>						
Equalization	26,994,507	27,222,208	13,531,727	13,690,482	50%	25,776,539
Other state sources	1,229,965	1,959,123	1,552,618	406,505	79%	1,439,310
Intermediate sources	401,000	401,000	251,320	149,680	63%	363,934
Federal sources	816,902	956,615	75,715	880,900	8%	927,487
Other local sources	798,082	801,280	272,527	528,753	34%	954,289
Earnings on investments	15,000	15,000	12,834	2,166	86%	15,992
Total Revenues	41,304,601	42,394,302	16,261,533	26,132,769	38%	40,757,008
Expenditures:						
Instructional Programs:						
Salaries	15,372,967	16,158,036	7,686,484	8,471,552	48%	14,876,370
Employee benefits	5,444,855	5,461,781	2,722,427	2,739,354	50%	5,246,566
Purchased services	1,495,612	1,517,113	348,501	1,168,612	23%	1,308,452
Supplies	709,893	892,333	265,358	626,975	30%	627,130
Property	55,255	68,755	14,856	53,899	22%	98,466
Other expense	125,202	126,732	59,844	66,888	47%	103,803
Total instructional programs	23,203,784	24,224,750	11,097,470	13,127,280	46%	22,260,787
Supporting services:						
Salaries	9,328,535	9,471,102	4,664,267	4,806,835	49%	9,062,036
Employee benefits	3,221,200	3,180,193	1,610,599	1,569,594	51%	3,022,147
Purchased services	2,783,436	2,858,399	1,384,279	1,474,120	48%	2,666,835
Supplies	2,392,803	2,414,706	945,866	1,468,840	39%	2,231,128
Property	208,246	318,737	90,713	228,024	28%	219,110
Other expense	(35,082)	(33,667)	(2,775)	(30,892)	8%	81,340
Total supporting services	17,899,138	18,209,470	8,692,951	9,516,519	48%	17,282,596
Total Expenditures	41,102,922	42,434,220	19,790,420	22,643,800	47%	39,543,383
Excess (Deficiency) of Revenues over Expenditures	201,679	(39,918)	(3,528,887)	3,488,969	8840%	1,213,625
Other Financing Sources (Uses):						
Operating transfers in / (out)	(1,112,293)	(1,260,049)	-	(1,260,049)	0%	(1,708,954)
Total Oth. Financing Sources (Uses)	(1,112,293)	(1,260,049)	-	(1,260,049)	0%	(1,708,954)
Net Change in Fund Balance	(910,614)	(1,299,967)	(3,528,887)	2,228,920	271%	(495,329)
Fund Balances:						
Beginning	11,865,630	12,092,304	12,092,304			12,587,633
Ending	10,955,016	10,792,337	8,563,417			12,092,304

NOTE: Year-to-date actual salaries and benefits have been adjusted to 1/4 of the current annual estimate. This calculation will adjust for all contract timing variances.

Garfield School District Re-2
Food Service Fund
December 31, 2015 Quarterly Reporting

PURPOSE: This fund accounts for financial transactions related to the District's food service program. The District's food service program serves meals at all ten schools.

REVENUES: Revenue for the Food Service Fund is received through the following:

- Student and Adult Meal Sales
- Federal reimbursement for low income students
- A la carte sales
- Federal donated commodity program
- State grants
- Catering for internal entities

Meal prices for 2015-2016 are the same as the 2014-15 school year:

Elementary students	\$	2.75
Middle school students	\$	3.00
High school students	\$	3.00
Adult	\$	3.75
Breakfast	\$	2.00

EXPENDITURES: Expenditures for this fund include costs associated with running the food service program.

SIGNIFICANT TRENDS & UNDERLYING ASSUMPTIONS:

For 2014-15, Colorado Department of Education mandated a change in the nature of the Food Service Fund from a Proprietary Fund to a Special Revenue Fund. This accounting shift causes the accounting method to shift from accrual basis to modified accrual basis of accounting. Therefore, inventory, fixed assets, and depreciation are no longer recorded in the Food Service Fund.

GENERAL FUND TRANSFER: There is no General Fund Transfer budgeted for 2014-15 or 2015-16.

The general fund transfer used to be necessary due to the mill levy override increases for Coal Ridge High School and recurring staff raises from 2006. However, the Food Service Fund Balance can absorb the deficit for a few years. This approach will save the general fund \$191,668 for 2015-16. Eventually, as the Food Service Fund Balance is reduced, meal prices will need to be increased, or a fund transfer will need to be budgeted. As of 6/30/2015, the assigned portion of the fund balance totals \$606,437, and we are expecting to reduce that to \$300,000 instead of change lunch prices. The current 3-year projection shows that we will need to increase lunch prices or include a general fund transfer for 2016-2017.

**Special Revenue Fund
Food Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Year-to-Date December 31, 2015**

	2015-16				2014-15 Actual
	Original & Current Budget	YTD Actual	Remaining Budget	% Budget Used	
Operating Revenues:					
Food sales	\$ 269,757	\$ 125,883	\$ 143,874	47%	\$ 267,048
Total Operating Revenues	<u>269,757</u>	<u>125,883</u>	<u>143,874</u>	<u>47%</u>	<u>267,048</u>
Operating Expenses:					
Salaries & benefits	797,382	335,524	461,858	42%	753,249
Food and milk	471,505	204,130	267,375	43%	419,779
Donated commodities	80,235	-	80,235	0%	45,904
Internal Catering & Other	34,454	15,790	18,664	46%	24,865
Total Operating Expenses	<u>1,383,576</u>	<u>555,443</u>	<u>828,133</u>	<u>40%</u>	<u>1,243,797</u>
Operating Surplus (Loss)	<u>(1,113,819)</u>	<u>(429,560)</u>	<u>(684,259)</u>	<u>39%</u>	<u>(976,749)</u>
Non-operating Revenues:					
Interest	45	2,615	(2,570)	5811%	34
Federal reimbursement	815,045	223,445	591,600	27%	835,944
State reimbursement	26,826	5,172	21,654	19%	27,762
USDA donated commodities	80,235	-	80,235	0%	45,904
Other	-	-	-	NA	-
Total Non-operating Revenues	<u>922,151</u>	<u>231,232</u>	<u>690,919</u>	<u>25%</u>	<u>909,644</u>
Increase (Decrease) in Revenues over Expenses	<u>(191,668)</u>	<u>(198,328)</u>	<u>6,660</u>	<u>103%</u>	<u>(67,105)</u>
Other Financing Sources (Uses):					
Operating transfers in	-	-	-	NA	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>NA</u>	<u>-</u>
Increase (Decrease) in Retained Earnings	<u>\$ (191,668)</u>	<u>\$ (198,328)</u>	<u>\$ 6,660</u>	<u>103%</u>	<u>\$ (67,105)</u>
Net Assets					
Beginning	578,438	674,506			741,611
Ending	<u>386,770</u>	<u>476,178</u>			<u>674,506</u>

**Garfield School District Re-2
 Designated Purpose Grants Fund
 December 31, 2015 Quarterly Reporting**

PURPOSE: A separate accounting is maintained for each federal, state, and local grant included in this fund. Each grant is restricted for a specified purpose by the grantor. The grantors require a detailed financial reporting for these grants.

REVENUES: The District receives grants from federal, state, and local sources to provide supplemental funding for District programs. Each grant is approved by the Board of Education. The budgeted grants included in the Grant Fund are listed below.

<u>Grant Name</u>	<u>Grant Description</u>
Title I A	Supplements instruction at elementary schools, including Highland, Wamsley, Elk Creek, and Graham Mesa, the highest poverty schools.
Title II (Teacher Quality)	Supports academic coaches and teacher training
Title III (ELL)	English language learners supplementary funds
Carl Perkins	Supports vocational programs at the High Schools
21st Century	Supplemental kindergarten and tutoring at Wamsley
Garfield County	Kathryn Senor Roof and Boiler projects
Aspen Foundation	English language learners and preschool grants
Investing in Innovation, SFA	Supports a district-wide reading coach
Verizon Innovative Learning	Integration of Technology pilot school - Riverside
Other	Other potential grants sought by the District

EXPENDITURES: All grant expenditures must be used in accordance with the conditions and requirements of each grant. The Colorado Department of Education has indicated there is a potential for reduction of Title grant funding from the initial allocation, due to potential federal budget cuts that is unknown at this time.

**Garfield School District RE-2
Special Revenue Fund
Governmental Designated Purpose Grants Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Year-to-Date December 31, 2015**

2015-16

	Original Budget	Current Budget	YTD Actual	Remaining Budget	% Budget Used	2014-15 Actual
Revenues:						
Title I	626,479	626,479	6,653	619,826	1%	541,007
Title II (Teacher Trng.)	128,090	128,090	2,100	125,990	2%	123,399
Title III - ELL	61,992	61,992	23,537	38,455	38%	60,082
Title III Set-Aside	5,658	5,658	-	5,658	0%	-
Carl Perkins Grant	22,490	22,490	-	22,490	0%	8,028
21st Century	-	-	-	-	NA	75,537
Math and Science Grant	280,798	280,798	-	280,798	0%	87,442
RTTT Early Childhood Readiness, Federal	-	3,535	3,535	(0)	100%	6,358
Other local grants	249,549	840,518	369,873	470,645	44%	407,707
Total Revenues	1,375,056	1,969,560	405,698	1,563,862	21%	1,309,560
Expenditures:						
Title I	626,479	626,479	305,841	320,638	49%	541,007
Title II (Teacher Trng.)	128,090	128,090	60,902	67,188	48%	123,399
Title III - ELL	61,992	61,992	25,496	36,496	41%	60,082
Title III Set-Aside	5,658	5,658	-	5,658	0%	-
Carl Perkins Grant	22,490	22,490	-	22,490	0%	8,028
21st Century	-	-	-	-	NA	75,537
Math and Science Grant	280,798	280,798	18,681	262,117	7%	87,442
RTTT Early Childhood Readiness, Federal	-	3,535	21,226	(17,691)	600%	6,358
Other local grants	249,549	840,518	625,182	215,336	74%	407,707
Total Expenditures	1,375,056	1,969,560	1,057,329	912,231	54%	1,309,560
Excess (Deficiency) of Revenues over Expenditures	-	-	(651,631)	651,631	N/A	-
Other Financing Sources (Uses):						
Operating transfers in	-	-	-	-	NA	-
Operating transfers (out)	-	-	-	-	NA	-
Total Other Financing Sources (Uses)	-	-	-	-	NA	-
Net Change in Fund Balance	-	-	(651,631)	651,631	NA	-
Fund Balances:						
Beginning	-	-	-	-	-	-
Ending	-	-	(651,631)	-	-	-

Garfield School District Re-2
Student Activity Fund
December 31, 2015 Quarterly Reporting

PURPOSE: This fund is used to account for self-supporting student activities, and is not required by Colorado Revised Statutes.

REVENUES: The activities accounted for in this fund are supported by revenues from students, student participation fees, and other fundraising activities.

EXPENDITURES: Expenditures for this fund may include, but are not limited to, the following:

- Athletic officials & equipment
- Summer camps
- Student council
- Class activities and supplies
- Yearbook
- Field Trips and enrichment activities
- Extracurricular clubs
- Special Events

SIGNIFICANT TRENDS & UNDERLYING ASSUMPTIONS: The 2015-16 Budget is completed at each location based upon known fundraisers and past history, and is reviewed by the Finance Department. All fundraisers are approved by the Board individually. Principals submit all known fundraisers prior to the start of the school year, then can submit additional fundraisers in September. This process enables the Principal to prioritize fundraisers and evaluate the impact on businesses and the Community. Fundraisers can be submitted during the year if necessary. This fund has seen an increase in support from the local community since 2013-14, which is attributable to a slight improvement in the economy and strong community support for schools.

2015 - 16 budgeted revenues & expenditures are broken out by location as follows:

	<u>REVENUES</u>	<u>EXPENDITURES</u>
Highland Elementary	2,500	3,000
Graham Mesa Elementary	5,500	5,200
Wamsley Elementary	10,350	10,350
Cactus Valley Elementary	9,150	7,150
Elk Creek Elementary	4,700	4,700
Kathryn Senior Elementary	10,530	10,530
Rifle Middle School	120,050	98,450
Riverside	68,425	66,425
Rifle High School	335,876	337,681
Coal Ridge High School	149,400	149,400
Special Events/Other	5,000	55,000
TOTAL REVENUES	<u><u>721,481</u></u>	<u><u>747,886</u></u>

Garfield School District RE-2
Pupil Activity Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Year-to-Date December 31, 2015

	2015-16				2014-15 Actual
	Original & Current Budget	YTD Actual	Remaining Budget	% Budget Used	
Revenues:					
Student activities	721,481	321,006	400,475	44%	652,169
Total Revenues	721,481	321,006	400,475	44%	652,169
Expenditures:					
Highland Elem. (141)	3,000	1,235	1,765	41%	7,216
Graham Mesa Elem. (145)	5,200	2,446	2,754	47%	13,503
Wamsley Elem. (151)	10,350	1,383	8,967	13%	14,955
Catcus Valley Elem (171)	7,150	3,059	4,091	43%	15,811
Kathryn Senior Elem (181)	10,530	7,040	3,490	67%	11,186
Elk Creek Elementary (182)	4,700	3,298	1,402	70%	7,651
Rifle Middle (262)	98,450	21,369	77,081	22%	70,616
Riverside Middle (282)	66,425	21,404	45,021	32%	53,630
Rifle High (363)	337,681	123,128	214,553	36%	306,987
Coal Ridge High School (375)	149,400	84,399	65,001	56%	184,623
Admin. (691)	55,000	948	54,052	2%	4,606
Total Expenditures	747,886	269,709	478,177	36%	690,784
Excess (Deficiency) of Revenues over Expenditures	(26,405)	51,298	(77,703)	-194%	(38,615)
Other Financing Sources (Uses):					
Operating transfers in	-	-	-	NA	-
Operating transfers (out)	-	-	-	NA	-
Total Other Financing Sources (Uses)	-	-	-	NA	-
Net Change in Fund Balance	(26,405)	51,298	(77,703)	-194%	(38,615)
Fund Balances:					
Beginning	412,793	374,177			412,792
Ending	386,388	425,475			374,177

**Garfield School District Re-2
Bond Redemption Fund
December 31, 2015 Quarterly Reporting**

PURPOSE: This fund is used to account for transactions related to Re-2's general obligation bonds and interest.

REVENUES: All revenue for this fund comes from property taxes. The projected assessed valuation for 2015-16 is the same as for 2014-15, at \$1,200,881,980. The actual assessed valuation totaled \$1,229,154,740, which required a mill of 7.318 mills for 2015-16. The actual 2015-16 represent a reduction in the bond redemption mill levy rate of .234 mills. The property tax collection rate is anticipated to be close to 100%.

EXPENDITURES: Expenditures for this fund include principal and interest payments for general obligation bonds due each fiscal year. Other expenditures include paying agent fees and arbitrage compliance fees. The general obligation bonds include the \$7,115,000 in general obligation refunding bonds dated November 22, 2005, the \$16,745,000 in general obligation bonds dated December 14, 2006, the \$9,505,000 in general obligation bonds dated January 30, 2007, the \$9,700,000 in general obligation bonds dated January 20, 2009, the \$16,065,000 in general obligation refunding bonds dated December 18, 2009, the \$13,865,000 in general obligation refunding bonds dated July 29, 2010, the \$17,195,000 in general obligation refunding bonds dated March 1, 2012, the \$20,805,000 in taxable and tax exempt general obligation refunding bonds dated January 15, 2013, the \$8,925,000 in general obligation refunding bonds dated March 6, 2014, and the \$8,820,000 in general obligation refunding bonds dated February 25, 2015. Outstanding debt as of June 30, 2015 is \$98,220,851.

Final maturity on outstanding debt is December 1, 2028. Garfield Re-2's annual debt service is as follows:

<i>Fiscal Year</i> <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	5,575,851	3,302,605	8,878,456
2017	5,705,000	3,091,696	8,796,696
2018	5,915,000	2,902,459	8,817,459
2019	6,115,000	2,746,495	8,861,495
2020	6,265,000	2,595,881	8,860,881
2021-2025	34,920,000	9,251,806	44,171,806
2026-2029	33,725,000	2,413,936	36,138,936
TOTAL	\$ 98,220,851	\$ 26,304,878	\$ 124,525,729

The District's legal debt ceiling is calculated as 20 percent of assessed valuation. Legal debt margin subtracts outstanding debt from the legal debt ceiling. The legal debt margin is estimated as follows for the upcoming budget year:

Actual assessed valuation	\$ 1,229,154,740
Multiplied by limitation percentage	20%
Legal debt ceiling	\$ 245,830,948
Less: outstanding bonded debt	\$ (98,220,851)
Legal debt margin	\$ 147,610,097

SIGNIFICANT TRENDS & UNDERLYING ASSUMPTIONS: The District has completed seven bond refundings since 2009. The reason for the bond refundings is to reduce the cost to taxpayers through lowering the interest rate on the bonds. From these refundings, the district will save about \$500,000 per year in bond repayment costs. Existing debt levels will cost taxpayers between \$8.9 million and \$9.3 million per year until fiscal year 2029. The effect of the existing debt level on future construction and bond elections depends on the assessed valuation fluctuation each year. At the budgeted assessed valuation, there is enough budgeted assessed valuation to allow the District to request a bond election from voters should the need arise.

Garfield School District RE-2
Debt Service Fund
Bond Redemption Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Year-to-Date December 31, 2015

2015-16

	Original & Current Budget	YTD Actual	Remaining Budget	% Budget Used	2014-15 Actual
Revenues:					
Property taxes	8,908,456	132,799	8,775,657	1%	8,925,686
Delinquent Property Taxes	-	(30,316)	30,316	NA	360,589
Earnings on Investments	-	200	(200)	NA	(254)
Total Revenues	8,908,456	102,684	8,805,772	1%	9,286,021
Expenditures:					
Principal	5,575,851	5,575,851	0	100%	5,322,275
Interest	3,302,605	1,702,317	1,600,288	52%	3,507,019
Other	30,000	1,380	28,620	5%	142,344
Total Expenditures	8,908,456	7,279,548	1,628,909	82%	8,971,638
Excess (Deficiency) of Revenues over Expenditures	-	(7,176,864)	7,176,864	NA	314,383
Other Financing Sources (Uses):					
Bond Proceeds	-	-	-	NA	8,820,000
Premium on Bonds	-	-	-	NA	647,242
Payment refund bond escrow agent	-	-	-	NA	(9,348,606)
Total Other Financing Sources (Uses)	-	-	-	NA	118,636
Net Change in Fund Balance	-	(7,176,864)	7,176,864	NA	433,019
Fund Balances:					
Beginning	11,997,710	12,075,963			11,642,944
Ending	11,997,710	4,899,099			12,075,963

**Garfield School District Re-2
Capital Projects Fund
December 31, 2015 Quarterly Reporting**

PURPOSE: This fund is used to account for acquisitions of capital items, including buses, construction of new facilities, renovations or improvements to existing facilities, large furniture orders, and other equipment. The Board approves an allocation to the Capital Projects Fund annually.

To determine the Capital Projects Fund budget each year, the Director of Maintenance works with the administration for each department to outline anticipated future capital needs. The capital needs are prioritized based upon when the capital need is required, and the impact to safety, etc. The Superintendent and Director of Finance recommend the amount of funding available for Capital Projects Fund, and a recommended budget is given to the Board of Education, who modifies which capital projects are approved for the ensuing fiscal year. The Capital Projects list recommended by administration for 2015-16 totals \$8,911,599, with only \$1,112,293 approved.

REVENUES: All revenue for this fund comes from a general fund transfer that is restricted for capital purchases by the Board of Education. The budgeted amount of projects for 2015-16 will not sustain the District's buildings or equipment at their current level. The District is currently utilizing software to assist in capturing "deferred maintenance costs", which are costs we should be paying for building repair that we cannot afford. The District has included an additional analysis, showing estimated upkeep and equipment replacement costs, for the next 15 years, which is included on the next page of this report. This analysis shows that an increase in Capital Projects Fund allocation will be required over time to maintain the current buildings and equipment. Five years ago, the State of Colorado reviewed the structural integrity of schools state-wide and the State determined that Re-2's buildings did not have major problems at that time.

EXPENDITURES: Expenditures for this fund include acquisition of capital items, including buses, maintenance vehicles, construction of new facilities, renovations or improvements to existing facilities, large furniture orders, and technology equipment. Expenditures also include lease purchase payments on the following leases for the following amounts:

<u>Description of Lease & Start Date</u>	<i>FY 2015-16</i>	
	<u>Total Lease Payment</u>	<u>Total Duration of Lease</u>
Three Modulares - FY 2014-15 (RMS)	41,203	3 years
One Modular - FY 2014-15 (RIV)	10,740	3 years

The capital improvements outlined for the 2015-16 Capital Projects budget will not affect the District's current or future operating budgets beyond the initial costs of the capital items. The recurring expenditures included in the Capital Projects budget include technology & computer replacement cycles totaling \$368,850, and food service replacements totaling \$12,000. We currently own about 40 buses district-wide, so the replacement cycle should also include 2 - 3 buses budgeted annually. Smaller vehicle and maintenance vehicle fleets have 38 vehicles currently that have not been on a replacement cycle due to budget cuts. In the future, we will need to add these vehicles to our replacement cycle at the rate of at least 2 vehicles per year.

SIGNIFICANT TRENDS & UNDERLYING ASSUMPTIONS: Since 2010, which marked the completion of the 2006 Bond construction, Garfield Re-2 has been reasonably up-to-date on capital needs for the District. However, in 2012-13, the Capital Projects budget was reduced by about \$500,000 compared to what is needed to maintain the buildings and our normal replacement cycles for equipment, buses, and technology. This reduction was due to budget cuts that year. Starting in 2013-14, the Director of Maintenance and Director of Finance developed a way to track deferred maintenance, which is a measurement to show how well our buildings are being maintained. The purpose is to assure that our capital needs can be weighed against other budgetary requirements in the District, to give the Board and Administration an understanding of the potential cost of capital projects in the future for planning and prioritizing budget needs effectively.

**Garfield School District Re-2
Capital Projects Fund
December 31, 2015 Quarterly Reporting**

Below is a summary of the estimated capital needs based upon normal replacement cycles for each category. Note that based upon needs estimated over the next fifteen years, our Capital Projects requirements will increase as our buildings age. The current estimated replacement cost for all buildings and equipment totals over \$200 million. At that amount, the District would need to spend \$5 million per year to keep up with depreciation on the buildings and equipment.

Program	Deferred Capital Projects (NOTE A)	Years 2 - 5	Years 6 - 10	Years 11 - 15
<i>Building Requests (NOTE B)</i>	1,419,700	600,000	750,000	750,000
<i>Infrastructure (NOTE C)</i>	1,376,411	529,923	-	-
<i>Modernizations (NOTE D)</i>	2,383,640	1,014,200	408,500	1,075,000
<i>Renewal (system estimates)</i>	6,207,224	4,062,719	10,633,215	13,735,283
<i>Vehicles</i>	3,138,015	1,289,790	2,186,975	405,000
<i>Food Service</i>	-	160,000	200,000	250,000
<i>Technology</i>	N/A	1,400,000	1,750,000	1,750,000
TOTAL Before Bond Items	\$ 14,524,990	\$ 9,056,632	\$ 15,928,690	\$ 17,965,283
<i>Bond Construction Possibilities</i>	475,000	27,995,000	-	-
	\$ 14,999,990	\$ 37,051,632	\$ 15,928,690	\$ 17,965,283

NOTE A: Deferred Capital Projects is an estimate of the cost of the items that we should have replaced or maintained but have not due to financial constraints. Deferred projects is calculated as known deferred items plus a software generated estimate of the cost to maintain buildings and systems based upon average useful life. Deferred projects do not apply to technology.

NOTE B: Assumes \$150,000 per year for years 2 - 15 in additional building requests, based upon past history. The Deferred column includes all current requests.

NOTE C: Infrastructure includes all capital needs outside of buildings, such as parking lots.

NOTE D: Modernizations include requested items that are a necessity for the school.

**Garfield School District RE-2
Special Revenue Fund
Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Year-to-Date December 31, 2015**

	2015-16			Remaining Budget	% Budget Used	2014-15 Actual
	Original Budget	Current Budget	YTD Actual			
Revenues:						
Other local revenue	-	-	-	-	NA	3,960
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>NA</u>	<u>3,960</u>
Expenditures:						
Capital Outlay:						
Vehicles	188,000	226,563	-	226,563	0%	119,195
Land and building (NOTE A)	485,000	594,193	87,006	507,187	15%	1,151,599
Principal on leases	51,943	51,943	26,931	25,012	52%	134,805
Equipment and other	387,350	387,350	605,196	(217,846)	156%	567,082
Total Expenditures	<u>1,112,293</u>	<u>1,260,049</u>	<u>719,133</u>	<u>540,916</u>	<u>57%</u>	<u>1,972,681</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,112,293)</u>	<u>(1,260,049)</u>	<u>(719,133)</u>	<u>(540,916)</u>	<u>57%</u>	<u>(1,968,721)</u>
Other Financing Sources (Uses):						
Lease proceeds	-	-	-	-	NA	-
Transfer In	1,112,293	1,260,049	-	1,260,049	NA	1,708,954
Total Other Financing Sources (Uses)	<u>1,112,293</u>	<u>1,260,049</u>	<u>-</u>	<u>1,260,049</u>	<u>NA</u>	<u>1,708,954</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(719,133)</u>	<u>719,133</u>	<u>57%</u>	<u>(259,767)</u>
Fund Balances:						
Beginning	218,230	246,937	246,937			506,704
Ending	<u>218,230</u>	<u>246,937</u>	<u>(472,196)</u>			<u>246,937</u>

NOTE A: Land and Building was adjusted manually to reduce the amount paid for boilers by the Garfield County Federal Mineral Lease Grant, totaling \$250,500. The actual entry will occur in December after all expenditures are finalized.

Garfield School District Re-2
Pupil Activity Agency Fund
December 31, 2015 Quarterly Reporting

PURPOSE: This fund is used to account for transactions and assets held by the District acting as an agent for school-sponsored student organizations and activities. These clubs and organizations exist with the explicit approval of, and are subject to revocation by, the District's Board of Education. This fund is self-supporting, and does not receive any direct or indirect District support. This fund is required because we hold funds in trust for parent organizations approved by the Board.

REVENUES: The activities accounted for in this fund are supported by revenues raised by parent organizations that have been approved as internal organizations that we keep the records for, regional extracurricular meets, fundraising activities, and donations.

2015-16 budgeted revenues are broken out by location as follows:

Highland Elementary	15,500
Graham Mesa Elementary	350
Wamsley Elementary	7,200
Cactus Valley Elementary	500
Kathryn Senior Elementary	32,100
Elk Creek Elementary	25,675
Riverside	28,000
Rifle Middle School	3,000
Rifle High School	830
Coal Ridge High School	600
Transportation/Maint.	800
TOTAL REVENUES	<u><u>114,555</u></u>

EXPENDITURES: Expenditures for this fund include extracurricular student activities, instructional supplementation, and faculty fund expenditures.

SIGNIFICANT TRENDS & UNDERLYING ASSUMPTIONS: The 2015-16 Budget is completed by each location based upon known fundraisers and past history, and is reviewed by the Finance Department. All fundraisers are approved by the Board individually. Principals submit all known fundraisers prior to the start of the school year, then can submit additional fundraisers in September. This process enables the Principal to prioritize fundraisers and evaluate the impact on businesses and the community. Fundraisers can be submitted during the year if necessary.

NOTE: The schools that have a parent organization in district include Wamsley, Highland, Kathryn Senior, Elk Creek Elementary, and Riverside Middle School. All other schools have parent organizations that operate independently of Garfield Re-2. Most of the schools also have a faculty courtesy account that is included in this fund.

Garfield School District RE-2
Agency Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Year-to-Date December 31, 2015

	2015-16				2014-15 Actual
	Original Budget	YTD Actual	Remaining Budget	% Budget Used	
Revenues:					
Student activities	114,555	59,783	54,772	52%	109,021
Total Revenues	114,555	59,783	54,772	52%	109,021
Expenditures:					
Student activities	113,055	52,168	60,887	46%	113,872
Total Expenditures	113,055	52,168	60,887	46%	113,872
Excess (Deficiency) of Revenues over Expenditures	1,500	7,616	(6,116)	508%	(4,851)
Other Financing Sources (Uses):					
Operating transfers in	-	-	-	NA	-
Operating transfers (out)	-	-	-	NA	-
Total Other Financing Sources (Uses)	-	-	-	NA	-
Net Change in Fund Balance	1,500	7,616	(6,116)	508%	(4,851)
Fund Balances:					
Beginning	45,967	41,116			45,967
Ending	47,467	48,732			41,116