

cPa DIXON, WALLER & CO., INC.

KIOWA COUNTY SCHOOL

DISTRICT RE-2

SHERIDAN LAKE, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2017



RECEIVED

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DIXON, WALLER & CO., INC.

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FINANCIAL STATEMENTS
JUNE 30, 2017

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KIOWA COUNTY SCHOOL DISTRICT RE-2
ROSTER OF SCHOOL OFFICIALS
June 30, 2017

BOARD OF EDUCATION

Marvin Koeller	President
Howard Votruba	Vice President
Chris Stum	Treasurer
Sharon Scott	Member
Kirbi Stum	Secretary

OTHER OFFICIALS

Lance Mosness	Superintendent
Dawna Peck	Business Manager

FINANCIAL SECTION

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

INDEPENDENT AUDITOR'S REPORT

Board of Education
Kiowa County School District RE-2
Sheridan Lake, Colorado 81071

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kiowa County School District RE-2, as of and for the year ended June 30, 2017, 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 Kiowa County School District RE-2, as of June 30, 2017, 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 32 through 36 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 Kiowa County School District RE-2's basic financial statements. The combining and individual fund financial statements, 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 financial 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 financial statements, other schedules, and state required schedules, are fairly stated, in all material respect, in relation to the basic financial statements as a whole.

Sifton, Waller & Co., Inc.

Trinidad, Colorado
November 15, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

Plainview School District Re-2
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017

This Management's Discussion and Analysis (MD&A) of Plainview School District Re-2 is an element of reporting for the Governmental Accounting Standard Board (GASB) in their Statement No. 34, Basic Financial Statements for State and Local Governments, issued June 1999. This discussion provides an overall review of the District's financial activities for the fiscal year ended June 30, 2017. The intent of this information presented here in conjunction with the District's financial statements following this section.

The District was required to implement GASB 68 in 2015. The 2017 net pension liability is \$3,473,418. Under GASB 68 the District's proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association, is recorded as a liability of the District.

Financial Highlights

The District's total assets and deferred outflows were less than the total liabilities and deferred inflows by \$(882,681) (total net position).

Governmental expenditures of \$1,186,745 were less than governmental revenues of \$1,181,890 by \$4,855.

The District had adequate resources available for all appropriations.

Overview of the Financial Statements

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

District-Wide Financial Statements

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

The two district-wide statements report the district's net position and how it has changed. Net position, the difference between the District's assets, liabilities and deferred flows, are one way to measure the District's financial health or position. The difference between assets, liabilities and deferred flows is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Plainview School District Re-2
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017

The district-wide statements consist of governmental activities.

Governmental activities: Most of the District's basic services are included here, such as instruction, transportation, maintenance and operations, and administration. The School Finance act of 1994, as amended, made up of property taxes and state equalization, finances most of these activities. This information is comprised of all of the Plainview School District Funds.

Fund Financial Statements

The fund financial statements provide detailed information about the District's funds, focusing on its most significant funds or "major" funds, not the district as a whole. Fund financial statements are designed to demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Plainview School District, like other governments, uses fund accounting to ensure and demonstrate 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, which generally focus on the determination of financial position and change in financial position, not on income determination. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed short-term view of the districts operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds: Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district does not have any proprietary funds.

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 purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations. The district has no fiduciary funds types.

Notes to the Financial Statements

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

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

Plainview School District Re-2
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017

Financial Analysis of the District's Funds

State funding (equalization) for the General Fund is based upon a pupil count of 56 for the 2016-2017 school year. Pre-school and kindergarten students are funded at approximately one half of the full time student rate.

General Fund Budgetary Highlights

Expenditures exceed revenues by \$4,855. The district must maintain a 3% emergency reserve as part of the Taxpayer Bill of Rights (TABOR); at June 30, 2017, the district's TABOR reserve was \$33,500.00.

**Financial Analysis of the District as a Whole
TABLE 1 NET POSITION**

The district's total net position on June 30, 2017 was \$(882,681). Of the districts \$1,484,216 in assets, \$362,028 reflects an investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment). The district uses capital assets to provide services for students; consequently, these assets are not available for future spending. Unrestricted net position (deficit of 1,285,776 at June 30, 2017) may be used to meet the district's ongoing financial obligations.

Plainview School District Re-2
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017

Table 1						
Net Position	2017			2016		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
Assets						
Current & Other Assets	1,122,188			1,151,725		
Capital Assets	362,028			377,466		
Total Assets	1,484,216		1,484,216	1,529,191		1,529,191
Deferred outflow of Resources	1,331,021		1,331,021	237,400		237,400
Liabilities						
Current & other Liabilities	74,907			75,377		
Long Term Liabilities	0			29,362		
Net Pension Obligation	3,473,418			1,925,434		
Total Liabilities	3,548,325		3,548,325	2,030,173		2,030,173
Deferred Inflow of Resources	149,593		149,593	101,839		101,839
Net Position						
Net Investment in Capital Assets	362,028			377,466		
Restricted for:						
Tabor Reserve	33,500			35,000		
Multi Year Obligations						
Preschool	7,556			1,649		
Insurance						
Food Services	11					
Unrestricted	(1,285,776)			(779,536)		
	(882,681)		(882,681)	(365,421)		(365,421)

Table 2 - Changes in Net Position

Plainview School District Re-2
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017

Table 2						
Changes in Net Position	2017			2016		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
Revenues						
Charges for Services	33,218		33,218	14,162		14,162
Operating Grants & Contributions	125,649		125,649	107,610		107,610
Capital Grants & Contribution	0		0	28,545		28,545
Property Taxes	388,208		388,208	467,064		467,064
Specific Ownership Tax	62,681		62,681	68,680		68,680
Equalization	544,147		544,147	479,665		479,665
Earnings on Investments	2,159		2,159	2,200		2,200
Other Revenues	30,977		30,977	31,603		31,603
Transfers						
Total Revenues	1,178,039		1,187,039	1,199,529		1,199,529
Expenses						
Instructional Services	541,341		541,341	512,426		512,426
Students	58,772		58,772	50,914		50,914
Instructional Staff	677		677	16,556		16,556
District Admin	137,099		137,099	108,304		108,304
School Admin	36,306		36,306	29,201		29,201
Business	48,291		48,291	50,587		50,587
Operation & Maint of facilities	188,592		188,592	173,219		173,219
Transportation	58,938		58,938	75,438		75,438
Central	58,454		58,454	44,098		44,098
Capital Outlay						
Pension cost	502,117		502,117	53,261		53,261
Food Service	73,713		73,713	67,207		67,207
Total Expenses	1,704,300		1,704,300	1,181,283		1,181,283
Increase (Decrease) in Net Position	(517,261)		(517,261)	18,246		18,246

Plainview School District Re-2
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017

The following table shows the Districts major functions. It also shows the net costs (total costs less revenues generated by activities). The majority of costs for these services is financed with state equalization and property taxes.

Table 3

Governmental Activities

Table 3 – Governmental Activities by Major Function

	2017		2016	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instructional Services	541,341	469,898	512,426	451,797
Students	58,772	36,5420	50,914	22,369
Instructional Staff	677	677	16,556	16,556
District Administration	137,099	137,099	108,304	108,304
School Administration	36,306	36,306	29,201	29,201
Business	48,291	48,291	50,587	50,587
Operation & Maint of facilities	188,592	188,592	173,291	173,291
Transportation	58,938	41,808	75,438	52,402
Central	58,454	58,454	44,098	44,098
Capital Outlay				
Pension Cost	502,117	502,117	53,261	53,261
Food Services	73,713	25,649	67,207	29,100
Total	1,704,300	1,545,433	1,181,283	1,030,960

Plainview School District Re-2
 Management's Discussion and Analysis
 Fiscal Year Ended June 30, 2017

The following table shows the District's net capital assets by category. The total assets at June 30, 2017 were \$1,958,282 and accumulated depreciation was \$1,596,254.

Table 4: Capital Assets (Net of Depreciation)

	Business			Business		
	Governmental	Type	Total	Governmental	Type	Total
	2017	2017	2017	2016	2016	2016
Land & Sites	4,031		4,031	4,844		4,844
Building & Improvements	232,067		232,067	251,714		251,714
Equipment & Vehicles	125,930		125,930	120,908		120,908
Other						
Total Capital Assets	362,028		362,028	377,466		377,466

Major Effects on Financial Position, Economic Factors

The budget for 2017-2018 will continue to be impacted by enrollment, increased health insurance costs, utility costs, and fuel costs. The district is committed to reducing spending and increasing both PPOR and non PPOR revenues.

Contacting the District Financial Management

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

Mr. Lance Mosness
 Superintendent of Schools
 Plainview School District Re-2
 13997 County Rd 71
 Sheridan Lake, CO 81071

BASIC FINANCIAL STATEMENTS

KIOWA COUNTY SCHOOL DISTRICT RE-2
STATEMENT OF NET POSITION
June 30, 2017

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
Cash	1,064,893	1,064,893
Investments	-	-
Accounts Receivable	-	-
Accrued Revenue	16,948	16,948
Property Taxes Receivable	36,700	36,700
Inventories	3,647	3,647
Capital Assets	1,958,282	1,958,282
Accumulated Depreciation	(1,596,254)	(1,596,254)
<u>Total Assets</u>	<u>1,484,216</u>	<u>1,484,216</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
Deferred Pension Cost – Plan	1,286,619	1,286,619
Deferred Pension Cost – Contributions Subsequent to Pension Measurement Date	<u>44,402</u>	<u>44,402</u>
<u>Total Deferred Outflows of Resources</u>	<u>1,331,021</u>	<u>1,331,021</u>
 <u>LIABILITIES</u>		
Accounts Payable	16,247	16,247
Accrued Salaries and Benefits	58,660	58,660
Other - Due to CDE	-	-
Net Pension Liability	<u>3,473,418</u>	<u>3,473,418</u>
<u>Total Liabilities</u>	<u>3,548,325</u>	<u>3,548,325</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>		
Deferred Pension – Plan	15,694	15,694
Deferred Pension - Entity	<u>133,899</u>	<u>133,899</u>
<u>Total Deferred Inflows</u>	<u>149,593</u>	<u>149,593</u>
 <u>NET POSITION</u>		
Net Investment in Capital Assets	362,028	362,028
Restricted for:		
TABOR Reserve	33,500	33,500
Preschool	7,556	7,556
Food Service	11	11
Unrestricted	<u>(1,285,776)</u>	<u>(1,285,776)</u>
<u>TOTAL NET POSITION</u>	<u>(882,681)</u>	<u>(882,681)</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017

	<u>Program Revenues</u>				<u>Net (Expenses) Revenue and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants & Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>	
					<u>Governmental Activities</u>	<u>Total</u>
FUNCTIONS						
Instructional Services	541,341	572	70,871	-	(469,898)	(469,898)
Supporting Services:						
Students	58,772	22,230	-	-	(36,542)	(36,542)
Instructional Staff	677	-	-	-	(677)	(677)
District Administration	137,099	-	-	-	(137,099)	(137,099)
School Administration	36,306	-	-	-	(36,306)	(36,306)
Business	48,291	-	-	-	(48,291)	(48,291)
Operation & Maintenance Of Facilities	188,592	-	-	-	(188,592)	(188,592)
Transportation	58,938	-	17,130	-	(41,808)	(41,808)
Central	58,454	-	-	-	(58,454)	(58,454)
Community	-	-	-	-	-	-
Food Service	73,713	10,416	37,648	-	(25,649)	(25,649)
Capital Outlay	-	-	-	-	-	-
Pension Cost	502,117	-	-	-	(502,117)	(502,117)
<u>Total Governmental Activities</u>	<u>1,704,300</u>	<u>33,218</u>	<u>125,649</u>	<u>-</u>	<u>(1,545,433)</u>	<u>(1,545,433)</u>
<u>Total School District</u>	<u>1,704,300</u>	<u>33,218</u>	<u>125,649</u>	<u>-</u>	<u>(1,545,433)</u>	<u>(1,545,433)</u>
		<u>General Revenues</u>				
					388,208	388,208
					62,681	62,681
					544,147	544,147
					2,159	2,159
					30,977	30,977
					<u>1,028,172</u>	<u>1,028,172</u>
					(517,261)	(517,261)
					(365,420)	(365,420)
					<u>(882,681)</u>	<u>(882,681)</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash	1,025,367	39,526	1,064,893
Accounts Receivable	-	-	-
Accrued Revenue	16,948	-	16,948
Due From Other Funds	10,000	-	10,000
Property Taxes Receivable	36,700	-	36,700
Inventories	-	<u>3,647</u>	<u>3,647</u>
<u>Total Assets</u>	<u>1,089,015</u>	<u>43,173</u>	<u>1,132,188</u>
<u>LIABILITIES:</u>			
Accounts Payable	16,247	-	16,247
Accrued Salaries and Benefits	55,252	3,408	58,660
Due To Other Funds	-	10,000	10,000
Other Payables – Due to CDE	-	-	-
<u>Total Liabilities</u>	<u>71,499</u>	<u>13,408</u>	<u>84,907</u>
<u>DEFERRED INFLOW OF RESOURCES</u>			
Property Tax	<u>17,475</u>	-	<u>17,475</u>
<u>FUND BALANCES:</u>			
Nonspendable:			
Inventories	-	3,647	3,647
Restricted:			
Emergency Reserve	33,500	-	33,500
Food Service	-	11	11
Preschool	7,556	-	7,556
Assigned:			
Healthy Food Initiative	-	4,000	4,000
Student Activities	-	22,107	22,107
Unassigned	<u>958,985</u>	-	<u>958,985</u>
<u>Total Fund Balances</u>	<u>1,000,041</u>	<u>29,765</u>	<u>1,029,806</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>			
	<u>1,089,015</u>	<u>43,173</u>	<u>1,132,188</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2017

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

<u>Total Fund Balance – Governmental Funds</u>	1,029,806
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$1,958,282 and the accumulated depreciation is \$1,596,254.	362,028
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.	17,475
Net pension liability, along with associated deferred flow, are not recorded at the fund level:	
Net Pension Liability	(3,473,418)
Deferred Pension Cost – Contributions Subsequent to Pension Measurement Date	44,402
Deferred Pension – Plan	1,270,925
Deferred Pension - Entity	<u>(133,899)</u>
 <u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	 <u>(882,681)</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2017

	General	Other Governmental Funds	Total Governmental Funds
<u>REVENUES</u>			
Property Taxes	383,059	-	383,059
Specific Ownership Taxes	62,681	-	62,681
Earnings on Investments	2,150	9	2,159
Other Local Sources	56,214	36,646	92,860
State Aid	571,897	1,034	572,931
Federal Aid	<u>35,586</u>	<u>32,614</u>	<u>68,200</u>
<u>Total Revenues</u>	<u>1,111,587</u>	<u>70,303</u>	<u>1,181,890</u>
<u>EXPENDITURES</u>			
<u>Current:</u>			
Instructional Services	507,747	-	507,747
Supporting Services:			
Students	31,912	26,860	58,772
Instructional Staff	677	-	677
District Administration	137,099	-	137,099
School Administration	36,306	-	36,306
Business	48,291	-	48,291
Operation & Maintenance of Facilities	219,595	-	219,595
Transportation	47,413	-	47,413
Food Service	-	72,391	72,391
Central	58,454	-	58,454
Capital Outlay	-	-	-
<u>Total Expenditures</u>	<u>1,087,494</u>	<u>99,251</u>	<u>1,186,745</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>24,093</u>	<u>(28,948)</u>	<u>(4,855)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>(29,189)</u>	<u>29,189</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(29,189)</u>	<u>29,189</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	(5,096)	241	(4,855)
<u>FUND BALANCE – Beginning</u>	<u>1,005,137</u>	<u>29,524</u>	<u>1,034,661</u>
<u>FUND BALANCES – Ending</u>	<u>1,000,041</u>	<u>29,765</u>	<u>1,029,806</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2017

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

<u>Net Change in Fund Balances – Total Governmental Funds</u>	(4,855)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more the \$1,000 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.</p>	
Capital Outlays more than \$1,000	39,269
Depreciation Expense	(54,707)
	(15,438)
<p>Property tax revenues are not recognized for amounts levied and due but not “available” at year end and are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities.</p>	
	5,149
<p>The change in net pension liability, along with the changes and amortizations of deferred flows associated with the net pension liability are not recorded at the fund level:</p>	
Pension Cost	(502,117)
 <u>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</u>	 (517,261)

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

NOTES TO BASIC FINANCIAL STATEMENTS

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Kiowa County School District RE-2 (the District) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

The District operates under an elected Board of Education with five 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 Kiowa County School District RE-2. 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 basic financial statements present the District (the primary government) and its component units.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

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 and proprietary funds. Major individual governmental funds (General Fund) and 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.

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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 if collected within 60 days after year-end.

Property and automotive ownership taxes are reported as receivables and deferred inflows 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.

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.

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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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 2016 but uncollected in 2017 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2017 are recorded as deferred revenue, 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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 \$1,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-50 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position 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 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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. 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. The District's 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.

K. 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.

In November of 1996 the registered voters approved a ballot resolution authorizing Kiowa County School District RE-2 to collect, retain and expend (during 1996 and beyond) all revenues from any source provided that no property tax mill levy be increased or any new tax imposed without the consent of the voters.

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. As of June 30, 2017 the District reserved \$33,500 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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2016 property tax calendar for Kiowa County was as follows:

Levy Date	December 15, 2016
Lien Date	January 1, 2017
Tax Bills Mailed	January 1, 2017
First Installment Due	February 28, 2017
Second Installment Due	June 15, 2017
If Paid in Full, Due	April 30, 2017
Tax Sale – 2015 Delinquent Property Taxes	October 25, 2016

M. Accumulated Staff Leave

District policy allows for the accumulation of staff leave. Administrative, certified and non-certified staff can accumulate from 10 to 32 days depending on their position. Up to three days leave above the maximum is reimbursed annually.

The liability for accumulated leave is immaterial and is not recorded in the financial statements.

N. 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.

O. Interest Expense

All interest expense has been reported as unallocated in the Government-wide financial statements.

P. 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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. GASB Statement No. 54 (Continued)

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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. GASB Statement No. 54 (Continued)

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Pupil Activity Fund</u>	<u>Food Service Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>				
Inventories	-	-	3,647	3,647
<u>Restricted:</u>				
Emergencies	33,500	-	-	33,500
Food Service	-	-	11	11
Preschool	7,556	-	-	7,556
<u>Assigned:</u>				
Healthy Food Initiative	-	-	4,000	4,000
Student Activities	-	22,107	-	22,107
<u>Unassigned</u>	<u>958,985</u>	<u>-</u>	<u>-</u>	<u>958,985</u>
<u>Total Fund Balances</u>	<u>1,000,041</u>	<u>22,107</u>	<u>7,658</u>	<u>1,029,806</u>

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 government funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

These reconciliation's 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.

The following transactions between funds have been eliminated in the government-wide statements:

	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>	<u>Transfer To Other Funds</u>	<u>Transfer From Other Funds</u>
General Fund	-	10,000	29,189	-
Pupil Activity Fund	-	-	-	-
Food Service	10,000	-	-	29,189
Total	<u>10,000</u>	<u>10,000</u>	<u>29,189</u>	<u>29,189</u>

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

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 and Special Revenue Funds.
6. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 4 CASH AND INVESTMENTS (Continued)

At June 30, 2017, 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	812,903	818,113
Cash with County Treasurer	1,490	-
Cash on Hand	<u>500</u>	<u>-</u>
<u>Total Cash and Deposits</u>	<u>1,064,893</u>	<u>1,068,113</u>

As presented above, deposits with a bank balance of \$818,113 and a carrying balance of \$812,903 as of June 30, 2017 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
<u>Depreciable Assets:</u>				
Buildings	1,256,991	-	-	1,256,991
Site Improvements	71,101	-	-	71,101
Vehicles	241,466	-	-	241,466
Food Service Equipment	53,023	3,207	-	56,230
Equipment	<u>296,432</u>	<u>36,062</u>	<u>-</u>	<u>332,494</u>
<u>Total Depreciable Assets</u>	<u>1,919,013</u>	<u>39,269</u>	<u>-</u>	<u>1,958,282</u>
<u>Less Accumulated</u>				
<u>Depreciation for:</u>				
Buildings	1,005,277	19,647	-	1,024,924
Site Improvements	66,257	813	-	67,070
Vehicles	213,617	11,525	-	225,142
Food Service Equipment	45,526	1,322	-	46,848
Equipment	<u>210,870</u>	<u>21,400</u>	<u>-</u>	<u>232,270</u>
<u>Total Accumulated</u>				
<u>Depreciation</u>	<u>1,541,547</u>	<u>54,707</u>	<u>-</u>	<u>1,596,254</u>
<u>Total Capital Assets, Net</u>	<u>377,466</u>	<u>(15,438)</u>	<u>-</u>	<u>362,028</u>

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 5 CAPITAL ASSETS (Continued)

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

Governmental Activities:

Instruction	36,472
Transportation	11,525
Operations & Maintenance	5,388
Food Service	<u>1,322</u>
<u>Total Depreciation Expense –Governmental Activities</u>	<u>54,707</u>

NOTE 6 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, and June 30, 2017, are estimated to be \$58,660. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements.

NOTE 7 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Kiowa County School District RE-2 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 Kiowa County School District RE-2 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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 7 PENSION PLAN (Continued)

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. 24-51-602, 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.

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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

NOTE 7 PENSION PLAN (Continued)

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.

Contributions. Eligible employees and Kiowa County School District RE-2 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, 2016	For the Year Ended December 31, 2017
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	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. 24-51-411	4.50%	5.00%
Total Employer Contribution Rate to the SCHDTF	18.13%	18.63%

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 Kiowa County School District RE-2 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Kiowa County School District RE-2 were \$92,070 for the year ended June 30, 2017.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 7 PENSION PLAN (Continued)

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

At June 30, 2017, the Kiowa County School District RE-2 reported a liability of \$3,473,418 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The Kiowa County School District RE-2 proportion of the net pension liability was based on Kiowa County School District RE-2 contributions to the SCHDTF for the calendar year 2016 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2016, the Kiowa County School District RE-2 proportion was 0.0117 percent, which was a decrease of 0.0009 in its proportion measured as of December 31, 2015.

For the year ended June 30, 2017, the Kiowa County School District RE-2 recognized pension expense of \$502,117. At June 30, 2017, the Kiowa County School District RE-2 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	43,423	(31)
Changes of assumptions or other inputs	1,127,052	(15,663)
Net difference between projected and actual earnings on pension plan investments	116,144	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	(133,899)
Contributions subsequent to the measurement date	44,402	N/A
Total	1,331,021	(149,593)

KIOWA COUNTY SCHOOL DISTRICT RE-2
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 7 PENSION PLAN (Continued)

\$44,402 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, 2018. 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, 2017	
2018	437,687
2019	465,100
2020	233,080
2021	1,159
2022	-
Thereafter	-

Actuarial assumptions. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial cost method, 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
Discount Rate	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

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumptions were adopted by PERA's Board on November 18, 2016 and effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016:

KIOWA COUNTY SCHOOL DISTRICT RE-2
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 7

PENSION PLAN (Continued)

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 9.70 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	5.26 percent
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

Mortality rates used in the December 31, 2015 valuation 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. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 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.

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 7 PENSION PLAN (Continued)

Healthy, post-retirement mortality assumptions reflect the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected rate of return on pension plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016. As a result of the October 28, 2016 actuarial assumptions workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed, effective December 31, 2016, as follows:

- Investment rate of return assumption decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.80 percent per year to 2.40 percent per year.
- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.90 percent per year to 3.50 percent per year.

Several factors were considered in evaluating the long-term rate of return assumption for the SCHDTF, including long-term historical data, estimates inherent in current market data, and 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 by the investment consultant 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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 7 **PENSION PLAN (Continued)**

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
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 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 5.26 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:

- Updated economic and demographic actuarial assumptions adopted by PERA’s Board on November 18, 2016
- 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 be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- 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 and effective as of the measurement date, 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.

KIOWA COUNTY SCHOOL DISTRICT RE-2
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 7 PENSION PLAN (Continued)

- 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.
- 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 assumptions and methods, the projection test indicates the SCHDTF's fiduciary net position was projected to be depleted in 2041 and, as a result, the municipal bond index rate was used in the determination of the discount rate. The long-term expected rate of return of 7.25 percent on pension plan investments was applied to periods through 2041 and the municipal bond index rate, the December average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Board of Governors of the Federal Reserve System, was applied to periods on and after 2041 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.86 percent, resulting in a discount rate of 5.26 percent.

As of the prior measurement date, the projection test indicated, 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 plan investments of 7.50% was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use a municipal bond index rate. The discount rate was 7.50 percent, 2.24 percent higher compared to the current measurement date.

Sensitivity of the Kiowa County School District RE-2 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 5.26 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-percentage-point lower (4.26 percent) or 1-percentage-point higher (6.26 percent) than the current rate:

	1% Decrease (4.26%)	Current Discount Rate (5.26%)	1% Increase (6.26%)
Proportionate share of the net pension liability	4,367,712	3,473,418	2,745,048

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2017

NOTE 7

PENSION PLAN (Continued)

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.

Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description – Employees of the Kiowa County School District RE-2 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, 2017, program members contributed \$6,461.

Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – The Kiowa County School District RE-2 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 Kiowa County School District RE-2 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 Kiowa County School District RE-2 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, 2017, 2016 and 2015, the Kiowa County School District RE-2 contributions to the HCTF were \$5,110, \$5,311 and \$5,612, respectively equal to their required contributions for each year.

KIOWA COUNTY SCHOOL DISTRICT RE-2
NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2017

NOTE 8 JOINT VENTURE

Not reflected in the accompanying financial statements is the District's participation in the Southeastern Colorado 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. This Board has final authority for all budgeting and financing of the joint venture. The BOCES by-laws indicated that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rata basis determined by the BOCES board. The joint venture summary audited financial information for the year ended June 30, 2016, the latest year for which audited information is available, is as follows:

Assets and Deferred Outflows	1,375,820
Liabilities and Deferred Inflows	<u>3,787,035</u>
Net Position	<u>(2,411,215)</u>
Revenues	2,518,565
Expenses	<u>2,504,933</u>
Change in Net Position	<u>13,632</u>

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. An audited financial statement is filed annually with the Colorado State Auditor's Office.

NOTE 9 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (CSDIP)

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, and other coverage. The Board of Directors is composed of nine persons; all of whom are appointed by the Board of Directors of CSDIP. The Pool is managed by an Executive Director 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 Insurance Reserve 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, 2017.

KIOWA COUNTY SCHOOL DISTRICT RE-2
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2017

NOTE 9 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (CSDIP) (Continued)

An audited summary of the Colorado School District's Pool financial information at December 31, 2016 (latest information available) follows:

Total Assets	<u>48,036,383</u>
Total Liabilities	<u>21,232,630</u>
Total Equity	<u>26,803,753</u>
Revenue	14,232,299
Underwriting Expenses	<u>12,497,566</u>
Underwriting Gain (Loss)	1,734,733
Net Investment Income	690,250
Other Income	-
Net Income (Loss) Before Dividend	2,424,983
Dividend	-
Net Income	<u>2,424,983</u>
Change in Non Admitted Assets	<u>53,761</u>
Return of Capital Contributions to Members	-
Unassigned Surplus	<u>26,803,753</u>

NOTE 10 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.

NOTE 11 INTERFUND BALANCES

	<u>Transfer To Other Funds</u>	<u>Transfers From Other Funds</u>	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>
General Fund	29,189	-	-	10,000
Student Activity Special Revenue Fund	-	-	-	-
Food Service Fund	-	<u>29,189</u>	<u>10,000</u>	-
	<u>29,189</u>	<u>29,189</u>	<u>10,000</u>	<u>10,000</u>

Transfers were made in the normal course of operations to support funding needs. Amounts due to other funds will be repaid

NOTE 12 COMPLIANCE WITH BUDGET LAWS

The following conditions were noted and may be a violation of Colorado Law:

Expenditures in the Food Service Fund exceeded budgeted amounts by \$6,737.

Expenditures in the Student Activity Fund exceeded budgeted amounts by \$11,860.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

MAJOR GOVERNMENTAL FUNDS

General Fund

The General Fund accounts for all transactions of the District not accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed from property taxes and other general revenues. It is the most significant fund in relation to the District's overall operations.

Pension Trend Data

KIOWA COUNTY SCHOOL DISTRICT RE-2
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2017

<u>REVENUES</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Local Sources</u>				
Property Taxes	360,000	360,000	383,059	23,059
Specific Ownership Taxes	55,000	55,000	62,681	7,681
Earnings on Investments	1,200	1,200	2,150	950
Delinquent Taxes & Interest	1,000	1,000	1,125	125
Other	35,120	35,120	55,089	19,969
<u>State Sources</u>				
Equalization	489,287	489,287	544,147	54,860
Transportation	20,000	20,000	17,131	(2,869)
Vocational Education	-	-	-	-
Special Education	5,000	5,000	5,626	626
Other	3,500	3,500	4,993	1,493
<u>Federal Sources</u>				
Designated Purpose Grants	25,000	25,000	35,586	10,586
Other	-	-	-	-
<u>Total Revenues</u>	<u>995,107</u>	<u>995,107</u>	<u>1,111,587</u>	<u>116,480</u>
 <u>EXPENDITURES</u>				
<u>Instruction</u>				
<u>Regular Programs</u>				
Salaries	339,611	339,611	312,035	27,576
Employee Benefits	118,864	118,864	101,449	17,415
Purchased Services - Professional	6,500	6,500	38,700	(32,200)
Purchased Services - Property	-	-	-	-
Purchased Services - Other	8,750	8,750	12,134	(3,384)
Supplies and Materials	19,650	19,650	15,434	4,216
Property	11,200	11,200	23,990	(12,790)
Other Objects	2,900	2,900	4,005	(1,105)
<u>Total Instruction</u>	<u>507,475</u>	<u>507,475</u>	<u>507,747</u>	<u>(272)</u>
<u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	-	-	-	-
Employee Benefits	-	-	-	-
Purchased Services - Professional	2,000	2,000	2,000	-
Purchased Services - Property	-	-	-	-
Purchased Services - Other	29,500	29,500	29,685	(185)
Supplies and Materials	300	300	227	73
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Student Supporting Services</u>	<u>31,800</u>	<u>31,800</u>	<u>31,912</u>	<u>(112)</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>SUPPORTING SERVICES (Continued)</u>				
<u>Instructional Staff</u>				
Salaries	-	-	-	-
Employee Benefits	-	-	-	-
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	-	-	-	-
Purchased Services – Other	-	-	-	-
Supplies and Materials	200	200	677	(477)
Property	-	-	-	-
<u>Total Instructional Staff</u>	<u>200</u>	<u>200</u>	<u>677</u>	<u>(477)</u>
<u>General Administration</u>				
Salaries	65,000	65,000	68,553	(3,553)
Employee Benefits	25,350	25,350	43,974	(18,624)
Purchased Services – Professional	12,800	12,800	9,252	3,548
Purchased Services – Other	5,500	5,500	6,733	(1,233)
Supplies and Materials	1,950	1,950	1,865	85
Property	-	-	-	-
Other Objects	4,800	4,800	6,722	(1,922)
<u>Total General Administration</u>	<u>115,400</u>	<u>115,400</u>	<u>137,099</u>	<u>(21,699)</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	20,000	20,000	19,457	543
Employee Benefits	4,000	4,000	4,079	(79)
Purchased Services – Professional	1,900	1,900	1,928	(28)
Purchased Services – Other	700	700	599	101
Supplies and Materials	7,000	7,000	10,243	(3,243)
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total School Administration</u>	<u>33,600</u>	<u>33,600</u>	<u>36,306</u>	<u>(2,706)</u>
<u>Business Services</u>				
Salaries	30,691	30,691	30,741	(50)
Employee Benefits	10,742	10,742	10,639	103
Purchased Services – Professional	2,500	2,500	4,557	(2,057)
Purchased Services – Property	-	-	-	-
Purchased Services – Other	900	900	1,342	(442)
Supplies and Materials	1,000	1,000	589	411
Property	-	-	-	-
Other Objects	100	100	423	(323)
<u>Total Business Services</u>	<u>45,933</u>	<u>45,933</u>	<u>48,291</u>	<u>(2,358)</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance -
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>SUPPORTING SERVICES (Continued)</u>				
<u>Operations and Maintenance</u>				
Salaries	43,450	43,450	39,075	4,375
Employee Benefits	12,508	12,508	11,173	1,335
Purchased Services – Professional	21,050	21,050	26,411	(5,361)
Purchased Services – Property	39,600	39,600	49,006	(9,406)
Purchased Services – Other	3,093	3,093	3,010	83
Supplies and Materials	65,950	65,950	53,979	11,971
Property	4,300	4,300	36,791	(32,491)
Other Objects	200	200	150	50
<u>Total Operations and Maintenance</u>	<u>190,151</u>	<u>190,151</u>	<u>219,595</u>	<u>(29,444)</u>
<u>Student Transportation</u>				
Salaries	36,175	36,175	28,196	7,979
Employee Benefits	9,886	9,886	6,486	3,400
Purchased Services – Professional	500	500	524	(24)
Purchased Services – Property	6,000	6,000	2,075	3,925
Purchased Services - Other	300	300	-	300
Supplies and Materials	19,500	19,500	10,132	9,368
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Student Transportation</u>	<u>72,361</u>	<u>72,361</u>	<u>47,413</u>	<u>24,948</u>
<u>Central Support</u>				
Purchased Services – Property	15,000	15,000	19,968	(4,968)
Purchased Services – Other	35,000	35,000	38,486	(3,486)
<u>Total Central Support</u>	<u>50,000</u>	<u>50,000</u>	<u>58,454</u>	<u>(8,454)</u>
<u>Total Supporting Services</u>	<u>539,445</u>	<u>539,445</u>	<u>579,747</u>	<u>(40,302)</u>
<u>Appropriated Reserves</u>	<u>271,876</u>	<u>271,876</u>	<u>-</u>	<u>271,876</u>
<u>Total Expenditures</u>	<u>1,318,796</u>	<u>1,318,796</u>	<u>1,087,494</u>	<u>231,302</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(323,689)</u>	<u>(323,689)</u>	<u>24,093</u>	
<u>Other Financing Sources (Uses)</u>				
Transfers	(39,189)	(39,189)	(29,189)	10,000
<u>Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses</u>	<u>(362,878)</u>	<u>(362,878)</u>	<u>(5,096)</u>	
<u>FUND BALANCE, July 1</u>	<u>614,663</u>	<u>614,663</u>	<u>1,005,137</u>	
<u>FUND BALANCE, June 30</u>	<u>251,785</u>	<u>251,785</u>	<u>1,000,041</u>	

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2017</u>	<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>
District's proportion of the net pension liability (asset)	0.0117%	0.0126%	0.0127%	0.0138%	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset)	\$3,473,418	\$1,925,434	\$1,723,986	\$1,756,709	-	-	-	-	-	-
District's covered-employee payroll	\$501,106	\$520,732	\$550,150	\$544,839	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	693%	369%	313%	322%	-	-	-	-	-	-
Plan fiduciary net position as a percentage of the total pension liability	43.13%	59.16%	62.80%	64.06%	-	-	-	-	-	-

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 For The Last 10 Fiscal Years (As Available)

	<u>2017</u>	<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>
Contractually required contributions	\$ 92,070	\$ 92,559	\$ 93,027	\$ 87,096	\$ 85,896	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$(92,070)</u>	<u>\$(92,559)</u>	<u>\$(93,027)</u>	<u>\$(87,096)</u>	<u>\$(85,896)</u>	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
District's covered-employee payroll	\$501,106	\$520,732	\$550,150	\$544,839	\$569,525	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	18.37%	17.77%	16.91%	15.99%	15.08%	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

NON MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds account for revenues that are legally restricted to expenditures for specified purposes.

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

Pupil Activity Fund – This fund is used to accumulate gate receipts, transfers and other local revenues used to support co-curricular instructional expenditures and other pupil support costs.

KIOWA COUNTY SCHOOL DISTRICT RE-2
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2017

	<u>Special Revenue Funds</u>		<u>Total</u>
	<u>Pupil</u>	<u>Food</u>	<u>Non-Major</u>
	<u>Activity</u>	<u>Service</u>	<u>Governmental</u>
			<u>Funds</u>
<u>ASSETS</u>			
Cash	22,107	17,419	39,526
Investments	-	-	-
Accounts Receivable	-	-	-
Accrued Revenue	-	-	-
Due From Other Funds	-	-	-
Inventories	-	3,647	3,647
Receivables – Other	-	-	-
<u>Total Assets</u>	<u>22,107</u>	<u>21,066</u>	<u>43,173</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities:</u>			
Accounts Payable	-	-	-
Accrued Salaries	-	3,408	3,408
Due To Other Funds	-	10,000	10,000
Other Payables	-	-	-
<u>Total Liabilities</u>	<u>-</u>	<u>13,408</u>	<u>13,408</u>
 <u>Fund Balances:</u>			
<u>Nonspendable:</u>			
Inventories	-	3,647	3,647
<u>Restricted:</u>			
Food Service	-	11	11
<u>Assigned:</u>			
Healthy Food Initiative	-	4,000	4,000
Student Activities	22,107	-	22,107
Undesignated	-	-	-
<u>Total Fund Balances</u>	<u>22,107</u>	<u>7,658</u>	<u>29,765</u>
 <u>TOTAL LIABILITIES & FUND BALANCES</u>			
	<u>22,107</u>	<u>21,066</u>	<u>43,173</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2017

	<u>Special Revenue Funds</u>		Total Non-Major Governmental Funds
	<u>Pupil Activity</u>	<u>Food Service</u>	
<u>REVENUES:</u>			
Earnings on Investments	-	9	9
Other Local Sources	22,230	14,416	36,646
State Aid	-	1,034	1,034
Federal Aid	-	<u>32,614</u>	<u>32,614</u>
<u>Total Revenues</u>	<u>22,230</u>	<u>48,073</u>	<u>70,303</u>
 <u>EXPENDITURES:</u>			
Current:			
Instructional Services	-	-	-
Supporting Services:			
Students	26,860	-	26,860
Instructional Staff	-	-	-
District Administration	-	-	-
School Administration	-	-	-
Business	-	-	-
Operation & Maintenance of Facilities	-	-	-
Transportation	-	-	-
Central	-	-	-
Food Service	-	72,391	72,391
Capital Outlay	-	-	-
<u>Total Expenditures</u>	<u>26,860</u>	<u>72,391</u>	<u>99,251</u>
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>			
	(4,630)	(24,318)	(28,948)
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	-	<u>29,189</u>	<u>29,189</u>
 <u>NET CHANGE IN FUND BALANCES</u>			
	(4,630)	4,871	241
 <u>FUND BALANCES, Beginning</u>			
	<u>26,737</u>	<u>2,787</u>	<u>29,524</u>
 <u>FUND BALANCES, Ending</u>			
	<u>22,107</u>	<u>7,658</u>	<u>29,765</u>

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
 FOOD SERVICES – SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	11,075	10,416	(659)
Earnings on Investments	10	9	(1)
Other	-	4,000	4,000
<u>State Sources</u>			
School Lunches and Breakfast	680	1,034	354
<u>Federal Sources</u>			
School Lunches and Breakfast	14,700	29,193	14,493
Commodities	-	<u>3,421</u>	<u>3,421</u>
<u>Total Revenues</u>	<u>26,465</u>	<u>48,073</u>	<u>21,608</u>
 <u>EXPENDITURES</u>			
Salaries	31,082	29,749	1,333
Employee Benefits	9,360	10,400	(1,040)
Purchased Services – Professional	-	-	-
Purchased Services – Property	-	-	-
Purchased Services - Other	350	617	(267)
Food Purchases	21,762	23,201	(1,439)
Capital Outlay	100	-	100
Commodities	-	3,421	(3,421)
Non-Food Supplies	3,000	5,003	(2,003)
Appropriated Reserves	-	-	-
<u>Total Expenditures</u>	<u>65,654</u>	<u>72,391</u>	<u>(6,737)</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(39,189)	(24,318)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>39,189</u>	<u>29,189</u>	<u>(10,000)</u>
 <u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>			
	-	4,871	
<u>FUND BALANCE, July 1</u>	-	<u>2,787</u>	
<u>FUND BALANCE, June 30</u>	-	<u>7,658</u>	

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

KIOWA COUNTY SCHOOL DISTRICT RE-2
PUPIL ACTIVITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Year Ended June 30, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Earnings on Investments	-	-	-
Other Local Revenues	<u>10,000</u>	<u>22,230</u>	<u>12,230</u>
<u>Total Revenues</u>	<u>10,000</u>	<u>22,230</u>	<u>12,230</u>
<u>EXPENDITURES:</u>			
Student Activities	15,000	26,860	(11,860)
Appropriated Reserves	-	-	-
<u>Total Expenditures</u>	<u>15,000</u>	<u>26,860</u>	<u>(11,860)</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(5,000)	(4,630)	
<u>TRANSFERS</u>			
	-	-	
<u>FUND BALANCE, July 1</u>	<u>11,980</u>	<u>26,737</u>	
<u>FUND BALANCE, June 30</u>	<u>6,980</u>	<u>22,107</u>	

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 1440 - PLAINVIEW RE-2
 Fiscal Year 2016-17
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	1,003,488	1,039,504	1,050,507	992,486
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	1,649	42,892	36,986	7,556
Sub- Total	1,005,137	1,082,397	1,087,492	1,000,042
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
95 Supplemental Cap Const, Tech, Main, Fund	0	0	0	0
21 Food Service Spec Revenue Fund	2,787	77,262	72,391	7,658
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	26,737	22,230	26,860	22,107
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	0	0	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	1,034,651	1,161,889	1,166,744	1,029,806
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	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	0	0	0	0
79 GASB 34 Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	0	0	0	0

FINAL



Colorado Department of Education
Bolded Balance Sheet Report
 District: 1440 - PLAINVIEW RE-2
 Fiscal Year 2016-17
 Colorado School District/BOCES

ASSETS	Governmental						Proprietary					Fiduciary			Totals	
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	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)	1,023,877	0	0	22,107	0	17,419	0	0	0	0	0	0	0	0	0	1,063,402
Cash with Fiscal Agent (8105)	1,490	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,490
Taxes Receivable (8121.8122)	36,700	0	0	0	0	0	0	0	0	0	0	0	0	0	0	36,700
Interfund Loans Receivable (8131.8132)	10,000	0	9,799	0	0	0	0	0	0	0	0	0	0	0	0	19,799
Grants Accounts Receivable (8142)	16,948	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16,948
Other Receivables (8151-8154,8161)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inventories (8171,8172,8173)	0	0	0	0	0	3,647	0	0	0	0	0	0	0	0	0	3,647
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	1,089,015	0	9,799	22,107	0	21,066	0	0	0	0	0	0	0	0	0	1,141,986

	Governmental						Proprietary					Fiduciary			Totals	
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	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		
LIABILITIES & FUND EQUITY																
LIABILITIES																
Interfund Payables (7401,7402)	9,799	0	0	0	0	10,000	0	0	0	0	0	0	0	0	0	19,799
Intergovernmental Payables (7411)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Payables (7421-7423)	15,946	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15,946
Accrued Expenses (7461)	53,009	0	2,243	0	0	3,408	0	0	0	0	0	0	0	0	0	58,660
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Current Liabilities (7491,7492,7499)	300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	300
Deferred Inflow (7800)	17,475	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17,475
Total Liabilities	96,529	0	2,243	0	0	13,408	0	0	0	0	0	0	0	0	0	112,180

Governmental

Proprietary

Fiduciary

FUND EQUITY

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	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	0	0	3,647	0	0	0	0	0	0	0	0	3,647
Restricted Fund Balance 6720	0	0	0	0	0	11	0	0	0	0	0	0	0	0	11
TABOR 3% Emergency Reserve 6721	33,500	0	0	0	0	0	0	0	0	0	0	0	0	0	33,500
TABOR Multi-Year 6722	0	0	0	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	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	7,556	0	0	0	0	0	0	0	0	0	0	0	7,556
Full-Day Kindergarten Reserve 6725	0	0	0	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	0	0	0
BEST Capital Reserve 6727	0	0	0	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	0	0	0
Assigned Fund Balance 6760	0	0	0	22,107	0	4,000	0	0	0	0	0	0	0	0	26,107
Unassigned Fund Balance 6770	958,986	0	0	0	0	0	0	0	0	0	0	0	0	0	958,986
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	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	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	992,486	0	7,556	22,107	0	7,658	0	0	0	0	0	0	0	0	1,029,806

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	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
Total Liabilities & Fund Equity	1,089,015	0	9,799	22,107	0	21,066	0	0	0	0	0	0	0	0	1,141,986

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	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
For Each Fund Type: Do Assets=Liability+Fund Equity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes