

cPa DIXON, WALLER & CO., INC.

KIM SCHOOL DISTRICT RE-88

KIM, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2016



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DIXON, WALLER & CO., INC.

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KIM SCHOOL DISTRICT RE-88

FINANCIAL STATEMENTS

JUNE 30, 2016

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KIM SCHOOL DISTRICT RE-88
ROSTER OF SCHOOL OFFICIALS
June 30, 2016

BOARD OF EDUCATION

Dale Yocam	President
Brady Burnham	Vice-President
Joe Doherty	Secretary/Treasurer
John Cranson	Member
Nikki Shannon	Member

SCHOOL OFFICIALS

Blake Byall	Superintendent
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FINANCIAL SECTION

164 E. MAIN
TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT

Board of Education
Kim School District RE-88
Kim, Colorado 81049

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kim School District RE-88, as of and for the year ended June 30, 2016, 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. 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Kim School District RE-88, as of June 30, 2016, and the respective changes in financial position 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, budgetary comparison information and pension trend data on pages i through vii and 34 through 36 and 37 through 38 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 Kim School District RE-88's basic financial statements. The other schedules and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements, other schedules, and state required schedules 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 combining and individual fund statements, other schedules, and state required schedules, are fairly stated, in all material respect, in relation to the basic financial statements as a whole.

Duan, Walker & Co., PC.

Trinidad, Colorado
November 15, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

This is the Management Discussion and Analysis (MD&A) for the Kim School District RE-88. It offers the reader management's perspective of the financial activities of the school district for the year ended June 30, 2016. The focus of this discussion is the primary government (general) fund.

The MD&A is an element of reporting put forth by the Government Accounting Standards Board (GASB), in accordance with GASB Statement No. 34, *Basic Financial Statement and Management Discussion and Analysis for State and Local Governments*.

Financial Highlights

- In government-wide activities the District's net assets totaled \$11,403,355 at the end of the 2016 fiscal year.
- Governmental Funds revenue was \$1,667,784; expenditures totaled \$122,295, with an ending fund balance of \$1,526,879.

Overview of the Financial Statements

The Management's Discussion & Analysis is presented as an introduction into the Kim School District's basic financial information. This information is comprised in the following three components:

- 1) Government-wide financial statements
- 2) Fund Financial Statements
- 3) Supplemental Information

Government-Wide Financial Statements

Government-wide statements provide an overall view of the District's financial status specific to those activities directly related to the education of our students. The government-wide statements report assets and liabilities. The difference between the assets and liabilities is reported as net assets. The statements of net assets are one way to measure the financial position of the District. Over time, changes in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The district-wide statements are divided into two categories: Governmental activities and Business-type Activities.

Governmental activities: Such services as instruction, transportation, maintenance and operations, and administration are represented in this area. For Kim School District this information will be found in the general fund, preschool fund, and capital reserve fund.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been "set apart" for specific activities. The fund financial statements provide detailed information about the District's funds. These statements focus on those specific funds, not the District as a whole. Kim School District RE-88, like other governmental agencies, uses fund accounting to demonstrate and ensure compliance.

All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Most of the District's basic services are reported in governmental funds. This information is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. Governmental fund accounting may help the reader determine whether there are more or less financial resources that can be spent in the near future. The differences between governmental activities and governmental funds are reconciled in the financial statements.

Fiduciary Funds: The District is the agent, or *fiduciary*, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purpose.

Supplemental Information: In addition to the financial statements and accompanying notes the District's financial audit also contains more detailed financial information and other supplemental information concerning the District's non-major governmental funds.

Financial Analysis of the Governmental Funds: The focus of the District's governmental funds is to provide information on balances of available (spendable) resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful tool in measuring the District's net resources available for spending at the end of the fiscal year. The combined general fund is the major governmental fund of the Kim School District. The combined general fund under GASB 34 reporting requirements involves the general fund and the preschool fund. As of June 30, 2016, the combined general fund shows an ending fund balance of \$1,526,879.

Capital Assets and Debt Administration: The Districts' investment in capital assets for its governmental and business-type activities as of June 30, 2016 amounts to \$13,833,836. This is a total capital asset of \$15,197,878 less accumulated depreciation of \$1,364,042.

*This financial discussion of the Kim School District RE-88 will continue on pages v-vii. Additional information will be found in Table 1 (Net Assets), Table 2 (Changes in Net Assets), Table 3 (Governmental Activities-Net of Depreciation), Table 4 (Capital Assets-Net of Depreciation), and Table 5 (Long-Term Debt).

June 30, 2016

Financial Analysis of the District as a whole

The District's total net assets on June 30, 2016 were \$11,403,355. Of the District's \$15,438,231 in assets, \$11,301,693 reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment). The District uses capital assets to provide services to students; consequently, these assets are not available for future spending. The district currently has negative unrestricted net assets of -\$495. The district was awarded a BEST grant in the amount of \$7,923,336. The grant was matched with a local 20 year bond initiative in the amount of \$2,717,118. This maximizes the bonding capacity of the district. The bond long term debt on June 30, 2016 was \$2,435,097 current debt \$97,046.

NET POSITION	2016			2015		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
ASSETS						
Current and Other Assets	1,604,395	-	1,604,395	3,079,949	-	3,079,949
Capital Assets - Net	13,833,836	-		7,818,180	-	
Deferred Outflows	201,213	-	201,213	68,401	-	68,401
Total Assets and Flows	15,639,444	-	15,639,444	10,966,530	-	10,966,530
LIABILITIES						
Current and Other Liabilities	1,727,358	-	1,727,358	3,242,520	-	3,242,520
Long Term Liabilities	2,435,097	-		2,625,289	-	
Deferred Inflows	73,634	-	73,634	89	-	89
Total Liabilities and Flows	4,236,089	-	4,236,089	5,867,898	-	5,867,898
NET POSITION						
Net Investment in Capital Assets	11,301,693	-	11,301,693	5,192,891	-	5,192,891
Restricted for:						
Tabor Reserve	33,400	-	33,400	32,100	-	32,100
Preschool	3,426	-	3,426	8,062	-	8,062
Food Service	4,263	-	4,263	12,768	-	12,768
Debt	61,068	-	61,068	150,762	-	150,762
Unrestricted	(495)	-	(495)	(297,951)	-	(297,951)
	11,403,355	-	11,403,355	5,098,632	-	5,098,632

Kim School District RE-88 – Management Discussion and Analysis

June 30, 2016

Governmental Activities

Changes in Net Position	2016			2015		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
Revenues						
Charges for Services	19,851	-	19,851	15,138	-	15,138
Operating Grants and Contributions	130,151	-	130,151	110,321	-	110,321
Capital Grants and Contributions	6,555,950	-	6,555,950	4,607,921	-	4,607,921
Property taxes	592,633	-	592,633	569,931	-	569,931
Specific Ownership Taxes	54,606	-	54,606	61,779	-	61,779
Equalization	494,384	-	494,384	503,027	-	503,027
Earnings on investments	2,245	-	2,245	1,654	-	1,654
Other Revenues	70,438	-	70,438	40,259	-	40,259
Transfers	-	-	-	-	-	-
TOTAL REVENUES	7,920,258	-	7,920,258	5,910,030	-	5,910,030
Expenses						
Instructional services	888,385	-	888,385	554,759	-	554,759
Students	-	-	-	-	-	-
Instructional staff	26,702	-	26,702	28,458	-	28,458
District administration	189,410	-	189,410	264,977	-	264,977
School administration	-	-	-	-	-	-
Business	-	-	-	-	-	-
Operation and maintenance of facilities	149,007	-	149,007	141,713	-	141,713
Transportation	80,540	-	80,540	74,749	-	74,749
Central	52,303	-	52,303	32,419	-	32,419
Capital outlay	-	-	-	-	-	-
Interest on Long Term Liabilities	108,421	-	108,421	111,544	-	111,544
Food Service	73,316	-	73,316	53,504	-	53,504
Pension Expense	47,451	-	47,451	8,323	-	8,323
TOTAL EXPENSES	1,615,535	-	1,615,535	1,270,446	-	1,270,446
Increase (Decrease in Net Position)	6,304,723	-	6,304,723	4,639,584	-	4,639,584

June 30, 2016

The following table shows the net costs (total cost less revenues generated by activities) of the District's major functions.

	2016		20.15	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instructional services	888385	(795,528)	554759	(479,583)
Students	0	-	0	-
Instructional staff	26702	(26,702)	28458	(28,458)
District administration	189410	(189,410)	264977	(264,977)
School administration	0	-	0	-
Business	0	-	0	-
Operation and maintenance of facilities	149007	6,420,336	141713	4,475,683
Transportation	80540	(58,410)	74749	(54,355)
Central	52303	(52,303)	32419	(32,419)
Capital outlay	-	-	-	-
Interest on Long Term Liabilities	108,421	(108,421)	111,544	(111,544)
Food Service	73316	-51694	53504	-33090
Pension Expense	47451	(47,451)	8323	(8,323)
Total	<u>1,615,535</u>	<u>5,090,417</u>	<u>1,270,446</u>	<u>3,462,934</u>

- The cost of all governmental activities this year was \$1,270,446.
- Some of the cost was financed by the users of the District's programs: \$15,138.
- The federal and state governments subsidized certain programs with grants and contributions of \$20,394.
- Most of the District's costs, however, were financed by District and State taxpayers with \$494,384 in state equalization from the school finance act, \$647,239 in taxes and \$72,683 in investment earnings and other miscellaneous revenue.

The food service program had revenue of \$44,466 (including a transfer of \$30,000 from the General Fund) and expenses of \$73,316.

Financial Analysis of the District's Funds

General Fund Budgetary Highlights

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund.

- Total revenues in the General Fund were \$39,414 higher than the preceding year.
- The District must maintain a 3% emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). On June 30, 2016 District's TABOR reserve amounted to \$33,400.

Capital Assets and Debt Administration

Capital Assets

The District's net investment in capital assets for its governmental and business-type activities as of June 30, 2016 amounts to \$13,833,836.

	Governmental <u>2015-2016</u>	Governmental <u>2014-2015</u>
Land & Sites	10,030	10,030
Buildings & Improvements	13,294,107	7,730,001
Equipment & Vehicles	529,699	78,149
Total Capital Assets	<u>13,833,836</u>	<u>7,818,180</u>

Economic Factors

As a result of the stewardship of the BOE and Administration the district enjoys an above average fund balance. The district has experienced declining enrollment, however, due to the 50 student floor in funding the revenue from state general funds will stay consistent, and not decline due to enrollment. When/if enrollment increases above 50 students funding will increase.

The Board of Education has governed the district with great care and focus on maintaining the integrity of the district in the long run.

General obligation bonds were issued December 9, 2013 for the purpose of constructing District facilities. The Series 2013 matching money bonds of \$2,717,119 were used to match \$7,923,336 in State of

June 30, 2016

Colorado – BEST Program Series 2013 Project funds. These bonds were issued at an interest rate of 4.187817%

CHANGES IN LONG TERM DEBT

	<u>Balance</u> <u>7/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2016</u>
2013 General Obligation Matching Bonds	2,625,289	-	93,146	2,532,143
Totals	<u>2,625,289</u>	<u>-</u>	<u>93,146</u>	<u>2,532,143</u>

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the Kim School District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Blake Byall

Superintendent of Schools
Kim School District
425 State Street
Kim, Colorado 81049

BASIC FINANCIAL STATEMENTS

KIM SCHOOL DISTRICT RE-88
STATEMENT OF NET POSITION
June 30, 2016

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
Cash and Investments	1,561,151	1,561,151
Accounts Receivable	-	-
Grants Receivables	-	-
Accrued Revenue	-	-
Property Taxes Receivable	41,614	41,614
Inventories	1,630	1,630
Capital Assets	15,197,878	15,197,878
Accumulated Depreciation	<u>(1,364,042)</u>	<u>(1,364,042)</u>
<u>Total Assets</u>	<u>15,438,231</u>	<u>15,438,231</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
District Contributions Subsequent to Pension Measurement Date	42,866	42,866
Pension Outflows – Plan Level	153,380	153,380
Pension Outflows – Employer Level	<u>4,967</u>	<u>4,967</u>
<u>Total Deferred Outflow of Resources</u>	<u>201,213</u>	<u>201,213</u>
<u>LIABILITIES</u>		
Accounts Payable	7,483	7,483
Accrued Salaries	51,423	51,423
Accrued Interest	8,840	8,840
Compensated Absences	1,184	1,184
Net Pension Obligation	1,561,382	1,561,382
Debt – Current	97,046	97,046
Debt – Long Term	<u>2,435,097</u>	<u>2,435,097</u>
<u>Total Liabilities</u>	<u>4,162,455</u>	<u>4,162,455</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Pension Inflows – Plan Level	22,130	22,130
Pension Inflows – Employer Level	<u>51,504</u>	<u>51,504</u>
<u>Total Deferred Inflow of Resources</u>	<u>73,634</u>	<u>73,634</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	11,301,693	11,301,693
Restricted for:		
TABOR Reserve	33,400	33,400
Preschool	3,426	3,426
Debt Service	159,014	159,014
Capital Outlay	61,068	61,068
Food Service	5,893	5,893
Unrestricted	<u>(161,139)</u>	<u>(161,139)</u>
<u>TOTAL NET POSITION</u>	<u>11,403,355</u>	<u>11,403,355</u>

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

KIM SCHOOL DISTRICT RE-88
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2016

FUNCTIONS/PROGRAMS	Net (Expenses) Revenue and Changes in Net Position					
	Program Revenues			Primary Government		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Total
Instructional Services	888,385	-	92,857	-	(795,528)	(795,528)
Supporting Services:						
Students	-	-	-	-	-	-
Instructional Staff	26,702	-	-	-	(26,702)	(26,702)
District Administration	189,410	-	-	-	(189,410)	(189,410)
School Administration	-	-	-	-	-	-
Business	-	-	-	-	-	-
Operation & Maintenance of Facilities	149,007	13,393	-	6,555,950	6,420,336	6,420,336
Transportation	80,540	-	22,130	-	(58,410)	(58,410)
Central	52,303	-	-	-	(52,303)	(52,303)
Food Service	73,316	6,458	15,164	-	(51,694)	(51,694)
Capital Outlay	-	-	-	-	-	-
Interest and Fees	108,421	-	-	-	(108,421)	(108,421)
Net Pension Expense	47,451	-	-	-	(47,451)	(47,451)
<u>Total Governmental Activities</u>	<u>1,615,535</u>	<u>19,851</u>	<u>130,151</u>	<u>6,555,950</u>	<u>5,090,417</u>	<u>5,090,417</u>
<u>Total School District</u>	<u>1,615,535</u>	<u>19,851</u>	<u>130,151</u>	<u>6,555,950</u>	<u>5,090,417</u>	<u>5,090,417</u>
<u>General Revenues</u>						
Property Taxes Levied for General Purposes					592,633	592,633
Specific Ownership Taxes					54,606	54,606
Equalization					494,384	494,384
Earnings on Investments					2,245	2,245
Other Revenues					70,438	70,438
<u>Total General Revenues</u>					<u>1,214,306</u>	<u>1,214,306</u>
<u>Change in Net Position</u>					<u>6,304,723</u>	<u>6,304,723</u>
<u>Net Position, Beginning</u>					<u>5,098,632</u>	<u>5,098,632</u>
<u>Net Position, Ending</u>					<u>11,403,355</u>	<u>11,403,355</u>

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

KIM SCHOOL DISTRICT RE-88
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016

	<u>General Fund</u>	<u>Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash and Investments	1,404,199	-	156,952	1,561,151
Accounts Receivable	-	-	-	-
Accrued Revenue	-	-	-	-
Due From Other Funds	-	61,068	2,321	63,389
Property Taxes Receivable	29,070	-	12,544	41,614
Inventories	-	-	1,630	1,630
<u>Total Assets</u>	<u>1,433,269</u>	<u>61,068</u>	<u>173,447</u>	<u>1,667,784</u>
<u>LIABILITIES</u>				
Accounts Payable	7,483	-	-	7,483
Accrued Salaries	51,423	-	-	51,423
Due To Other Funds	63,389	-	-	63,389
Other Payables	-	-	-	-
<u>Total Liabilities</u>	<u>122,295</u>	<u>-</u>	<u>-</u>	<u>122,295</u>
<u>DEFERRED INFLOW OF RESOURCES</u>				
Property Taxes	<u>10,070</u>	<u>-</u>	<u>8,540</u>	<u>18,610</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Inventories	-	-	1,630	1,630
Restricted:				
Emergencies	33,400	-	-	33,400
Preschool	3,426	-	-	3,426
Capital Outlay	-	61,068	-	61,068
Debt Service	-	-	159,014	159,014
Food Service	-	-	4,263	4,263
Unassigned	<u>1,264,078</u>	<u>-</u>	<u>-</u>	<u>1,264,078</u>
<u>Total Fund Balances</u>	<u>1,300,904</u>	<u>61,068</u>	<u>164,907</u>	<u>1,526,879</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>				
	<u>1,433,269</u>	<u>61,068</u>	<u>173,447</u>	<u>1,667,784</u>

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

KIM SCHOOL DISTRICT RE-88
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET POSITION
June 30, 2016

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

<u>Total Fund Balance – Governmental Funds</u>	1,526,879
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$15,197,878 and the accumulated depreciation is \$1,364,042.	13,833,836
Property tax revenue is recognized when earned (claim to resources established) rather than when “available.” All of the deferred property tax revenue is not available.	18,610
Compensated absences are not reported as a liability in the funds.	(1,184)
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(2,532,143)
Accrued interest on long term debt is not reported in the funds.	(8,840)
The Districts portion of the net pension obligation for PERA is reported on the statement of net position is not reported as a liability in the funds.	(1,561,382)
Deferred flows for contributions made toward the net pension obligation from December 31, 2015 until June 20, 2016 is not reported in the funds.	42,866
Deferred employer and plan level pension flows are not reported in the funds.	<u>84,713</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>11,403,355</u>

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

KIM SCHOOL DISTRICT RE-88
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For The Year Ended June 30, 2016

	<u>General Fund</u>	<u>Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property Taxes	385,821	-	209,552	595,373
Specific Ownership Taxes	54,606	-	-	54,606
Earnings on Investments	2,179	-	66	2,245
Other Local Sources	83,298	-	7,254	90,552
State Aid	573,156	6,555,950	435	7,129,541
Federal Aid	36,215	-	14,466	50,681
Allocation to Reserves	-	-	-	-
<u>Total Revenues</u>	<u>1,135,275</u>	<u>6,555,950</u>	<u>231,773</u>	<u>7,922,998</u>
EXPENDITURES				
Current:				
Instructional Services	488,175	-	-	488,175
Supporting Services:				
Students	-	-	-	-
Instructional Staff	26,702	-	-	26,702
District Administration	182,674	-	-	182,674
School Administration	-	-	-	-
Business	-	-	-	-
Operation & Maintenance of Facilities	117,134	-	-	117,134
Transportation	55,221	-	-	55,221
Central	52,303	-	-	52,303
Food Service	-	-	58,799	58,799
Facility	-	-	-	-
Debt Service:				
Principal Retirement	-	-	93,146	93,146
Interest and Fiscal Charges	-	-	108,742	108,742
Capital Outlay	-	<u>6,494,882</u>	-	<u>6,494,882</u>
<u>Total Expenditures</u>	<u>922,209</u>	<u>6,494,882</u>	<u>260,687</u>	<u>7,677,778</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>213,066</u>	<u>61,068</u>	<u>(28,914)</u>	<u>245,220</u>
OTHER FINANCING SOURCES (USES)				
Transfers	(30,000)	-	30,000	-
Proceeds From Debt	-	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>(30,000)</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES				
	183,066	61,068	1,086	245,220
FUND BALANCES – Beginning				
	<u>1,117,838</u>	<u>-</u>	<u>163,821</u>	<u>1,281,659</u>
FUND BALANCES – Ending				
	<u>1,300,904</u>	<u>61,068</u>	<u>164,907</u>	<u>1,526,879</u>

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

KIM SCHOOL DISTRICT RE-88
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, 2016

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

Net Change in Fund Balances – Total Governmental Funds 245,220

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more the \$5,000 are capitalized and the cost is allocated over their estimated used lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlays more than \$5,000	6,494,882	
Disposition of Assets	(2,056)	
Depreciation Expense	<u>(477,170)</u>	6,015,656

Property tax revenues received prior to the year for which the are being levied or are not “available” at year end are reported as deferred revenue in the governmental funds. They are, however, recorded as revenue in the statement of activities. Deferred property tax revenues increased this year. (2,740)

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount paid). During the year, compensated absences decreased by this amount. 571

The governmental funds report debt proceeds as another financing source, while repayment of debt principal is reported as an expenditure. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

Principal Payment	93,146	
Accrued Interest	321	

The statement of activities reports net pension obligation which is not reported in the fund financial statements:

Change in net pension obligation	(106,718)	
Deferred flows from net pension obligations	<u>59,267</u>	

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES 6,304,723

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

KIM SCHOOL DISTRICT RE-88
STATEMENT OF FIDUCIARY NET POSITION
PUPIL ACTIVITY TRUST AND AGENCY FUND
June 30, 2016

	<u>Pupil Activity Fund</u>
<u>ASSETS</u>	
Cash and Investments	45,408
Due From Other Funds	-
<u>Total Assets</u>	<u>45,408</u>
<u>LIABILITIES</u>	
Accounts Payable	782
Deposits Held for Others	44,626
<u>Total Liabilities</u>	<u>45,408</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Kim School District RE-88 (District) conform with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

The District operates under an elected Board of Education with six members.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Kim School District RE-88. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

A. Reporting Entity

Governmental Accounting Standards board (GASB) Statement No. 14 (as amended by Statements No. 34, No. 39 and No. 61), "*The Financial Reporting Entity*" (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This District is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basis financial statements present the District (the primary government) and its component units.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

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

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

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

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

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

The proprietary fund types are accounted for on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The measurement focus in these funds is on the flow of economic resources and emphasizes the determination of net income. All assets and all liabilities associated with their activity are included on their statements of net position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's ongoing operations. The principal operating revenues of the District's proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

D. Fund Accounting

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

- Major Governmental Funds
 1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
 2. Building Fund – used to account for the activities associated with major construction projects.

Additionally, the District reports the following fund type:

The Pupil Activity Agency Fund – this fund is used to account for the activities of student clubs and organizations held in a fiduciary capacity by the District.

E. Cash and Investments

Cash represents amounts on deposit with financial institutions or held by the District. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Investments (Continued)

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

F. Receivables

Property taxes levied in 2015 but uncollected in 2016 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2016 are recorded as deferred inflows, and are presented net of an allowance for uncollectible taxes. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

G. Inventories

Materials and supplies inventories are stated at cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the Federal Government, are recorded at their estimated fair value at the date of receipt.

The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed.

H. Capital Assets

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

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

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-40 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition and any remaining depreciation is recorded in the year of disposition.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Long Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. The District records long-term debt of governmental funds at the face value. General Obligation Bonds are serviced from property taxes and other revenues of the Debt Service Fund. Capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

J. Constitutional Amendment

In November 1992, Colorado voters approved Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations, which apply to the State of Colorado and local governments. It requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to any entity.

On November 4, 1997 the registered voters approved a ballot resolution authorizing Kim School District RE-88 to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased or any new tax be imposed.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2016, the District reserved \$33,400 for this purpose.

Spending and revenue limits are determined based on the prior fiscal year's spending adjusted for inflation in the prior calendar year plus annual increases in funded student enrollment. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2015 property tax calendar for Las Animas County was as follows:

Levy Date	December 15, 2015
Lien Date	January 1, 2016
Tax Bills Mailed	January 1, 2016
First Installment Due	February 28, 2016
Second Installment Due	June 15, 2016
If Paid in Full, Due	April 30, 2016
Tax Sale – 2014 Delinquent Property Taxes	October 25, 2015

L. Accumulated Sick Leave

Compensated absences are made up of accumulated sick leave reported as non-current liabilities in the government-wide financial statements. As of June 30, 2016, the District has recorded an estimated liability of \$1,184 relating to accrued sick leave payable.

A summary of changes in compensated absences is as follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
Accumulated Sick Leave	<u>1,755</u>	<u> -</u>	<u> 571</u>	<u> 1,184</u>

M. Use of Estimates

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

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54

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

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

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The District's Committed Fund Balance is fund balance reporting required by the School Board, either because of a School Board Policy in the School Board Policy Manual, or because of motions that passed at School Board meetings.

Assigned Fund Balance Policy:

The District's Assigned Fund Balance is fund balance reporting occurring by School Board Administration authority, under the direction of the Chief Business Officer.

Order of Fund Balance Spending Policy

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

KIM SCHOOL DISTRICT RE-88
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Building Fund</u>	<u>Bond Fund</u>	<u>Food Service Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>	-	-	-	1,630	1,630
<u>Restricted:</u>					
Emergencies	33,400	-	-	-	33,400
Preschool	3,426	-	-	-	3,426
Debt Service	-	-	159,014	-	159,014
Capital Outlay	-	61,068	-	-	61,068
<u>Assigned:</u>					
Food Service	-	-	-	4,263	4,263
<u>Unassigned:</u>	<u>1,264,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,264,078</u>
<u>Total Fund Balances</u>	<u>1,300,904</u>	<u>61,068</u>	<u>159,014</u>	<u>5,893</u>	<u>1,526,879</u>

O. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis were eliminated from the government fund statements during the consolidation of governmental activities.

<u>Items Eliminated</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	-	63,389	-	30,000
Bond Fund	2,321	-	-	-
Building Fund	61,068	-	30,000	-

NOTE 3 BUDGETARY INFORMATION

Revenues and expenditures are controlled by budgetary accounting systems in accordance with various legal requirements. The budgeted revenues and expenditures represent the original adopted budget as subsequently adjusted by the Board of Education in accordance with Colorado School Laws. Budgets are generally prepared on the same basis as that used for accounting purposes.

The District has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Capital Projects Fund, Bond Fund and Special Revenue Fund.
6. Budgets for the General Fund, Capital Projects Fund, Bond Fund and Special Revenue Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets have been adopted for Trust and Agency Funds although measurement of operations is not required in the financial statements.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 3 BUDGETARY INFORMATION (continued)

All appropriations lapse at the end of each fiscal year. Authorization to transfer budgeted amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent of Schools and may be delegated to an appropriate level of management. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

Budgetary amounts reported in the accompanying basic financial statements are as originally adopted and amended by the Superintendent and/or the Board of Education throughout the year.

NOTE 4 CASH AND INVESTMENTS

Deposits

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories, eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

At June 30, 2016, the District's bank balance and corresponding carrying balance were as follows:

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	250,000	250,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	1,202,915	1,307,219
Cash with County Treasurer	1,088	-
Cash with Fiscal Agent	152,306	-
Cash on Hand	<u>250</u>	<u>-</u>
<u>Total Cash and Deposits</u>	<u>1,606,559</u>	<u>1,557,219</u>

As presented above, deposits with a bank balance of \$1,307,219 and a carrying balance of \$1,202,915 as of June 30, 2016 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Balance</u> <u>June 30, 2016</u>
<u>Capital Assets Not Being Depreciated</u>					
Land	10,030	-	-	-	10,030
<u>Capital Assets Being Depreciated:</u>					
Buildings & Site Improvements	1,275,696	5,933,903	311,373	7,332,038	14,230,264
Equipment & Vehicles	457,335	560,979	60,730	-	957,584
Construction in Progress	7,332,038	-	-	(7,332,038)	-
<u>Total Capital Assets Being Depreciated</u>	<u>9,065,069</u>	<u>6,494,882</u>	<u>372,103</u>	<u>-</u>	<u>15,187,848</u>
<u>Less Accumulated Depreciation for:</u>					
Buildings & Site Improvements	877,733	369,797	311,373	-	936,157
Equipment & Vehicles	379,186	107,373	58,674	-	427,885
<u>Total Accumulated Depreciation</u>	<u>1,256,919</u>	<u>477,170</u>	<u>370,047</u>	<u>-</u>	<u>1,364,042</u>
<u>Total Capital Assets Being Depreciated, Net</u>	<u>7,808,150</u>	<u>6,017,712</u>	<u>2,056</u>	<u>-</u>	<u>13,823,806</u>
<u>Governmental Activities Capital Assets, Net</u>	<u>7,818,180</u>	<u>6,017,712</u>	<u>2,056</u>	<u>-</u>	<u>13,833,836</u>

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

Governmental Activities:

Instruction	398,725
Student Support	-
Instructional Support	-
General Administration Support	6,736
School Administration Support	-
Business Services Support	-
Operations and Maintenance	31,873
Transportation	25,319
Food Service	14,517
<u>Total Depreciation Expense – Governmental Activities</u>	<u>477,170</u>

NOTE 6 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Kim School District RE-88 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the Kim School District RE-88 are provided with pensions through the School Division Trust Fund (SCHDTF) - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investment/pera-financial-reports.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s), under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. 24-51-601, 604, 1713, and 1714.

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 6 PENSION PLAN (Continued)

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

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

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

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

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 6 PENSION PLAN (Continued)

Contributions. Eligible employees and Kim School District RE-88 are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. 24-51-401, et seq. Eligible employees are required to contribute 8 percent of their PERA- includable salary. The employer contribution requirements are summarized in the table below.

	For the Year Ended December 31, 2015	For the Year Ended December 31, 2016
Employer Contribution Rate	10.15 %	10.15 %
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. 24-51-208 (1) (f)	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. 24-51-411	4.20%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. 24-51-411	4.00%	4.50%
Total Employer Contribution Rate to the SCHDTF	17.33%	18.13%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Kim School District RE-88 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Kim School District RE-88 were \$80,837 for the year ended June 30, 2016.

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

At June 30, 2016, the Kim School District RE-88 reported a liability of \$1,561,382 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. Standard update procedures were used to roll forward the total pension liability to December 31, 2015. The Kim School District RE-88 proportion of the net pension liability was based on Kim School District RE-88 contributions to the SCHDTF for the calendar year 2015 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2015, the Kim School District RE-88 proportion was 0.0102 percent, which was a decrease of 0.0005 from its proportion measured as of December 31, 2014.

For the year ended June 30, 2016, the Kim School District RE-88 recognized pension expense of \$47,451. At June 30, 2016, the Kim School District RE-88 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 6 PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	20,618	(65)
Changes of assumptions or other inputs	0	(22,065)
Net difference between projected and actual earnings on pension plan investments	132,762	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	4,967	(51,504)
Contributions subsequent to the measurement date	42,866	N/A
Total	201,213	(73,634)

\$42,866 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2016	
2017	18,005
2018	17,140
2019	22,343
2020	27,225
2021	-
Thereafter	-

Actuarial assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions and other inputs:

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

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 6 PENSION PLAN (Continued)

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

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

Changes to assumptions or other inputs since the December 31, 2013 actuarial valuations are as follows:

- The following programming changes were made:
 - Valuation of the full survivor benefit without any reduction for possible remarriage.
 - Reflection of the employer match on separation benefits for all eligible years.
 - Reflection of one year of service eligibility for survivor annuity benefit.
 - Refinement of the 18 month annual increase timing.
 - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

- The following methodology changes were made:
 - Recognition of merit salary increases in the first projection year.
 - Elimination of the assumption that 35% of future disabled members elect to receive a refund.
 - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
 - Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

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

As of the most recent analysis of the long-term expected rate of return, presented to the PERA Board on November 15, 2013, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 6 PENSION PLAN (Continued)

Asset Class	Target Allocation	10 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
Total	100.00%	

*In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.50%.

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to increase annually at a rate of 3.9%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 6 PENSION PLAN (Continued)

- The AIR balance was excluded from the initial fiduciary net position, as, per statute. AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above actuarial cost method and assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Kim School District RE-88 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percent-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	2,024,007	1,561,382	1,176,563

Pension plan fiduciary net position. Detailed information about the SCHDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 6 PENSION PLAN (Continued)

Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description – Employees of the Kim School District RE-88 that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA, Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees, PERA issues a publicly available comprehensive annual financial report for the Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2016, program members contributed \$464.

Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – The Kim School District RE-88 contributes to the Health Care Trust Fund (“HCTF”), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Kim School District RE-88 is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Kim School District RE-88 are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2016, 2015 and 2014, the Kim School District RE-88 contributions to the HCTF were \$4,646, \$4,595 and \$4,486, respectively equal to their required contributions for each year.

NOTE 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL

The District belongs to the Colorado School District's 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, Workers' Compensation and other coverage. The Board of Directors is composed of eight persons; seven of whom 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.

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, 2016.

An audited summary of the Colorado School District's Pool financial information at December 31, 2015 (latest information available) follows:

Total Assets	<u>46,958,320</u>
Total Liabilities	<u>22,633,311</u>
Total Equity	<u>24,325,009</u>
Revenue	13,432,892
Underwriting Expenses	<u>16,484,758</u>
Underwriting Gain (Loss)	(3,051,866)
Net Investment Income	663,509
Other Income	<u>-</u>
Net Income (Loss) Before Dividend	(2,388,357)
Dividend	<u>-</u>
Net Income	(2,388,357)
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>95,339</u>
Capital Contributions from Members	<u>-</u>
Unassigned Surplus	<u>24,325,009</u>

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 9 FOOD INVENTORIES

Food Service Fund inventories at June 30, 2016, consisted of purchased, non-food and donated commodities amounting to \$1,630. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

NOTE 10 ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, at June 30, 2016 are estimated to be \$51,423. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

NOTE 11 LITIGATION

None.

NOTE 12 SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Claims and Judgments - The District participates in a number of federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2016, significant amounts of grant expenditures have not been audited by the grantor but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the District.

NOTE 13 JOINT VENTURES

Not reflected in the accompanying financial statements is the District's participation in the Southeastern 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 District has one member on the Board. The Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is not determinable at June 30, 2016. The joint venture summary audited financial information as of June 30, 2015 is as follows:

Assets and Deferred Outflows	<u>1,123,165</u>
Liabilities and Deferred Inflows	<u>3,407,692</u>
Net Position	<u>(2,284,527)</u>
Revenues	2,552,237
Expenditures	<u>2,445,378</u>
Change In Net Position	<u>106,859</u>

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 13 JOINT VENTURES (Continued)

The BOCES is not included as a component unit of the District as the financial responsibility is minimal, there is no financial interdependency, the District does not have the ability to significantly influence the operations of the BOCES and the District is not accountable for fiscal matters of the BOCES. The BOCES is audited annually and files a report with the Colorado State Auditor's Office.

NOTE 14 INTERFUND BALANCES AND TRANSFERS

<u>INTERFUND BALANCES</u>	<u>Due To</u>	<u>Due From</u>
Major Funds	63,389	61,068
Nonmajor Funds	<u>-</u>	<u>2,321</u>
	<u>63,389</u>	<u>63,389</u>
<u>TRANSFERS</u>	<u>Trans In</u>	<u>Trans Out</u>
General Fund	-	30,000
Food Service Fund	<u>30,000</u>	<u>-</u>
	<u>30,000</u>	<u>30,000</u>

Transfers were made from the General Fund to the Food Service Fund for the purpose of assisting operations. Due To and Due From are to be repaid within three months of year end.

NOTE 15 LONG-TERM DEBT – GENERAL OBLIGATION BONDS

	<u>Balance</u> <u>7/1/2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>6/30/2016</u>	<u>Current</u> <u>Portion</u>
G.O. Matching Money Bonds 2013	<u>2,625,289</u>	<u>-</u>	<u>93,146</u>	<u>2,532,143</u>	<u>97,046</u>

Series 2013 General Obligation Matching Money Bonds

These general obligation bonds were issued December 9, 2013 for the purpose of constructing District facilities. The Series 2013 matching money bonds of \$2,717,118 were used to match \$7,923,336 in State of Colorado – BEST Program Series 2013 Project funds. These bonds were issued at an interest rate of 4.187817%.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 15 LONG-TERM DEBT – GENERAL OBLIGATION BONDS (Continued)

Below is a schedule of debt service to maturity:

Year Ended <u>6-30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	97,046	104,009	201,055
2018	101,110	99,860	200,970
2019	105,345	95,537	200,882
2020	109,756	91,033	200,789
2021	114,353	86,341	200,694
2022-2026	647,736	354,140	1,001,876
2027-2031	795,212	203,576	998,788
2032-2034	<u>561,585</u>	<u>35,921</u>	<u>597,506</u>
	<u>2,532,143</u>	<u>1,070,417</u>	<u>3,602,560</u>

REQUIRED SUPPLEMENTAL INFORMATION

KIM SCHOOL DISTRICT RE-88
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
<u>Local Sources</u>				
Property Taxes	355,000	355,000	385,821	30,821
Specific Ownership Taxes	30,000	30,000	54,606	24,606
Earnings on Investments	1,200	1,200	2,179	979
Delinquent Taxes and Interest	-	-	952	952
Other	20,500	20,500	82,346	61,846
<u>State Sources</u>				
Equalization	541,645	541,645	494,384	(47,261)
Transportation	20,000	20,000	22,130	2,130
Vocational Education	27,000	27,000	34,291	7,291
Special Education	-	-	-	-
Other	6,600	6,600	22,351	15,751
<u>Federal Sources</u>				
Other	35,805	35,805	36,215	410
<u>Allocation</u>				
	-	-	-	-
<u>TOTAL REVENUES</u>	<u>1,037,750</u>	<u>1,037,750</u>	<u>1,135,275</u>	<u>97,525</u>
<u>EXPENDITURES</u>				
<u>Instruction</u>				
<u>Regular Programs</u>				
Salaries	307,833	307,833	283,970	23,863
Employees Benefits	129,827	129,827	108,452	21,375
Purchased Services-Professional	1,050	1,050	1,241	(191)
Purchased Services-Property	-	-	-	-
Purchased Services-Other	39,075	39,075	33,314	5,761
Supplies and Materials	40,632	40,632	44,339	(3,707)
Property	-	-	5,807	(5,807)
Other Objects	16,848	16,848	11,052	5,796
<u>Total Instruction</u>	<u>535,265</u>	<u>535,265</u>	<u>488,175</u>	<u>47,090</u>

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

KIM SCHOOL DISTRICT RE-88
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

<u>SUPPORTING SERVICES</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Instructional Staff</u>				
Salaries	19,988	19,988	15,185	4,803
Employee Benefits	755	755	5,563	(4,808)
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	-	-	-	-
Purchased Services – Other	-	-	-	-
Supplies and Materials	5,000	5,000	5,938	(938)
Property	-	-	-	-
Other Objects	-	-	16	(16)
<u>Total Instructional Staff</u>	<u>25,743</u>	<u>25,743</u>	<u>26,702</u>	<u>(959)</u>
<u>General Administration</u>				
Salaries	108,270	108,270	111,217	(2,947)
Employee Benefits	35,730	35,730	33,356	2,374
Purchased Services-Professional	25,850	25,850	26,506	(656)
Purchased Services-Property	-	-	-	-
Purchased Services-Other	5,300	5,300	3,288	2,012
Supplies and Materials	6,000	6,000	4,228	1,772
Property	-	-	-	-
Other Objects	47,836	47,836	4,079	43,757
<u>Total General Administration</u>	<u>228,986</u>	<u>228,986</u>	<u>182,674</u>	<u>46,312</u>
<u>Operations and Maintenance</u>				
Salaries	39,600	39,600	30,421	9,179
Employees Benefits	15,000	15,000	10,054	4,946
Purchased Services-Professional	-	-	-	-
Purchased Services-Property	17,000	17,000	12,165	4,835
Purchased Services-Other	5,000	5,000	5,701	(701)
Supplies and Materials	42,000	42,000	45,596	(3,596)
Property	-	-	13,197	(13,197)
Other Objects	20,000	20,000	-	20,000
<u>Total Operations and Maintenance</u>	<u>138,600</u>	<u>138,600</u>	<u>117,134</u>	<u>21,466</u>

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

KIM SCHOOL DISTRICT RE-88
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

<u>Supporting Services (Continued)</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Student Transportation</u>				
Salaries	25,000	25,000	18,581	6,419
Employee Benefits	5,051	5,051	6,775	(1,724)
Purchased Services-Other	-	-	10,364	(10,364)
Supplies and Materials	35,149	35,149	19,439	15,710
Property	-	-	-	-
Other Objects	-	-	62	(62)
<u>Total Student Transportation</u>	<u>65,200</u>	<u>65,200</u>	<u>55,221</u>	<u>9,979</u>
<u>Central Support</u>				
Salaries	-	-	-	-
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	-	-	-	-
Purchased Services-Other	35,500	35,500	52,069	(16,569)
Property	-	-	-	-
Other Objects	-	-	234	(234)
<u>Total Central Support</u>	<u>35,500</u>	<u>35,500</u>	<u>52,303</u>	<u>(16,803)</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>494,029</u>	<u>494,029</u>	<u>434,034</u>	<u>59,995</u>
<u>APPROPRIATED RESERVES</u>	<u>1,027,737</u>	<u>1,027,737</u>	<u>-</u>	<u>1,027,737</u>
<u>TOTAL EXPENDITURES</u>	<u>2,057,031</u>	<u>2,057,031</u>	<u>922,209</u>	<u>1,134,822</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(1,019,281)</u>	<u>(1,019,281)</u>	<u>213,066</u>	
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	<u>(40,000)</u>	<u>(40,000)</u>	<u>(30,000)</u>	<u>10,000</u>
<u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	<u>(1,059,281)</u>	<u>(1,059,281)</u>	<u>183,066</u>	
<u>FUND BALANCE, Beginning</u>	<u>1,059,281</u>	<u>1,059,281</u>	<u>1,117,838</u>	
<u>FUND BALANCE, Ending</u>	<u>-</u>	<u>-</u>	<u>1,300,904</u>	

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

KIM SCHOOL DISTRICT RE-88
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
District's proportion of the net pension liability (asset)	0.0102%	0.0107%	0.0106%	-	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$1,561,381	\$1,454,664	\$1,358,164	-	-	-	-	-	-	-
District's covered-employee payroll	\$455,545	\$450,519	\$424,049	-	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	343%	353%	320%	-	-	-	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	59.2%	62.80%	64.06%	-	-	-	-	-	-	-

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

KIM SCHOOL DISTRICT RE-88
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 For The Last 10 Fiscal Years (As Available)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Contractually required contributions	\$ 80,837	\$ 76,052	\$ 74,813	\$ 70,134	-	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (80,837)</u>	<u>\$ (76,052)</u>	<u>\$ (74,813)</u>	<u>\$ (70,134)</u>	-	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-
District's covered-employee payroll	\$455,545	\$450,519	\$424,049	\$398,838	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	17.74%	16.88%	17.64%	17.58%	-	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

Bond Redemption Fund – Used to account for the collections of taxes and payment of bonds.

Building – Capital Project Fund – Used to account for the activities associated with major construction projects.

Food Service – Special Revenue Fund – This fund accounts for all financial activities associated with the District's school breakfast and lunch programs.

Fiduciary Fund

Pupil Activity Agency Fund – This fund is used to account for the activities of student clubs and organizations held in a fiduciary capacity by the District.

KIM SCHOOL DISTRICT RE-88
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2014

	<u>Food Service</u>	<u>Bond Fund</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and Investments	4,263	152,689	156,952
Accounts Receivable	-	-	-
Due from Other Funds	-	2,321	2,321
Property Taxes Receivable	-	12,544	12,544
Inventories	<u>1,630</u>	<u>-</u>	<u>1,630</u>
<u>Total Assets</u>	<u>5,893</u>	<u>167,554</u>	<u>173,447</u>
<u>LIABILITIES</u>			
Accounts Payable	-	-	-
Accrued Salaries	-	-	-
Due To Other Funds	-	-	-
Other Payables	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Liabilities</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>DEFERRED INFLOW OF RESOURCES</u>			
Property Taxes	<u>-</u>	<u>8,540</u>	<u>8,540</u>
<u>FUND BALANCES:</u>			
Nonspendable:			
Inventories	1,630	-	1,630
Restricted:			
Emergencies	-	-	-
Preschool	-	-	-
Capital Outlay	-	-	-
Debt Service	-	159,014	159,014
Assigned:			
Food Service	4,263	-	4,263
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Fund Balances</u>	<u>5,893</u>	<u>159,014</u>	<u>164,907</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>			
	<u>5,893</u>	<u>167,554</u>	<u>173,447</u>

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

KIM SCHOOL DISTRICT RE-88
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2014

	<u>Food Service</u>	<u>Bond Fund</u>	<u>Total Non-Major Governmental Fund</u>
<u>REVENUES:</u>			
Property Taxes	-	209,552	209,552
Specific Ownership Taxes	-	-	-
Earnings on Investments	11	55	66
Other Local Sources	6,721	533	7,254
State Aid	435	-	435
Federal Aid	14,466	-	14,466
Allocation to Reserves	-	-	-
<u>Total Revenues</u>	<u>21,633</u>	<u>210,140</u>	<u>231,773</u>
<u>EXPENDITURES:</u>			
Current:			
Instructional Services	-	-	-
Supporting Services:			
Students	-	-	-
Instructional Staff	-	-	-
District Administration	-	-	-
School Administration	-	-	-
Business	-	-	-
Operation & Maintenance of Facilities	-	-	-
Transportation	-	-	-
Central	-	-	-
Food Service	58,799	-	58,799
Debt Service:			
Principal Retirement	-	93,146	93,146
Interest and Fiscal Charges	-	108,742	108,742
Capital Outlay	-	-	-
<u>Total Expenditures</u>	<u>58,799</u>	<u>201,888</u>	<u>260,687</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(37,166)</u>	<u>8,252</u>	<u>(28,914)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	30,000	-	30,000
<u>NET CHANGE IN FUND BALANCES</u>	<u>(7,166)</u>	<u>8,252</u>	<u>1,086</u>
<u>FUND BALANCES, Beginning</u>	<u>13,059</u>	<u>150,762</u>	<u>163,821</u>
<u>FUND BALANCES, Ending</u>	<u>5,893</u>	<u>159,014</u>	<u>164,907</u>

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

KIM SCHOOL DISTRICT RE-88
 BOND REDEMPTION FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUES</u>			
Property Taxes	210,000	209,552	(448)
Specific Ownership Taxes	-	-	-
Earnings on Investments	-	55	55
Other Local Sources	-	533	533
<u>Total Revenues</u>	<u>210,000</u>	<u>210,140</u>	<u>140</u>
<u>EXPENDITURES</u>			
Debt Service:			
Principal Retirement	93,146	93,146	-
Interest and Fiscal Charges	108,992	108,742	250
Other	-	-	-
Contingency	<u>158,624</u>	-	<u>158,624</u>
<u>Total Expenditures</u>	<u>360,762</u>	<u>201,888</u>	<u>158,874</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(150,762)	8,252	
<u>FUND BALANCE, July 1</u>	<u>150,762</u>	<u>150,762</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>159,014</u>	

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

KIM SCHOOL DISTRICT RE-88
FOOD SERVICE -- SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>OPERATING REVENUES</u>			
<u>Local Sources</u>			
Food Sales	6,000	6,458	458
Earnings on Investments	15	10	(5)
Other	-	-	-
<u>State Sources</u>			
School Lunches	450	699	249
<u>Federal Sources</u>			
School Lunches	13,000	13,654	654
Commodities	-	812	812
<u>Total Operating Revenues</u>	<u>19,465</u>	<u>21,633</u>	<u>2,168</u>
<u>OPERATING EXPENDITURES</u>			
Salaries	21,887	23,452	(1,565)
Employee Benefits	13,578	11,364	2,214
Purchased Services – Professional	-	-	-
Purchased Services – Property	2,000	463	1,537
Purchased Services - Other	-	-	-
Supplies and Materials	21,400	21,340	60
Capital Outlay	3,600	-	3,600
Other	9,000	1,368	7,632
Commodities	-	812	(812)
Depreciation	-	-	-
<u>Total Expenditures</u>	<u>71,465</u>	<u>58,799</u>	<u>12,666</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(52,000)	(37,166)	
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers from General Fund	<u>40,000</u>	<u>30,000</u>	<u>(10,000)</u>
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	(12,000)	(7,166)	
<u>FUND BALANCE, July 1</u>	<u>12,000</u>	<u>13,059</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>5,893</u>	

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

KIM SCHOOL DISTRICT RE-88
BUILDING – MAJOR CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUES</u>			
Earnings on Investments	-	-	-
Other Local	-	-	-
Grant Revenue	<u>7,285,000</u>	<u>6,555,950</u>	<u>(729,050)</u>
<u>Total Revenues</u>	<u>7,285,000</u>	<u>6,555,950</u>	<u>(729,050)</u>
<u>EXPENDITURES</u>			
Land and Land Sites	-	-	-
Building and Improvements	7,285,000	6,494,882	790,118
Equipment	-	-	-
Vehicles	-	-	-
Other	-	-	-
Contingency Reserves	-	-	-
<u>Total Expenditures</u>	<u>7,285,000</u>	<u>6,494,882</u>	<u>790,118</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>-</u>	<u>61,068</u>	
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers	-	-	-
Proceeds from Debt	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>-</u>	<u>61,068</u>	
<u>FUND BALANCE, July 1</u>	<u>-</u>	<u>-</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>61,068</u>	

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

KIM SCHOOL DISTRICT RE-88
PUPIL ACTIVITY - AGENCY FUND
SCHEDULE OF ACTIVITIES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>ADDITIONS</u>			
Local Sources	69,040	35,709	(33,331)
State Sources	-	-	-
Federal Sources	-	-	-
<u>Total Additions</u>	<u>69,040</u>	<u>35,709</u>	<u>(33,331)</u>
 <u>DEDUCTIONS</u>			
Student Activities	69,040	32,701	36,339
<u>Total Deductions</u>	<u>69,040</u>	<u>32,701</u>	<u>36,339</u>
 <u>Net Increase (Decrease) in Deposits Held for Others</u>	-	3,008	
 <u>Deposits Held for Others – Beginning of Year</u>	41,618	41,618	
 <u>Deposits Held for Others – End of Year</u>	41,618	44,626	

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

STATE REQUIRED SCHEDULES

Auditor's Integrity Report (Revenues, Expenditures, and Fund Balance by Fund)

Bolded Balance Sheet



Colorado Department of Education
Auditors Integrity Report
 District: 1760 - KIM REORGANIZED 88
 Fiscal Year 2015-16
 Colorado School District/BOCES

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental				
10 General Fund	1,109,776	1,084,576	896,676	1,297,476
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	8,062	20,696	25,332	3,426
Sub-Total	1,117,838	1,105,274	922,008	1,300,904
11 Charter School Fund	0	0	0	0
20.216-29 Special Revenue Fund	0	0	0	0
21 Food Service Spec Revenue Fund	13,058	51,634	58,799	5,893
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	150,763	210,140	201,868	159,015
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	6,555,950	6,494,802	61,068
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
Totals	1,281,599	7,922,966	7,617,778	1,526,879
Proprietary				
50 Other Enterprise Funds	0	0	0	0
54 (53) Risk-Related Activity Fund	0	0	0	0
60.05-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	41,618	35,709	32,701	44,626
79 GASB 34/Permanant Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	41,618	35,709	32,701	44,626

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.



Colorado Department of Education
Bolded Balance Sheet Report
 District: 1760 - KIM REORGANIZED 88
 Fiscal Year 2015-16
 Colorado School District/BOCES

ASSETS	Governmental						Proprietary					Fiduciary		Totals
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85		
Cash and Investments (8100-8104,8111)	1,398,807	0	4,687	4,263	0	0	0	0	0	0	45,408	0	1,453,165	
Cash with Fiscal Agent (8105)	705	0	0	0	0	152,690	0	0	0	0	0	0	153,394	
Taxes Receivable (8121,8122)	29,070	0	0	0	0	12,544	0	0	0	0	0	0	41,614	
Interfund Loans Receivable (8131,8132)	0	0	583	0	0	2,321	61,068	0	0	0	0	0	63,971	
Grants Accounts Receivable (8142)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Receivables (8151-8154,8161)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Inventories (8171,8172,8173)	0	0	0	1,630	0	0	0	0	0	0	0	0	1,630	
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Assets	1,428,582	0	5,270	5,893	0	167,555	61,068	0	0	0	45,408	0	1,713,775	

Governmental Proprietary Fiduciary

LIABILITIES & FUND EQUITY	Governmental							Proprietary				Fiduciary	
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Interfund Payables (7401,7402)	63,971	0	0	0	0	0	0	0	0	0	0	0	63,971
Other Payables (7421-7423)	7,483	0	0	0	0	0	0	0	0	782	0	0	8,265
Accrued Expenses (7461)	49,579	0	1,844	0	0	0	0	0	0	0	0	0	51,423
Unearned Revenue (7481)	0	0	0	0	0	8,540	0	0	0	0	0	0	8,540
Deferred Inflow (7800)	10,070	0	0	0	0	0	0	0	0	0	0	0	10,070
Total Liabilities	131,104	0	1,844	0	0	8,540	0	0	0	782	0	0	142,270

Governmental

Proprietary

Fiduciary

FUND EQUITY	Governmental										Proprietary					Fiduciary	
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals				
Non-spendable Fund Balance 6710	0	0	0	1,630	0	0	0	0	0	0	0	1,630					
Restricted Fund Balance 6720	0	0	0	4,263	0	159,015	61,068	0	0	0	0	224,345					
TABOR 3% Emergency Reserve 6721	33,400	0	0	0	0	0	0	0	0	0	0	33,400					
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0					
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0					
Colorado Preschool Program (CPP) Reserve 6724	0	0	3,426	0	0	0	0	0	0	0	0	3,426					
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0					
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0					
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	0	0	0	0					
Committed Fund Balance 6750	0	0	0	0	0	0	0	0	0	0	0	0					
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	0	0					
Unassigned Fund Balance 6770	1,264,078	0	0	0	0	0	0	0	0	44,626	0	1,308,704					
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0					
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0					
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0					
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0					
Total Fund Equity	1,297,478	0	3,426	5,893	0	159,015	61,068	0	0	44,626	0	1,571,505					

Total Liabilities & Fund Equity	Governmental										Proprietary					Fiduciary	
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals				
1,428,582	0	0	5,270	5,893	0	167,555	61,068	0	0	45,408	0	1,713,775					

Do Assets=Liability+Fund Equity	Governmental										Proprietary					Fiduciary	
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Food Service Special Revenue Fund 21	Special Revenue Funds 20, 22-29	Debt Service Funds 30-39	Capital Projects Funds 40-49	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals				
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes					