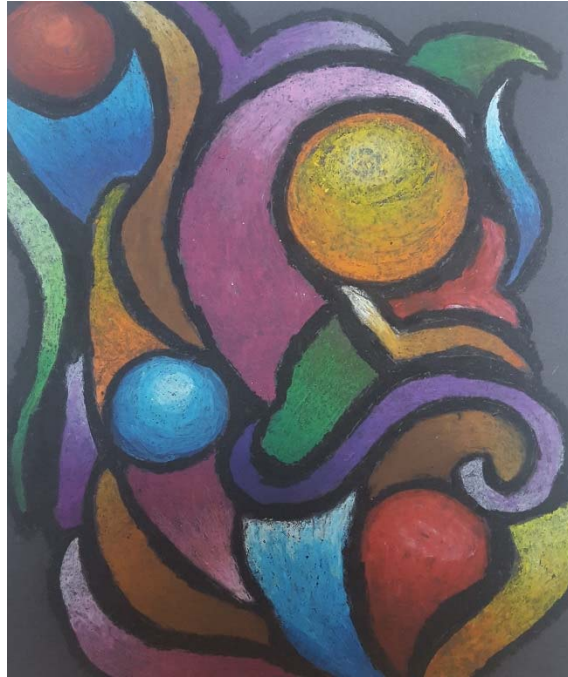




ACADEMY
DISTRICT 20
The Peak of Excellence



2016
COMPREHENSIVE
ANNUAL
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2016



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ACADEMY DISTRICT TWENTY
1110 Chapel Hills Drive
COLORADO SPRINGS, COLORADO 80920
(719) 234-1200
www.asd20.org

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

**PREPARED BY:
FISCAL SERVICES**

**Marita Vogrin
DIRECTOR OF FINANCE**

The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.



**ACADEMY SCHOOL DISTRICT TWENTY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

TABLE OF CONTENTS

Title Page

I. INTRODUCTORY SECTION

Superintendent Letter	i
Letter of Transmittal	iii
List of Principal Officers	viii
Organizational Chart	ix
District Map	x
Certificate of Excellence – Government Finance Officer’s Association	xii
Certificate of Excellence – Association of School Business Officials International	xiii

II. FINANCIAL SECTION

INDEPENDENT AUDITORS’ REPORT.....	1
MANAGEMENT’S DISCUSSION AND ANALYSIS.....	5
BASIC FINANCIAL STATEMENTS	17
Government-wide Financial Statements:	
Statement of Net Position	18
Statement of Activities	19
Fund Financial Statements:	
Balance Sheet – Governmental Funds	20
Reconciliation of the Governmental Funds	
Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in	
Fund Balance – Governmental Funds	22
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,	
And Changes in Fund Balance to the Statement of Activities	23
Statement of Fiduciary Net Position – Fiduciary Funds	24
Statement of Changes in Fiduciary	
Net Position – Fiduciary Funds.....	25
Notes to Financial Statements	27

REQUIRED SUPPLEMENTARY INFORMATION

Description of Required Supplementary Information 50

General Fund

 Description of Fund 51

 Budgetary Comparison Schedule 52

Note to Required Supplementary Information 54

Schedule of the District's Proportionate Share of the Net Pension Liability 55

Schedule of the District's Contributions and Related Ratios 56

OTHER SUPPLEMENTARY INFORMATION

OTHER MAJOR GOVERNMENTAL FUNDS

Debt Service Fund

 Description of Fund 58

Bond Redemption Fund

 Budgetary Comparison Schedule 59

NON-MAJOR GOVERNMENTAL FUNDS

 Description of Funds 61

 Combining Balance Sheet 62

 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances 63

Special Revenue Funds

Food Service Fund

 Budgetary Comparison Schedule 65

Designated Purpose Grants Fund

 Budgetary Comparison Schedule 66

Transportation Fund

 Budgetary Comparison Schedule 67

Capital Project Funds

Capital Reserve Capital Projects Fund

 Budgetary Comparison Schedule 68

Technology Fund

 Budgetary Comparison Schedule 69

FIDUCIARY FUNDS

Trust and Agency Fund

 Description of Fund 70

Pupil Activity Agency Fund

 Statement of Changes in Assets and Liabilities 71

III. STATISTICAL SECTION

FINANCIAL TREND INFORMATION

List of Tables and Graphs 73

Net Position by Component (Table 1) 74

Change in Net Position (Table 2) 75

Fund Balances

 Governmental Funds – Last Seven Years (Table 3.1) 76

 Governmental Funds – Five Fiscal Years (Table 3.2) 77

Change in Fund Balances, Governmental Funds (Table 4) 78

Summary of Expenditures by Function and other Financing Uses

 General Fund – Last Ten Years (Table 5) 79

Revenues/Sources vs. Expenditures/Uses (Graph) 80

Fiscal Health Tracking Ratios - Last Ten Years (Table 6.1) 81

 Asset Sufficiency Ratio - Last Ten Years (Table 6.2) 82

 Debt Burden Ratio - Last Ten Years (Table 6.3) 83

 Operating Reserve Ratio - Last Ten Years (Table 6.4) 84

 Operating Margin Ratio - Last Ten Years (Table 6.5) 85

 Deficit Fund Balance Ratio - Last Ten Years (Table 6.6) 86

 Change in Fund Balance Ratio - Last Ten Years (Table 6.7) 87

REVENUE CAPACITY INFORMATION

List of Tables and Graph..... 89

Summary of Revenues by Source and other Financing Sources

 General Fund – Last Ten Years (Table 7) 90

Assessed and Estimated Actual Value of Taxable Property

 Academy School District Boundaries – Last Ten Years (Table 8) 92

Property Tax Rates – Direct and Overlapping Governments

 Last Ten Years (Table 9) 93

Principal Taxpayers (Table 10) 94

Property Tax Levies and Collections

 General Fund - Last Ten Years (Table 11) 96

Property Tax Levy vs. Collections (Graph)..... 97

DEBT CAPACITY INFORMATION

List of Tables	98
Net Bonded Debt - Last Ten Years (Table 12)	99
Computation of Direct and Overlapping Debt General Obligation Bonded Debt (Table 13)	100
Computation of Legal Debt Margin (Table 14)	101
Percent of Annual Debt Service for General Bonded Debt to General Fund Expenditures – Last Ten Years (Table 15)	102

DEMOGRAPHIC AND ECONOMIC INFORMATION

List of Tables	103
Demographic Data - El Paso County – Last Ten Years (Table 16)	104
El Paso County Property Values and Construction Last Ten Years (Table 17)	105
El Paso County Principal Employers (Table 18)	106

OPERATING INFORMATION

List of Tables	107
District Building Information (Table 19)	108
Schedule of Insurance Policies (Table 20)	110
Full-time Equivalent Employees by Functional Program (Table 21)	113
Operating Statistics (Table 22)	114

IV. COMPLIANCE SECTION

Single Audit Section

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Of Financial Statements Performed in Accordance with Government Auditing Standards..... 117

Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance 119

Schedule of Findings and Questioned Costs 121

Schedule of Expenditures of Federal Awards 123

Notes to Schedule of Expenditures of Federal Awards 124

Colorado Department of Education Electronic Data Report

Description of Requirement 125

Auditors' Electronic Financial Data Integrity Check Figures Revenues, Expenditures and Fund Balance by Fund 126

Art Students

Art Work Credit 127

I. Introductory Section





November 4, 2016

Board of Education
Academy District Twenty
1110 Chapel Hills Drive
Colorado Springs, CO 80920

Dear Members of the Board of Education,

I am pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Academy School District Twenty for the fiscal year ended June 30, 2016.

The CAFR for the fiscal year ended June 30, 2015 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International and the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for the sixteenth consecutive year. These awards represent acknowledgement from our peers that our District has prepared and presented our fiscal information in a clear, open and user-friendly format for stakeholders that qualifies the report for its' recognition of excellence. I am confident that this year's CAFR will continue to qualify for these prestigious awards.

The Finance Department is to be congratulated for their leadership in moving the District toward the highest standards of financial accountability. The quality and completeness of this report is designed to continue to increase the confidence of all of our stakeholders in the financial operations of our district. A review of this document provides clear evidence of the progress the District has made in achieving its long-range fiscal goals.

I would, also, extend my thanks to the members of the Board of Education for their support and leadership.

Sincerely,

Mark Hatchell
Superintendent of Schools

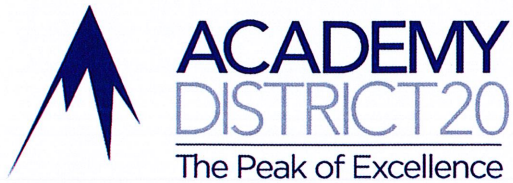


ACADEMY
DISTRICT 20
The Peak of Excellence

Where dreams take flight...
One student at a time.



The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.



November 4, 2016

**TO THE CITIZENS AND BOARD OF EDUCATION OF
ACADEMY SCHOOL DISTRICT TWENTY:**

State law requires that all public school districts publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Academy School District Twenty, El Paso County, Colorado for the fiscal year ended June 30, 2016.

This report consists of management's representations concerning the finances of the District. Consequently, the District's management assumes full responsibility for both the accuracy of the data, based upon a comprehensive framework of internal control that it has established for this purpose, and the completeness and fairness of the presentation, including all disclosures. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds.

The District's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

In addition to the annual independent audit of the financial statements, the District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the Uniform Grant Guidance. Information related to this single audit, including the independent auditors' reports on the internal control and compliance, with applicable requirements, findings and questioned costs, and the schedule of expenditures of federal awards are presented in the compliance section of this document.

The notes to the financial statements, including a summary of significant accounting policies of the District, are considered to be an integral part of the financial statements and contain certain information not shown on the face of the financial statements that is required to be disclosed under generally accepted accounting principles. Readers of the financial statements are encouraged to thoroughly review the information contained in the notes in connection with their overall review of the financial statements.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement Management's Discussion and Analysis and should be read in conjunction with it. This discussion and analysis can be found immediately following the Report of the Independent Auditors on pages 5-16 of this report.

PROFILE OF THE DISTRICT

The District is located about 5 miles north of downtown Colorado Springs. It covers an area of approximately 130 square miles which includes the United States Air Force Academy. The District provides a full range of traditional and non-traditional educational programs and services. These include preschool, elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; a broad range of co-curricular and extra-curricular activities; special education programs; gifted and talented programs; and student support services.

During the 2015-16 school year, the district served 23,702 full-time equivalent students. These students were housed in 18 elementary schools, 4 middle schools, 4 high schools, an alternative middle school/ high school campus, a home school program, a K-12 campus and one K-12 charter school spread over 3 campuses.

From fiscal year 2007 to fiscal year 2016, the average increase in enrollment per year was 402 students. More recently, increases from 2015 to 2016 and 2014 to 2015 were 485 and 97 students, respectively. Based upon the economic growth in the area, district growth is likely to continue for several years and this will lead to a need for additional facilities in the future. In 2001, district voters approved a \$163 million general obligation bond election which has been issued to provide new school facilities or renovate and add capacity to existing schools. The average age of the District's 28 school buildings is 26 years. The oldest building (Douglass Valley Elementary, on the Air Force Academy) is 58 years old and the newest (Chinook Trail Elementary, Ranch Creek Elementary and Discovery Canyon Campus High) are 9 years old, opening in August 2007.

Academy School District offers an extensive choice program that is open to students throughout the district. Choice schools offer programs or opportunities that may be unique to a particular building. Differences may include the school schedule or its' curricular focus. Current examples of the variety of choices available include: a K-12 technology strand, PK-12 International Baccalaureate strand, an online high school program, a support program for homeschooling families, accelerated school, alternative middle/high school campus, a K-12 charter school, math/science school, and a 4th grade earth/environmental full-year program.

This report includes all funds, organizations and activities for which the Board of Education has significant relationship as further described in Note 1 of the Notes to the Basic Financial Statements.

The sole district charter, The Classical Academy (TCA) meets the criteria for reporting as a Discretely Presented Component Unit, detailed in the accompanying notes to the financial statements. The following entities have not met the criteria for component units, and accordingly, are excluded from this report: Pikes Peak Board of Cooperative Education Services (BOCES), Parent/Teacher Organizations, D20 Foundation, and Athletic/Music Booster Groups.

The budget process involves multiple steps which include identification of district goals, creation of a budget calendar, budget projection models, and program utilization data. The Board of Education is required to adopt a budget for each fiscal year prior to the beginning of the fiscal year (July 1st). The adopted budget may be amended by the Board of Education up to December 31. Budgets are prepared annually for all governmental, proprietary, and fiduciary funds of the District.

In addition to the operating budget, a capital budget is prepared based on the District's capital plan in which projects are prioritized on maintenance and safety issues in conjunction with building improvement plans. The impact of capital projects is considered when developing the operating budget.

ECONOMIC CONDITION

Local Economy

The District is located on the north side of the City of Colorado Springs, El Paso County, which is located in the central part of Colorado. El Paso County's population grew at an average annual rate of 1.9 percent from 2000 to 2010 according to the census counts. The Colorado Department of Local Affairs estimates El Paso County's population to be 694,967 by 2017, an increase of 3.0 percent (or 20,338) people from 2015 to 2017. Given this continued growth, it is likely that demand for residential building permits will continue, especially if mortgage rates stay within reach during and after 2016. Several factors contributed to the population increases: the strong state economy, growing key industries, economic development efforts, quality of life, natural beauty of the region, and an educated work force.

According to Southern Colorado economists, El Paso County continues to improve in the areas of employment and income/wages. Colorado is outperforming the nation with a 4.0 percent non-seasonally adjusted unemployment rate in June of 2016, a 5.1 percent rate for the U.S. and a 4.7 percent rate for El Paso County, indicating continued, robust growth in the overall economy. Academy School District 20 has been fortunate to maintain a level of excellence in support for students and staff in the face of difficult times. Through the voter-approved Mill Levy Override in November of 2008 and careful planning and budgeting, the District has been able to mitigate classroom impact, minimize staff layoffs, and provide salary increases to our highly-valued staff.

The military is a major factor in the Colorado Springs area economy. The United States Air Force Academy is within the boundaries of the District and several other military installations are located in El Paso County, including Fort Carson Army Post, Peterson Air Force Base, and Schriever Air

Force Base. Military-related jobs in the community have positively impacted the District's economy, but might have peaked in 2008. About 20% of district students are federally connected, either from military families or civilian parents employed on federal property that choose to live within district boundaries.

Long-term Financial Planning

Additional students are inevitable as the existing master planned communities are built out. Currently, we anticipate that existing homes will continue to generate students based upon the existing student yield planning standard. We realize that as areas of the district population age, these yields will trend downward. The issue remains 'how fast will this happen' and 'how rapidly will it affect the future student yield planning standard'. Demographers predict that future residential construction based on today's yield will produce an estimated additional 5,000 students in the district over the next 10 years. Continuous monitoring of student yield and the pace of residential construction will be vital for the district to react to the need for additional education space.

Financial Policies

Detailed descriptions of the District's accounting policies are contained in Note 1 of the Notes to the Financial Statements on pages 27-32 of this report. These policies describe the basis of accounting, funds and accounts used, valuation policies for investments, capital assets, and other significant accounting information.

The District maintains a number of budgetary controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered budgets lapse at year-end, except at the school level, where unencumbered budget allocations are available for use in future years and are reported as assignments of fund balance in the current year.

Major Initiatives

Priorities include continued support to the District Safety and Security department, which oversees and coordinates school safety and security efforts, development of a staff compensation package that maintains or enhances the district's competitive position relative to other school districts in the Pikes Peak region, providing necessary resources to accommodate student growth, and continuing to provide resources that maintain jobs in the District while maintaining current class sizes and protecting student programs. Additionally, the district is in the process of developing a long-range capital plan to address both enrollment growth and existing facility needs.

AWARDS AND ACKNOWLEDGMENTS

Academy School District Twenty received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2015. This award certifies that the CAFR for the fiscal year ended June 30, 2015, substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

The Government Finance Officers Association of the United States and Canada (GFOA) also awarded a Certificate of Achievement of Excellence in Financial Reporting to Academy School District Twenty for its CAFR for the fiscal year ended June 30, 2015. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

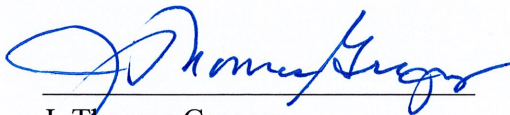
In order to be awarded a Certificate of Excellence or a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. The document must satisfy both generally accepted accounting principles and applicable legal requirements.

Certificates from both ASBO and GFOA are valid for a period of one year only. We believe our current report continues to conform to program requirements and we will submit to both associations for review.

We extend special thanks to our independent certified public accountants, and their staff for their professional approach in the performance of the audit, and their assistance in the preparation of the CAFR.

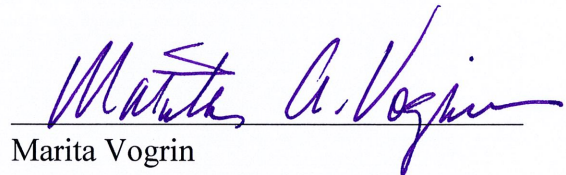
Finally, we would like to offer special thanks to the individuals who are employed in the District's Business Services Department, and whose efforts and contributions made completion of the audit and preparation of this CAFR a success.

Respectfully Submitted,



J. Thomas Gregory

Deputy Superintendent/CFO



Marita Vogrin

Director of Finance



**ACADEMY SCHOOL DISTRICT TWENTY
COLORADO SPRINGS, COLORADO**

BOARD OF EDUCATION

Mr. Glenn Strebe, President

Mrs. Tracey Johnson, Vice-President

Mr. Larry Borland, Treasurer

Mrs. Catherine Bullock, Director

Mrs. Linda Van Matre, Director

Col. Troy Harting, USAF Academy Liaison

CENTRAL OFFICE ADMINISTRATION

Dr. Mark Hatchell, Superintendent

Mrs. Karin Reynolds, Deputy Superintendent

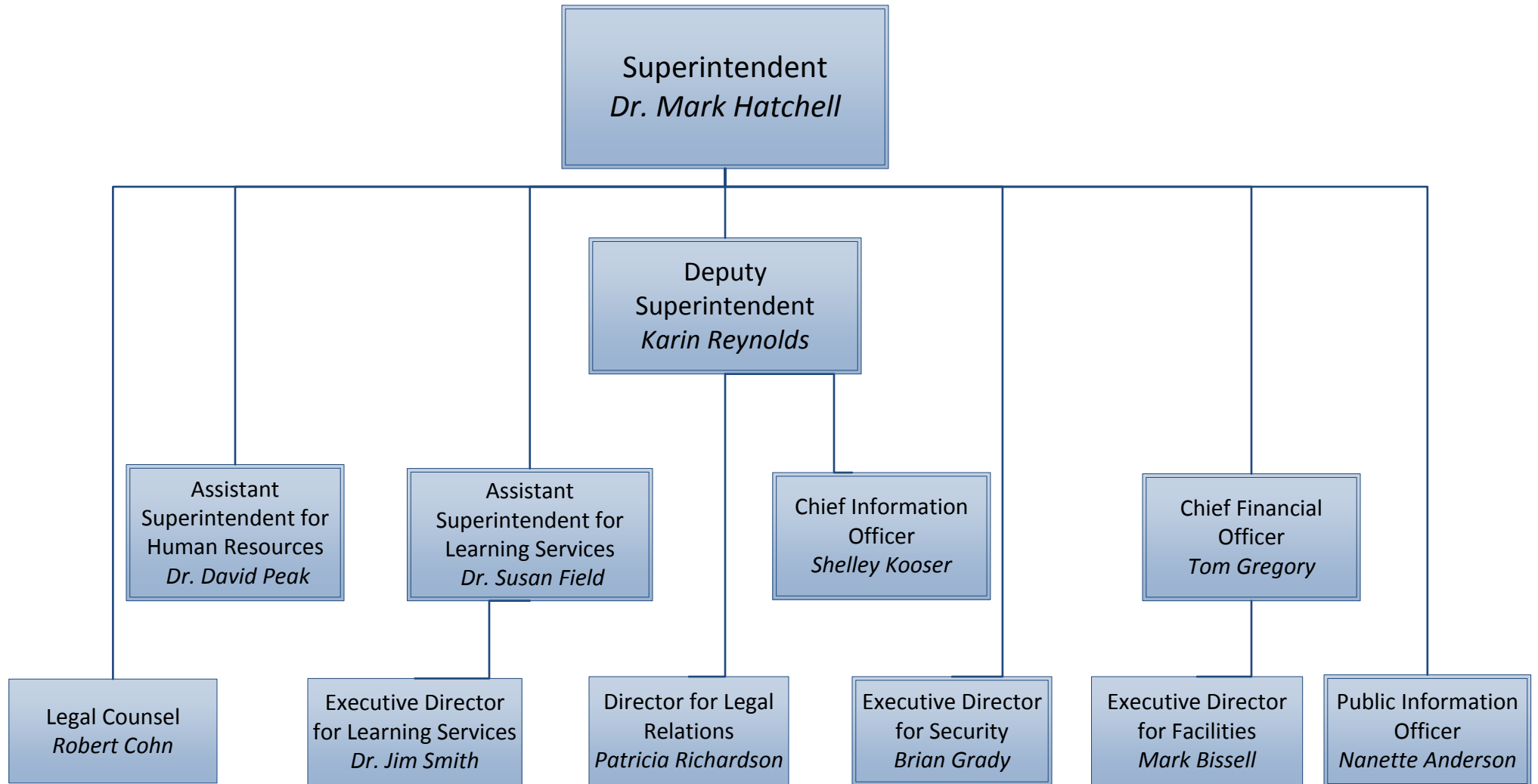
Dr. Susan Field, Assistant Superintendent/Learning Services

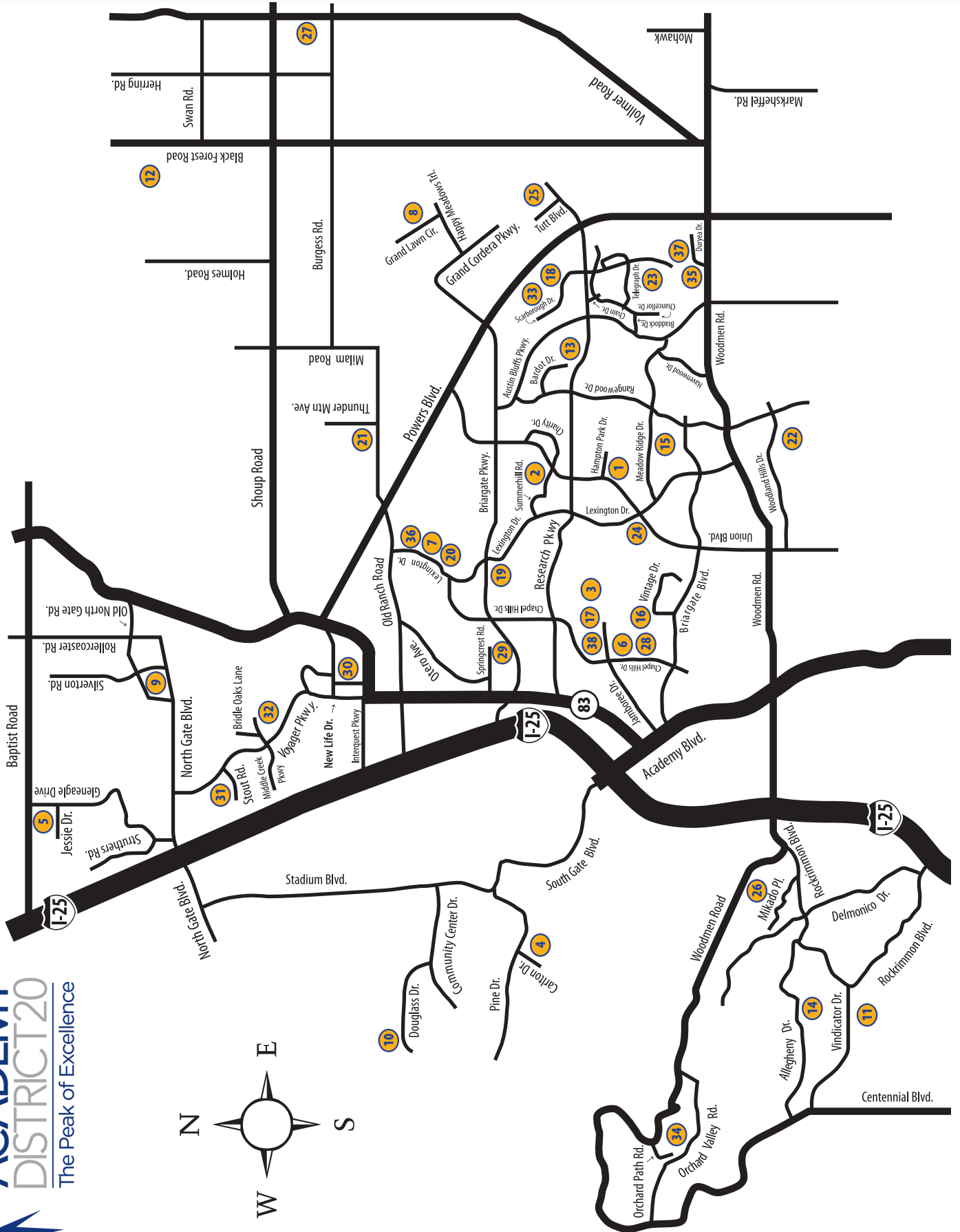
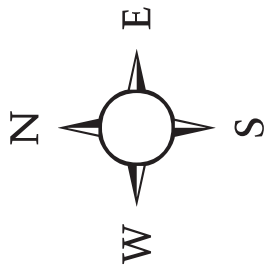
Dr. David Peak, Assistant Superintendent/Human Resources

Mrs. Nanette Anderson, Public Information Officer

Mr. Tom Gregory, Chief Financial Officer

Mrs. Shelley Kooser, Chief Information Officer





1 Academy Endeavour Elementary

Bobbi Harper, Principal
3475 Hampton Park Drive, 80920
PHONE: 234-5600 FAX: 234-5699

2 Academy International Elementary

Laura McNally, Principal
8550 Charity Drive, 80920
PHONE: 234-4000 FAX: 234-4099

3 Academy Online High School

Nathan Gorsch, Principal
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PHONE: 234-1670, FAX: 234-1732

4 Air Academy High School

Dan Olson, Principal
6910 Carlton Drive, 80840
PHONE: 234-2400 FAX: 234-2599

5 Antelope Trails Elementary

Laura Cresap, Principal
15280 Jessie Drive, 80921
PHONE: 234-4100 FAX: 234-4199

6 Aspen Valley Campus

George Stone, Principal
1450 Chapel Hills, 80920
PHONE: 234-6000 FAX: 234-6099

7 Challenger Middle School

Tony Scott, Principal
10215 Lexington Drive, 80920
PHONE: 234-3000 FAX: 234-3199

8 Chinook Trail Elementary

Patrick Schumaker, Principal
11795 Grand Lawn Circle, 80924
PHONE: 234-5700 FAX: 234-5799

9 Discovery Canyon Campus

Christina Serola, Elem Principal
Mario Romero, Middle Principal
Jim Bailey, High School Principal
1810 North Gate Blvd., 80921
PHONE: 234-1800 FAX: 234-1899

10 Douglass Valley Elementary

Kelly Farmer, Principal
4610 Douglass Drive, 80840
PHONE: 234-4200 FAX: 234-4299

11 Eagleview Middle School

John Jamison, Principal
1325 Vindicator Drive, 80919
PHONE: 234-3400 FAX: 234-3599

12 Edith Wolford Elementary

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13710 Black Forest Road, 80908
PHONE: 234-4300 FAX: 234-4399

13 Explorer Elementary

Kay Lynn Waddell, Principal
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PHONE: 234-4400 FAX: 234-4499

14 Foothills Elementary

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PHONE: 234-4500 FAX: 234-4599

15 Frontier Elementary

Dr. Belinda Lujan-Lindsey, Principal
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PHONE: 234-4600 FAX: 234-4699

16 High Plains Elementary

Tom Andrew, Principal
2248 Vintage Drive, 80920
PHONE: 234-4700 FAX: 234-4799

17 Home School Academy

Jolynn Patterson, Administrator
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PHONE: 234-1473 FAX 234-1749

18 Liberty High School

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19 Mountain Ridge Middle School

Jeff Sterk, Principal
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PHONE: 234-3200 FAX: 234-3399

20 Mountain View Elementary

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PHONE: 234-4800 FAX: 234-4899

21 Pine Creek High School

Kolette Back, Principal
10750 Thunder Mountain Avenue, 80908
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22 Pioneer Elementary

Diane Naghi, Principal
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PHONE: 234-5000 FAX: 234-5099

23 Prairie Hills Elementary

Vicki Axford, Principal
8025 Telegraph Drive, 80920
PHONE: 234-5100 FAX: 234-5199

24 Rampart High School

Peter Alvarez, Principal
8250 Lexington Drive, 80920
PHONE: 234-2000 FAX: 234-2199

25 Ranch Creek Elementary

Susan Paulson, Principal
9155 Tutt Boulevard, 80924
Phone: 234-5500 FAX: 234-5599

26 Rockrimmon Elementary

Carrie Bonilla, Principal
195 W. Mikado Drive, 80919
PHONE: 234-5200 FAX: 234-5299

27 School in the Woods

Bob Wedel, Principal
12002 Vollmer Road, 80908
PHONE: 495-1865

28 Aspen Valley Campus

George Stone, Principal
1470 Chapel Hills Drive, 80920
PHONE: 234-6100

29 The Classical Academy Central K-6

Don Stump, Principal
1655 Springcrest Road, 80920
PHONE: 265-9766 FAX: 265-1751

30 The Classical Academy

East-K-6, Cottage Program-K-8, College Pathways Program-7-12
Amy Nelson, East K-6 Principal
Becky Van Vleet, Cottage Program K-8 Principal
12201 Cross Peak View, 80921
PHONE: 282-1181 FAX: 260-9743
Steve Wright, College Pathways Principal
PHONE: 494-0631 FAX: 484-0087

31 The Classical Academy, North K-12

Rachel O'Donnell, Elementary Principal
975 Stout Road, 80921
PHONE: 484-0081 FAX: 484-0078
Hugh Di Pretore, Jr. High Principal
PHONE: 484-0091 FAX: 487-2339
Sean Shields, High School Principal
PHONE: 484-0091 FAX: 494-0085

32 The da Vinci Academy

Cindy Fesgen, Principal
1335 Bridle Oaks Lane, 80921
PHONE: 234-5400 FAX: 234-5499

33 Timberview Middle School

Brett Smith, Principal
8680 Scarborough Drive, 80920
PHONE: 234-3600 FAX: 234-3799

34 Woodmen-Roberts Elementary

Jenny Sterk, Principal
8365 Orchard Path Road, 80919
PHONE: 234-5300 FAX: 234-5399

35 Transportation

7408 Duryea Drive, 80920
PHONE: 234-1410

36 Facilities and Planning

10221 Lexington Drive, 80920
PHONE: 234-1500

37 Food Service

7408 Duryea Drive, 80920
PHONE: 234-1460

38 Education and Administration Center, Learning Services, Preschool at Briargate, Finance, Purchasing, Technology

1110 Chapel Hills Drive, 80920
PHONE: 234-1200 FAX: 234-1299



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Academy School District Twenty
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting Award
is presented to**

Academy School District Twenty

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director



ACADEMY
DISTRICT 20
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Where dreams take flight...
One student at a time.



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II. Financial Section





CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Education
Academy School District Twenty
Colorado Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Academy School District Twenty, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the entity'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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Academy School District Twenty as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and pension schedules as listed in the table of contents 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 Academy School District Twenty's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, Colorado Department of Education Automated Data Exchange View Report, and the schedule of expenditures of federal awards 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also previously audited, in accordance with governmental auditing standards generally accepted in the United States of America, the basic financial statements of the Academy School District Twenty as of and for the year ended June 30, 2015, and have issued our report thereon dated November 4, 2015, which contained unmodified opinions on the respective financial statements of the government activities, the discretely presented component unit, each major fund, and aggregate remaining fund information of Academy School District Twenty.

The budgetary comparison schedules for the year ended June 30, 2015 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounts and other records used to prepare the 2015 financial statements. The budgetary comparison schedules have been subjected to the auditing procedures applied in the audit of the 2015 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounts and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with governmental auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2015.

The introductory and statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2016, on our consideration of Academy School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Academy School District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Greenwood, Colorado
November 4, 2016



ACADEMY
DISTRICT 20
The Peak of Excellence

Where dreams take flight...
One student at a time.



The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis provides a narrative introduction and overview to interpret the basic financial statements. MD&A also provides an analysis of key data presented in the basic financial statements.

Management's Discussion and Analysis

As management of Academy School District Twenty, "The District", we offer readers of the District's comprehensive annual financial report (CAFR) this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found on pages iii-vii of this report.

Financial Highlights

- The total liabilities and deferred inflows of resources of the Primary Government, including long term bonds payable and net pension liability exceeded its total assets and deferred outflows of resources, including land, buildings and equipment at the close of fiscal year 2015-16 by \$219,315,916 (*deficit net position*). The deficit Unrestricted net position of \$(308,648,921) is the product of the GASB 68 implementation which requires all contributors to PERA to record their share of the net pension liability on the Statement of Net Position. More information on GASB Statement No. 68 can be found in the notes to the financial statements.
- The Primary Government's total net position decreased by \$2,213,123 during fiscal year 2015-16.
- At the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$83,089,861, an increase of \$6,728,842 from the prior year. Nearly 80% of the increase is recognized in the General Fund.
- The governmental funds reported combined unrestricted fund balance of \$51,209,812 including \$1,887,004 assigned to school carryover in the General Fund.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$28,635,281 or 15.1 percent of the total general fund expenditures.
- At June 30, 2016, \$5,387,000 of the \$42,664,125 fund balance of the General Fund was restricted for the emergency contingency required by Article X, Section 20 of the Colorado Constitution (TABOR).

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. They consist of two statements:

The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including its Charter School (Component Unit), with the difference between the assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in the financial position of the District.

MAJOR FEATURES OF THE GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS				
	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds**	Fiduciary Funds
Scope	Entire district-- <i>except fiduciary funds</i>	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses, such as food services	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activity monies
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenditures, and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can contain them
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

** The District no longer maintains a proprietary fund as the Food Service Fund has been reclassified as a governmental fund during fiscal year 2014-15.

The Statement of Activities presents information reporting how the District's net position changed during fiscal year 2015-16. All changes in net position are reported on a full accrual basis: or in other words, as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows for future fiscal periods. Earned but unused vacation leave and uncollected taxes are examples of these types of items.

Both government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, pupil activities, instructional support, general and school administration, business, community, and central services, food services, transportation, risk management, and operation and maintenance services.

The government-wide financial statements include not only the District itself (known as the primary government), but also a legally separate entity (Charter School) for which the district is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 18 and 19 of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All District funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund and the Debt Service Fund, both of which are considered major funds. Data from the other non-major governmental funds (Capital Reserve Capital Projects, Designated Purpose Grants, Food Service, Transportation, and Technology) are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available for the support of the District's own programs. The accounting used for fiduciary funds is on the full accrual basis.

The basic fiduciary fund financial statements can be found on pages 24-25 of this report.

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 27-49 of this report.

Other Information

The District adopts an annual appropriated budget for all funds. As part of the Required Supplemental Information (RSI), a budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget and can be found on pages 52-53 of this report, followed by the Note to the RSI on page 54. Due to the implementation of GASB Statement No. 68 during the 2014-15 fiscal year, two additional RSI schedules are included on pages 55-56.

Other Supplementary Information (OSI), including the combining statements and budget schedules referred to earlier in connection with non-major governmental funds, are presented immediately following the RSI, on pages 58-71 of this report.

Financial Analysis of the District as a Whole

As noted earlier, *net position* may serve over time as a useful indicator of the District's financial position. In 2015-16, the District's liabilities plus deferred inflows of resources exceeded its assets plus deferred outflows of resources by \$219,315,916 resulting in a deficit net position. The District recognized a decrease in total net position of \$2,213,123 from the 2014-15 beginning net position amount of (\$217,102,793).

- A key component of the District's net governmental position is the large net pension liability of \$404,158,474. Prior to the implementation of Statement 68 from the Governmental Accounting Standards Board (GASB), the District was not required as a contributor to PERA to record their share of the net pension liability. Note 13 to the basic financial statements outlines GASB 68.
- An additional portion of the District's net position represents resources that are subject to external restriction on how they may be used. At June 30, 2016 a total net position of \$29,649,108 was restricted for debt service in the amount of \$23,782,337, food service in the amount of \$479,771, and TABOR emergency contingency of \$5,387,000.
- The District's ability to finance services in the future can be reflected in the difference of the District's current assets (those that will be converted to cash within a year) and current liabilities (on the following schedule). The District had liquid assets equal to 4.34 times its other liabilities.

Primary Government Condensed Statement of Net Position

	<u>2016</u>	<u>2015</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
ASSETS		
Current and other assets	\$ 110,164,406	\$ 104,493,700
Capital assets	<u>172,188,806</u>	<u>176,204,391</u>
Total assets	<u>282,353,212</u>	<u>280,698,091</u>
DEFERRED OUTFLOWS OF RESOURCES		
Related to pension	52,855,307	22,022,420
Refunding	<u>4,457,423</u>	<u>5,123,261</u>
Total deferred outflows of resources	<u>57,312,730</u>	<u>27,145,681</u>
LIABILITIES		
Other liabilities	25,365,096	26,583,398
Long-term debt and other long-term liabilities	<u>527,888,458</u>	<u>498,336,443</u>
Total liabilities	<u>553,253,554</u>	<u>524,919,841</u>
DEFERRED INFLOWS OF RESOURCES		
Related to pension	<u>5,728,304</u>	<u>26,724</u>
Total deferred inflows of resources	<u>5,728,304</u>	<u>26,724</u>
NET POSITION		
Net Investment in Capital Assets	59,683,897	49,564,426
Restricted	29,649,108	26,662,935
Unrestricted	<u>(308,648,921)</u>	<u>(293,330,154)</u>
Total net position	<u>\$ (219,315,916)</u>	<u>\$ (217,102,793)</u>

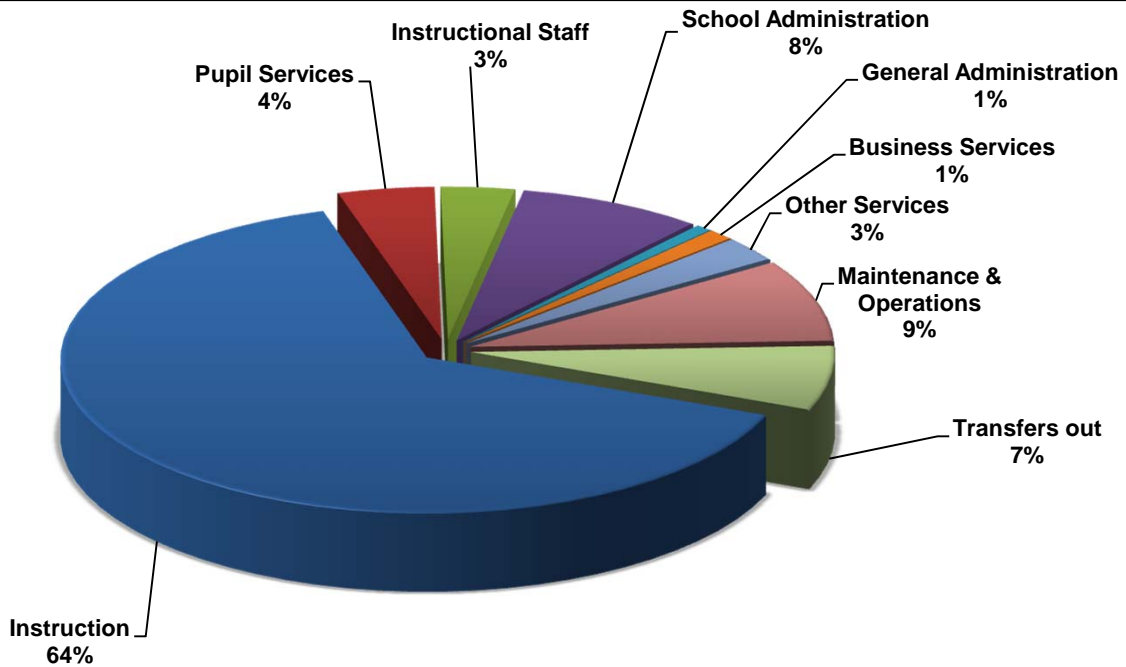
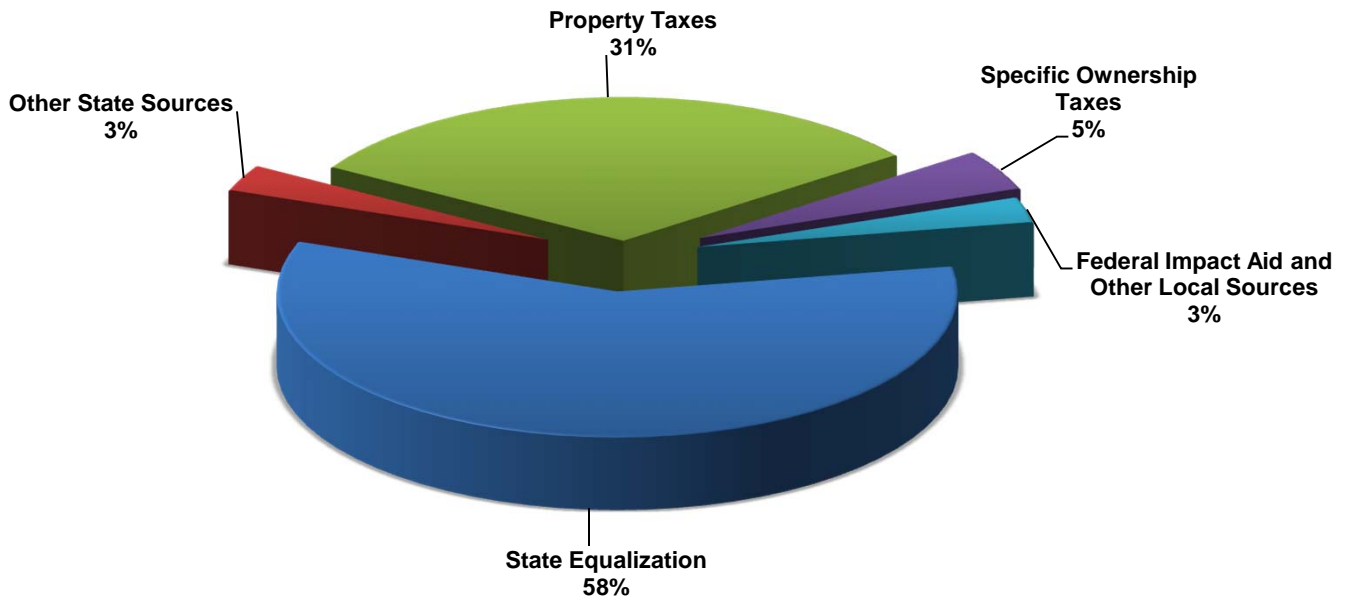
Governmental Activities. Governmental activities decreased the District's net position by \$2,213,123. The primary reason for this decrease is the continual effect of the implementation of GASB Statement No. 68 during fiscal year 2014-15 which required the District to record their proportionate share of PERA's unfunded pension liability. Additional information on GASB Statement No. 68 can be found in the notes to the financial statements. Other key elements of the governmental activities are as follows:

- The cost of all governmental activities for fiscal year 2015-16 was \$245,703,889,
- Users of some of the District's governmental programs financed \$6,216,835,
- The federal and state governments subsidized certain programs with operating grants and contributions totaling \$21,071,025,
- All of the District's governmental activities were financed by district and state taxpayers,
- General revenues for governmental activities consists of \$93,113,353 in property taxes, \$121,708,205 of unrestricted state equalization based on the statewide education aid formula, investment earnings of \$239,234, and miscellaneous items of \$1,142,114.

Primary Government Condensed Statement of Changes in Net Position

	<u>2016</u>	<u>2015</u>
	<u>Governmental</u> <u>Activities</u>	<u>Governmental</u> <u>Activities</u>
REVENUES		
Program revenues		
Charges for services	\$ 6,216,835	\$ 6,086,848
Operating grants & contributions	21,071,025	20,391,428
General revenues		
Property taxes	93,113,353	86,531,866
State equalization	121,708,205	115,576,439
Other	<u>1,381,348</u>	<u>1,245,091</u>
Total revenues	<u>243,490,766</u>	<u>229,831,672</u>
EXPENSES		
Instruction	132,164,419	125,984,908
Pupil & instructional services	18,344,202	17,167,497
Administration & business	23,846,561	22,056,157
Maintenance & operations	19,047,138	18,693,908
Transportation	8,659,257	8,251,551
Food services	5,309,694	5,302,312
Central & risk management services	10,783,091	9,377,282
Charter school	23,391,249	22,519,530
Interest charges and other	<u>4,158,278</u>	<u>5,090,955</u>
Total expenses	<u>245,703,889</u>	<u>234,444,100</u>
Excess (deficiency) of revenues over expenses	<u>(2,213,123)</u>	<u>(4,612,428)</u>
Increase (decrease) in net position	(2,213,123)	(4,612,428)
Beginning net position	<u>(217,102,793)</u>	<u>(212,490,365)</u>
Ending net position	\$ <u><u>(219,315,916)</u></u>	\$ <u><u>(217,102,793)</u></u>

Academy School District Twenty General Fund Revenues FY 2015-16



Academy School District Twenty General Fund Expenditures FY 2015-16

Financial Analysis of the District's Funds

Governmental Funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

GENERAL FUND

The General Fund is the major operating fund of the District, providing the majority of the resources for the educational and support programs. Revenues for the General Fund totaled \$208,444,445 in fiscal year 2015-16. The Equalization line item includes the portion of equalization received by the District and passed through to Charter Schools. The following table reflects the amount of revenue from various sources.

<u>Revenues</u>	<u>FY2015-16</u>	<u>FY2014-15</u>	<u>Amount of Change</u>	<u>Percentage of Change</u>
Property taxes	\$ 65,260,978	\$ 63,108,440	\$ 2,152,538	3.4 %
Specific ownership taxes	9,472,082	8,685,655	786,427	9.1
State of Colorado				
Equalization	121,708,205	115,576,439	6,131,766	5.3
Education of handicapped	3,570,939	3,518,542	52,397	1.5
Other state sources	2,545,241	2,302,224	243,017	10.6
Federal	2,896,423	3,138,825	(242,402)	(7.7)
Other sources				
Investment income	182,887	58,326	124,561	213.6
Tuition	1,552,452	1,525,248	27,204	1.8
Miscellaneous	1,255,238	1,263,926	(8,688)	(0.7)
Totals	<u>\$ 208,444,445</u>	<u>\$ 199,177,625</u>	<u>\$ 9,266,820</u>	4.7 %

Property Taxes. The 2016 General Fund property tax revenues were based upon a levy of 26.952 applied against an assessed valuation of \$1,432,791,730. The 2015 mill levy was 26.952 mills applied against an assessed valuation of \$1,335,029,420. Although assessed valuation increased from the prior year by 7.3%, there was only a slight 3.4% increase in revenue over the prior year recognized in the General Fund.

Specific Ownership Taxes. Specific ownership tax is applied to the fair value of vehicles registered in Colorado. The tax is collected when vehicle owners renew their vehicle registrations each year. The 9.1% increase in specific ownership tax collections was anticipated due to the continuing growth in the local economy and an increase in new vehicle registrations in fiscal year 2015-16.

State Equalization. State equalization revenue for kindergarten through 12th grade education is the primary revenue source for the General Fund, providing 58% of total revenue. Local property taxpayers provide 31% toward funding public education in the District. Payments are received monthly at generally 1/12th of the annual state estimated revenue. State equalization increased by 5.3% in fiscal year 2015-16 compared to fiscal year 2014-15.

Education of Handicapped. The majority of the District's revenue for education of disabled students is received in the fall of each year. Revenue received in fiscal year 2015-16 increased 1.5% mainly due to the increase in the State funding provided for students with significant disabilities.

Other State Sources. Other state sources consist of state vocational revenue, gifted and talented grant revenue, and other miscellaneous state revenues received. Revenue received in fiscal year 2015-2016 increased 10.6% mainly due to an increase in capital construction funding that flows thru to our Charter School.

Federal Sources. Federal sources of revenue consist of Federal Impact Aid (PL-874), in lieu of property tax revenues, Medicaid, and other federal sources. Federal Impact Aid revenues fluctuate from year to year based on the number of District students whose parents are associated by residence or employment to federally-owned land. The District recorded \$1,416,792 of Federal Impact Aid revenue and \$950,063 of Medicaid reimbursement as General Fund revenue in 2015-16.

Other Sources. The increase in other sources of revenue can largely be attributed to higher returns and average balances on our investments with COLOTRUST.

Expenditures

Expenditures in the general fund, including the accrual for teacher salaries and benefits, totaled \$189,638,446 in fiscal year 2015-16. This represents an increase of 2.2% from fiscal year 2014-15 mainly due to increases in instructional and school administration expenditures.

Transfers to Other Funds

During the year, the General Fund transferred \$3,979,732 to the Capital Reserve Capital Projects Fund, \$4,912,430 to the Transportation Fund, and \$4,848,490 to the Technology Fund.

OTHER MAJOR FUNDS

The Bond Redemption Fund's fund balance increased by \$2,250,518 during 2015-16 due to an increase in property tax revenue (\$1,059,197 decrease in 2014-2015). A portion of the fund balance was used to service scheduled principal and interest payments, in accordance with state statute.

General Fund Budgetary Highlights

The original fiscal year 2015-16 budgets adopted by the Board of Education for the District as a whole totaled appropriations of \$334.6 million, including General Fund appropriations of \$238.4 million. The adopted budget was modified in January to reflect changes in funding for a final General Fund budget appropriation of \$243.4 million.

The final budget reflected an increase in budgeted revenues from the original adopted budget of \$1.0 million in total.

Fiscal year 2015-16 budgeted state equalization revenues for the General Fund totaled \$121.1 million, with actual state equalization revenues of \$121.7 million compared to the actual revenue of \$115.6 million in 2014-15. The General Fund received all state equalization revenues and transferred the appropriate amount to its charter school.

The final budget reflected an increase from the original adopted budget of \$1.8 million for expenditures and transfers. The majority of the increased appropriation was based on adjustments of the transfer to the Capital Reserve Capital Projects fund and an increase to the funding of its charter school.

Fiscal year 2015-16 final budgeted instruction expenditures for the General Fund totaled \$135.8 million, while actual instruction expenditures totaled \$130.7 million (\$128.1 million in 2014-15). During the 2015-16 budget development process, some key components the District planned for are salary and retirement benefit increases for all staff, additional allocation for Special Education, ESL, and TAG programs, and increases in funding to the Capital Reserve Capital Projects, Technology, and Transportation funds.

The final budget reflects a \$4,912,430 transfer to the Transportation Fund, a \$4,848,490 transfer to the Technology Fund, and a \$3,979,732 transfer to the Capital Reserve Capital Projects Fund.

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2016 amounted to \$172,188,806 (net of accumulated depreciation of \$145,758,689). This investment in capital assets includes land, buildings, improvements, machinery and equipment. During the year, the District invested nearly \$1 million to resurface the playgrounds at 11 elementary schools. Additional schools will be completed during the 2016-2017 fiscal year.

Capital Assets	2016	2015
Land and improvements	\$ 22,398,975	\$ 21,400,095
Building and improvements	250,427,156	250,172,372
Furniture, fixtures, and equipment	45,121,364	42,495,114
	317,947,495	314,067,581
Less: Accumulated depreciation	(145,758,689)	(137,863,190)
Total Investment in Capital Assets	\$ 172,188,806	\$ 176,204,391

Long-term debt. At the end of the current fiscal year, the District had total long-term debt outstanding of \$123,729,984 including \$15,076,305 due within the next twelve months.

Long-term Debt	2016	2015
General obligation bonds	\$ 107,014,342	\$ 119,091,406
Amounts Related to GO Bonds	12,076,012	14,565,650
Certificates of participation	-	1,265,000
	119,090,354	134,922,056
Long-term debt related to capital assets	4,639,630	5,512,426
Compensated absences	-	-
Total Long-term Debt	\$ 123,729,984	\$ 140,434,482

As of June 30, 2016, the District's total principal on general obligation bonded debt of \$107,014,342 was 7.5% of the assessed valuation of \$1,431,537,310.

The District's total outstanding Certificates of Participation of \$1,265,000 as of June 30, 2015 were paid in full during the current fiscal period.

The District maintained an Aa2 rating from Moody's Investor Service.

For more detailed information on capital assets and debt administration, see Notes 5 and 7 in the Notes to the Basic Financial Statements.

Economic Factors Affecting the District's Future

The El Paso County unemployment rate in June 2016 was 4.7%, a decrease of 0.8% from June 2015. Colorado's rate was 4.0% while the national rate was 5.1% for the same time period. Job gains reported in the region were mainly in the health care and social assistance sector as well as the accommodations & food services and the professional & technical skills sectors. The most significant job losses were in the information technology and manufacturing areas.

The Consumer Price Index (CPI) of 245.191 for the Denver/Boulder area increased by 3.0 percent from the 1st half of 2015 to the first half of 2016. Higher costs for shelter had the largest upward impact on the index. The current CPI factor of 245.191 means that a market basket of goods and services that cost \$100.00 during the 1982-1984 base period cost \$245.19 in 2016.

Within El Paso County and the City of Colorado Springs area, residential construction increased during the twelve months ending in December 2015 as compared to the prior year with the trend predicted to continue through the end of 2016. Sales on existing homes have been strong as buyers take advantage of historically low mortgage rates. El Paso County is one of four counties in the state expected to have a large population growth over the next several years. These expected increases in population will have substantial implications on residents, government, and businesses.

Fiscal year 2016-17 original budgeted appropriation for the General Fund is \$244.8 million, a \$1.4 million increase over the previous fiscal year. 100% of the increase in the appropriation is attributed to the District being a minimum funded district for per pupil funding. The fiscal year 2016-17 budgeted pupil count is 23,794. With the increase in budgeted pupil count, the District's state equalization funding increased by \$3 million from the 2015-16 level.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, 1110 Chapel Hills Drive, Colorado Springs, CO 80920.

BASIC FINANCIAL STATEMENTS

The following basic financial statements, along with the notes to the basic financial statements, present an overview of the District's financial position at June 30, 2016, and the results of operations for the Governmental and Fiduciary Funds for the year then ended.

ACADEMY SCHOOL DISTRICT TWENTY
STATEMENT OF NET POSITION
June 30, 2016

	Primary Government Governmental Activities	TCA Component Unit
ASSETS		
Cash and investments (unrestricted) (Note 2)	\$ 103,603,775	\$ 12,542,432
Receivables (Note 3)	5,872,631	3,547
Inventories and prepaid expenses	84,160	54,530
Promissory note due from component unit (Note 4)	603,840	-
Restricted investments (Note 2)	-	8,795,827
Capital assets, not being depreciated (Note 5)	12,778,566	5,759,361
Capital assets, depreciated, net (Note 5)	159,410,240	29,518,931
Total assets	282,353,212	56,674,628
DEFERRED OUTFLOWS OF RESOURCES		
Refunding	4,457,423	5,940,886
Related to Pension	52,855,307	6,670,324
Total deferred outflows of resources	57,312,730	12,611,210
LIABILITIES		
Accounts payable and other current liabilities	2,003,896	187,834
Accrued compensation payable (Note 6)	22,080,610	1,260,734
Unearned revenues	915,567	9,587
Accrued interest payable	365,023	356,114
Long-term liabilities:		
Portion due or payable within one year (Note 7)	15,076,305	1,415,533
Portion due or payable after one year (Note 7)	108,653,679	51,738,467
Pension Liability (Note 13)	404,158,474	45,958,393
Promissory note due to primary government (Note 4)	-	603,840
Long-term liabilities	527,888,458	99,716,233
Total liabilities	553,253,554	101,530,502
DEFERRED INFLOWS OF RESOURCES		
Related to Pension	5,728,304	651,342
Total deferred inflows of resources	5,728,304	651,342
NET POSITION		
Net investment in capital assets	59,683,897	(13,491,949)
Restricted for:		
Debt service	23,782,337	3,123,307
Food service	479,771	-
Repair and replacement	-	6,796,708
TABOR (Note 8)	5,387,000	815,608
Donor purpose	-	1,077,856
Unrestricted	(308,648,921)	(31,217,536)
Total net position	\$ (219,315,916)	\$ (32,896,006)

The accompanying notes are an integral part of the basic financial statements

**ACADEMY SCHOOL DISTRICT TWENTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016**

	<u>General</u>	<u>Bond Redemption</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments (Note 2)	\$ 62,933,648	\$ 25,725,997	\$ 14,944,130	\$ 103,603,775
Receivables (Note 3)	3,282,120	549,385	2,041,126	5,872,631
Prepaid items	66,896	-	17,264	84,160
Inter-fund receivable (Note 9)	874,483	-	-	874,483
Promissory note and accrued interest receivable (Note 4)	-	-	603,840	603,840
	<u>67,157,147</u>	<u>26,275,382</u>	<u>17,606,360</u>	<u>111,038,889</u>
Total assets	<u>\$ 67,157,147</u>	<u>\$ 26,275,382</u>	<u>\$ 17,606,360</u>	<u>\$ 111,038,889</u>
LIABILITIES				
Accounts payable	\$ 1,531,592	\$ -	\$ 472,304	\$ 2,003,896
Accrued compensation (Note 6)	21,431,168	-	649,442	22,080,610
Inter-fund payable (Note 9)	-	-	874,483	874,483
Unearned revenue (Note 10)	405,894	-	509,673	915,567
	<u>23,368,654</u>	<u>-</u>	<u>2,505,902</u>	<u>25,874,556</u>
Total liabilities	<u>23,368,654</u>	<u>-</u>	<u>2,505,902</u>	<u>25,874,556</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes (Note 10)	1,124,368	346,264	-	1,470,632
Unavailable revenue (Note 10)	-	-	603,840	603,840
	<u>1,124,368</u>	<u>346,264</u>	<u>603,840</u>	<u>2,074,472</u>
Total deferred inflows of resources	<u>1,124,368</u>	<u>346,264</u>	<u>603,840</u>	<u>2,074,472</u>
FUND BALANCES				
Nonspendable, prepaid items	66,896	-	17,264	84,160
Restricted for				
Debt service	-	25,929,118	-	25,929,118
Food service	-	-	479,771	479,771
TABOR (Note 8)	5,387,000	-	-	5,387,000
Assigned to				
Risk related activity	3,434,527	-	-	3,434,527
Technology replacement	-	-	6,749,349	6,749,349
Activity bus replacement	-	-	107,778	107,778
Contractual obligations	300,402	-	-	300,402
Employee benefit programs	472,894	-	-	472,894
Food service future projects	-	-	230,274	230,274
Future projects	-	-	6,924,171	6,924,171
Longevity bonus (Note 7)	1,260,000	-	-	1,260,000
Medicaid	1,220,121	-	-	1,220,121
School carryover	1,887,004	-	-	1,887,004
Unassigned	28,635,281	-	(11,989)	28,623,292
	<u>42,664,125</u>	<u>25,929,118</u>	<u>14,496,618</u>	<u>83,089,861</u>
Total fund balances	<u>42,664,125</u>	<u>25,929,118</u>	<u>14,496,618</u>	<u>83,089,861</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 67,157,147</u>	<u>\$ 26,275,382</u>	<u>\$ 17,606,360</u>	<u>\$ 111,038,889</u>

The accompanying notes are an integral part of the basic financial statements.

**ACADEMY SCHOOL DISTRICT TWENTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2016**

Total fund balances--governmental funds (page 20)		\$ 83,089,861
Amounts reported for governmental <i>activities</i> in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$317,947,495 the accumulated depreciation is \$145,758,689.		172,188,806
Revenue, such as property taxes, not available to pay for current period expenditures and are therefore shown as a deferred inflow of resources in the governmental funds but recorded as general revenues in the statement of net position.		1,470,632
Other long-term assets, such as promissory note receivable, are not available to pay for current period expenditures and are therefore shown as a deferred inflow of resources in the governmental funds but recorded as revenues in the statement of net position.		603,840
Other liabilities associated with long-term debt, such as accrued interest payable, are not recorded in the governmental funds but recorded as a liability in the statement of net position.		(365,023)
Other assets and liabilities associated with pension (GASB 68).		(357,031,471)
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
GO Bonds payable	\$ (107,014,342)	
Accreted interest	(2,128,022)	
Premium	(9,947,990)	
Deferred losses on refunding	4,457,423	
Longevity bonus payable	(3,454,482)	
Compensated absences	(1,185,148)	(119,272,561)
Total net position--governmental activities (page 18)		\$ (219,315,916)

The accompanying notes are an integral part of the basic financial statements.

ACADEMY SCHOOL DISTRICT TWENTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2016

	<u>General</u>	<u>Bond Redemption</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes (Note 11)	\$ 74,733,060	\$ 20,181,722	\$ -	\$ 94,914,782
Intergovernmental	130,720,808	-	11,933,276	142,654,084
Investment income	182,887	54,784	1,563	239,234
Tuition	1,552,452	-	-	1,552,452
Miscellaneous	1,255,238	-	4,595,679	5,850,917
	<u>208,444,445</u>	<u>20,236,506</u>	<u>16,530,518</u>	<u>245,211,469</u>
Total revenues				
EXPENDITURES				
Current				
Instruction	130,731,354	-	7,070,288	137,801,642
Supporting Services				
Pupil services	8,731,093	-	-	8,731,093
Instructional staff	6,662,428	-	739,852	7,402,280
General administration	1,481,708	-	-	1,481,708
School administration	16,740,051	-	-	16,740,051
Business administration	2,354,885	-	-	2,354,885
Central services	1,687,693	-	3,692,890	5,380,583
Community services	664,704	-	-	664,704
Operation & maintenance of plant	17,609,670	-	-	17,609,670
Risk management services	2,974,860	-	-	2,974,860
Food services	-	-	5,099,596	5,099,596
Pupil transportation	-	-	7,047,502	7,047,502
Total supporting services	<u>58,907,092</u>	<u>-</u>	<u>16,579,840</u>	<u>75,486,932</u>
Capital outlay	-	-	6,166,918	6,166,918
Debt service				
Principal retirement	-	12,077,064	1,265,000	13,342,064
Interest and fiscal charges	-	5,908,924	28,440	5,937,364
	<u>189,638,446</u>	<u>17,985,988</u>	<u>31,110,486</u>	<u>238,734,920</u>
Total expenditures				
Excess/(deficiency) of revenues over expenditures	18,805,999	2,250,518	(14,579,968)	6,476,549
OTHER FINANCING SOURCES (USES)				
Gain/(loss) on sale of capital assets	-	-	252,293	252,293
Transfers in	200,000	-	13,740,652	13,940,652
Transfers (out)	(13,740,652)	-	(200,000)	(13,940,652)
Total Other Financing Sources (Uses)	<u>(13,540,652)</u>	<u>-</u>	<u>13,792,945</u>	<u>252,293</u>
Net change in fund balances	5,265,347	2,250,518	(787,023)	6,728,842
Fund balance, beginning of year	<u>37,398,778</u>	<u>23,678,600</u>	<u>15,283,641</u>	<u>76,361,019</u>
Fund balance, end of year	<u>\$ 42,664,125</u>	<u>\$ 25,929,118</u>	<u>\$ 14,496,618</u>	<u>\$ 83,089,861</u>

The accompanying notes are an integral part of the basic financial statements.

**ACADEMY SCHOOL DISTRICT TWENTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016**

Total net change in fund balances--governmental funds (page 22)		\$ 6,728,842
Amounts reported for governmental <i>activities</i> in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets eligible for capitalization is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
	Capital outlays \$ 4,264,593	
	Depreciation expense <u>(8,280,178)</u>	(4,015,585)
Other long-term assets, such as promissory note receivable, are not available to pay for current period expenditures and are therefore shown as a deferred inflow of resources in the governmental funds but recorded as general revenues in the statement of net position.		
		(171,565)
Revenue, such as property taxes, not available to pay for current period expenditures and therefore deferred in the governmental funds but recorded as general revenues in the statement of net position.		
		376,445
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
	GO Bond principal payment \$ 12,077,064	
	COP principal payment <u>1,265,000</u>	13,342,064
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount represents the net change in interest reported in the statement of activities.		
		986,094
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long term debt and related items: amortization of bond premiums \$1,458,830 and amortization of loss on bond refunding (\$665,838).		
		792,992
Net pension liability activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of pension expense (\$41,700,985), net of employer contribution expenditures of \$20,575,779.		
		(21,125,206)
In the statement of activities, certain operating expenses -- compensated absences (vacation), special termination benefits (longevity)--are measured by the amounts <i>earned</i> during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually <i>paid</i>). This amount represents the net effect of compensated absences payable on the statement of activities.		
		<u>872,796</u>
Change in net position of governmental activities (page 19)		<u><u>\$ (2,213,123)</u></u>

The accompanying notes are an integral part of the basic financial statements.

**ACADEMY SCHOOL DISTRICT TWENTY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2016**

	<u>Pupil Activity Agency Fund</u>	<u>Private Purpose Scholarship Trust Fund</u>
ASSETS		
Cash & cash equivalents	\$ 4,051,633	\$ 106,610
Total assets	<u>4,051,633</u>	<u>106,610</u>
LIABILITIES		
Due to student organizations	<u>4,051,633</u>	<u>-</u>
Total liabilities	<u>4,051,633</u>	<u>-</u>
NET POSITION		
Held in trust for scholarship recipients	<u>-</u>	<u>106,610</u>
Total net position	<u><u>\$ -</u></u>	<u><u>\$ 106,610</u></u>

**ACADEMY SCHOOL DISTRICT TWENTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2016**

	Private Purpose Scholarship Trust Fund
ADDITIONS	
Fundraising activities	\$ 25,585
Pepsi Scholarship Fund	60,000
Pikes Peak Alliance receipts	(500)
	85,085
DEDUCTIONS	
Scholarships awarded	60,000
Payments to suppliers	24,380
	84,380
Change in net position	705
NET POSITION, beginning of year	105,905
NET POSITION, end of year	\$ 106,610



ACADEMY
DISTRICT 20
The Peak of Excellence

Where dreams take flight...
One student at a time.



The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1: SUMMARY OF ACCOUNTING POLICIES

The financial statements of Academy School District Twenty, Colorado Springs, Colorado (the District) have been prepared in conformity with the Generally Accepted Accounting Principles (GAAP) as established by the Government Accounting Standards Board (GASB). The more significant of the District's accounting policies are described below.

Description of the District

The District was established in 1957 and is organized under the Constitution and Revised Statutes of the State of Colorado. Under these statutes, there is no authority for a school district to have a charter or to adopt local laws. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

The District provides educational services as authorized by Colorado Revised Statutes or further mandated by state and/or federal agencies. The Board controls the District's 35 instructional/support facilities staffed by 3,154 employees providing services and support to 23,702 full-time equivalent students and other community members.

The District serves an area of approximately 130 square miles. It includes most of the northern part of the City of Colorado Springs, Colorado and a large part of northern El Paso County. The United States Air Force Academy encompasses about 18% of the total land mass.

The Financial Reporting Entity

For financial reporting purposes, the District includes all entities for which it is financially accountable. Criteria for determining whether the District had the ability to impose its will on organizations are the District's ability to: remove elected members of the organization's governing boards; modify or approve rate or fee changes affecting revenues; veto, overrule, or modify the decisions of the organization's governing board; or hire/reassign, or dismiss those persons responsible for the day-to-day operations of the organization. In determining whether an organization has financial benefit or burden relationship with the District, the following conditions are used: legal entitlement to or access to the organization's resources; the appointment of the governing body; legal obligation or assumption of the obligation to finance the deficits or to provide financial support to the organization; or obligation in some manner for the organization's debt.

These financial statements present the District and its component unit, The Classical Academy (TCA) for which the District is considered to be financially accountable. TCA, a discretely presented component unit, is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the District. TCA also has a June 30 fiscal year end.

Discretely Presented Component Unit. The Classical Academy (TCA) charter school educates children within the District's jurisdiction. A parent group elects members of its governing board. TCA provides services exclusively to students within the District and is dependent upon the District for the majority of its funding. In addition, the nature and significance of TCA's relationship with the district is such that exclusion would cause the District's financial statements to be incomplete. TCA issues a separate financial report which may be obtained by writing to The Classical Academy, 975 Stout Road, Colorado Springs, CO 80921.

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 non-fiduciary activities of the District and its component unit. For the most part, the effect of inter-fund activity has been removed from these statements; however, inter-fund services provided and used between functions have not been eliminated. *Governmental activities* are primarily supported by taxes and intergovernmental revenues. Likewise, the *primary government* is reported separately from the legally separate *component unit* for which the District is financially accountable.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (concluded)

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

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

Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue 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.

In the fund financial statements, the District reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Bond Redemption Fund* accounts for the servicing of general long-term debt not being financed by proprietary funds using a dedicated mill levy.

Additionally, the District reports the following fund types:

The *Agency Fund* is used to account for resources used to support each school's student activities. The District holds all resources in a purely custodial capacity.

The *Private Purpose Trust Fund* was created to act as a custodian for funds, such as scholarships, held in trust for the benefit of private individuals or organizations. All resources of the fund, including any earnings on invested resources, may be used to support those private individuals and organizations. There is no requirement that any portion of these resources be preserved as capital.

Governmental Funds are used to account for the District's general government activities. Governmental fund types use the flow of *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized when they are both measurable and available. Measurable means that the amount of the transaction can be determined and available means collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or within 120 days (changed from 90 days effective July 1, 2015) of the current fiscal period for grants.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Basis of Presentation (concluded)

Property taxes are recognized as revenue in the fiscal period for which they are levied, providing the available criteria are met. State equalization monies are recognized as revenue during the period in which they are appropriated.

Those revenues susceptible to accrual are property taxes, interest revenue and charges for services. Specific ownership taxes collected and held by the county treasurer at year-end on behalf of the District are also recognized as revenue. Entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met, subject to the availability criteria.

Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on long-term debt and compensated absences which are recognized when due. Because governmental fund balance sheets reflect current liabilities, only the current portion of the liability is reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources.

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.

Cash and Investments

Cash on hand, cash in the bank and all highly liquid investments with a maturity of three months or less when purchased or subject to withdrawal, are considered to be cash and cash equivalents.

Under Colorado Revised Statutes and Board of Education policy, the District, its funds and fund types may lawfully invest eligible funds in the following securities:

1. Obligations of the United States, certain U.S. Government agency's securities, and World Bank;
2. Certain international agency securities;
3. General obligation and revenue bonds of U.S. local government entities;
4. Bankers' acceptances of certain banks;
5. Commercial paper which holds the highest credit rating category and with a maturity within 180 days;
6. Local government investment pools;
7. Written repurchase agreements collateralized by certain authorized securities;
8. Certain money market funds;
9. Guaranteed investment contracts.

The District may also deposit funds in Colorado financial institutions that are eligible public depositories under the Colorado Public Deposit Protection Act, PDPA. However, custodial risks for investments are not addressed by state statutes.

Investments are carried at fair value.

During the course of operations, numerous transactions occur between individual funds for goods provided and services rendered that generally result in cash transactions. At the balance sheet date, these transactions have either produced a source to pooled cash or a use of pooled cash. These sources and uses are classified by fund on the balance sheet as cash and cash equivalents or as inter-fund receivables and payables.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (Continued)

Inventories and Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The District records prepaid items using the consumption method.

Food Service Fund purchased inventories are stated at cost as determined by the weighted average method. Commodity inventories are stated at USDA's assigned values, which approximate fair value at the date of receipt. Expenses for food items are recorded when used. The federal government donates surplus commodities to supplement the national school lunch programs. Commodity contributions received by the District are recognized as food expense and a corresponding revenue when consumed.

Capital Assets

Capital assets, which include land and improvements, construction in progress, buildings and improvements, and equipment are reported in the district wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Governmental assets with a per unit cost equal to or greater than \$5,000 are capitalized. Donated capital assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend asset lives, are not capitalized. Improvements are capitalized and are depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation of all exhaustible capital assets is charged as an expense against its operations in the government-wide financial statements.

Depreciation has been provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. Land and construction in progress are not depreciable assets. Depreciable assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	25
Buildings	50
Building improvements	25
Equipment - office	20
Equipment - technology	5
Equipment – vehicles	10
Equipment – food services	10–25

Compensated Absences

Under the District's policies, eligible classified employees earn vacation pay of up to 15 days per year based on longevity of service or position and may accumulate and carryover unlimited unused vacation indefinitely. All unused/accumulated vacation leave is payable upon resignation, termination, retirement or death. In accordance with the governmental accounting standards, the District has recorded the accrued liability for vacation pay in the accompanying district wide financial statements. In the governmental funds, the liability is recorded when due.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (Continued)

Compensated Absences (concluded)

Full-time employees accrue 12-15 days of staff leave each year dependent upon their contract or employment basis. Effective July 1, 2011, employees may accrue up to 90 days of current staff leave. Staff leave may be accrued, but shall not exceed a maximum of 90 days. Unused staff leave balances greater than 90 days shall not be paid nor accrued.

Employees who were employed by Academy School District 20 on or before June 30, 1999 will be compensated for accrued staff leave as follows:

- *Protected Leave* – On June 30, 1999, the payout rate and number of accumulated hours for each eligible employee was calculated and recorded in each eligible employee’s file. This leave is called “protected leave”. Upon leaving the district after 15 years or more of continuous full time service, any remaining protected leave of exempt employees will be paid at the June 30, 1999 substitute rate of pay. Non-exempt employees’ protected leave days will be paid at 50% of the maximum hourly rate as of June 30, 1999 that correlates to the employee’s classification.
- *Current Staff Leave* – When an exempt employee retires from the district after 15 years of continuous full time employment, the employee shall receive payment for any unused current staff leave days up to the maximum of 90 days, at 50% of the 2010-2011 designated substitute rate. When a non-exempt employee retires from the district after 15 years or more of continuous full time employment, the employee shall receive payment for any unused current staff leave days at 25% of the maximum hourly rate that correlates to the employee’s grade classification as of June 30, 2011.

The District offers a Longevity Bonus to those employees who meet established guidelines (see Note 7 for further disclosure of this program).

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long term obligations are reported as liabilities in the applicable governmental activities or proprietary funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net position by the District that is applicable to future reporting period. Both deferred outflows and inflows are reported in the statement of net position but are not reported in the financial statements as revenue or expenditures until the period(s) to which they relate.

The District has two items that qualify for reporting as a deferred outflows of resources. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow related to pension has been recorded as of June 30, 2016, which consists of four components: 1) contributions subsequent to measurement date; 2) change in investment earnings; 3) change in proportionate share of the net pension liability; and 4) difference between expected and actual experience. See Note 13 for additional information.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (Continued)

Deferred Outflows and Inflows of Resources (concluded)

The District has three items that qualify for reporting as deferred inflows of resources. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected. The long term note receivable due from its component unit is considered a deferred inflow of resources as the full balance is unavailable as it is due over the course of many years. A deferred inflow related to pension has been recorded as of June 30, 2016 which consists of two components: 1) changes of assumptions and other inputs and 2) difference between expected and actual experience. See Note 13 for additional information.

Net Position/Fund Balance

In the government-wide and the fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. In the fund financial statements, governmental funds report commitments of fund balance when the Board commits resources for a specific purpose. Formal Board action in the form of a resolution is required to create or remove committed portions of fund balance. Assigned fund balance is reported when the Board intends to use resources for a specific purpose. By resolution, the Board has authorized the Superintendent to assign fund balances for specific purposes. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted fund balance first, followed by committed, assigned, and unassigned balances.

Insurance

The District purchases commercial insurance, including deductibles, to protect against the exposure risks associated with losses related to torts; theft of and damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims resulting from these risks have not exceeded the purchased commercial insurance coverage in any of the past three fiscal years.

GASB Statement Implementation

For the year ended June 30, 2016, the District adopted the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*, which is effective for financial statement periods beginning after June 15, 2015. GASB Statement No. 72 requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and the valuation techniques. See Note 2 for further information.

Budgetary Information

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

1. No later than May 31, the Superintendent must submit to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the Board of Education to obtain taxpayer comments.
3. Prior to June 30 the budget is adopted and appropriated by formal resolution.
4. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department in the General Fund rests with management. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles.
6. Appropriations for all funds lapse at the end of the fiscal year, with the exception of the Capital Reserve Capital Projects Fund. Total annual appropriations include transfers and ending fund balance.
7. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions.
8. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 2: CASH AND INVESTMENTS

At June 30, 2016, the District had the following cash and investments:

Cash on hand	\$	1,600
Deposits		7,558,033
Investments		100,202,385
		\$ 107,762,018

Cash and investments are reported in the financial statements, as follows:

Primary Government - Cash and investments, unrestricted	\$	103,603,775
Fiduciary funds		4,158,243
		\$ 107,762,018

At June 30, 2016, the District's discretely presented component unit, (TCA), reported the following cash and investments:

Cash deposits	\$	7,391,062
Restricted cash and cash equivalents		8,795,827
Certificate of deposits (non-negotiable)		5,151,370
		\$ 21,338,259

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that deposits of local governmental entities be at eligible public depositories with eligibility determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The 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 102% of the aggregate uninsured deposits.

Investments

At June 30, 2016, the District had the following investments:

Investment	Maturity	Fair Value
Local Government Investment Pool		
COLOTRUST	< 12 months	\$ 100,202,385
		\$ 100,202,385

Local Government Investment Pool - The District has invested \$100,202,385 in the Colorado Local Government Liquid Asset Trust (COLOTRUST), a "AAAm" (by Standard and Poor's) rated investment entity established by state statute for local governments in Colorado to pool funds for investment purposes. The State securities Commissioner administers and enforces the requirements of creating and operating COLOTRUST. The pool operates in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended. The designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. The custodian's internal records identify the investments owned by COLOTRUST. Investments of COLOTRUST are limited to those allowed by state statutes. The District's position in the pool is the same as the value of the pool shares.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 2: CASH AND INVESTMENTS (Concluded)

Interest Rate Risk – State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk – State statutes limit investments in money market funds to those that maintain a constant share price, with a maturity in accordance with rule 2a-7, and have either assets of \$1 Billion or the highest rating issued by nationally recognized statistical rating organizations (NRSROs).

Concentration of Credit Risk – State statutes generally do not limit the amount the District may invest in one issuer. The District does not have any concentration of credit risk.

Fair Value Measurement

The District categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2016:

- Investments held with COLOTRUST in the amount of \$100,202,385 are measured using significant other observable inputs, and are therefore, categorized as a Level 2.

NOTE 3: RECEIVABLES

Receivables at June 30, 2016 consisted of taxes, accounts (rent and fees), and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of Federal funds.

A summary of the principal items of receivables follows:

General Fund	
Property taxes - current and delinquent	\$ 2,584,086
Accounts receivable - other	698,034
	3,282,120
Debt Service Fund	
Property taxes - current and delinquent	549,385
Non-major Funds	
Food Services	30,350
Grants receivable	2,010,776
	5,872,631
Total Governmental Activities	5,872,631
Total Primary Government Receivables	\$ 5,872,631

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 4: NOTE RECEIVABLE, COMPONENT UNIT

On January 20, 2004, the District entered into a \$1,900,000 sales contract with TCA Building Corporation for the sale of the Mountain View School property. The District has recorded a promissory note receivable and an offsetting deferred inflow of resources in the governmental fund financial statements because the revenue is not available. Monthly payments began September 1, 2009 and will continue until November 1, 2019 when the note is paid in full. The current principal balance of the note is \$603,840 as detailed in the following table.

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 175,904	\$ 13,090	\$ 188,994
2018	180,352	8,641	188,993
2019	184,913	4,080	188,993
2020	62,671	327	62,998
	<u>\$ 603,840</u>	<u>\$ 26,138</u>	<u>\$ 629,978</u>

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 was as follows:

Governmental activities:

	Balance June 30, 2015	Additions	Retirements	Balance June 30, 2016
Non-depreciable assets:				
Land	\$ 12,778,566	\$ -	\$ -	\$ 12,778,566
Total assets not being depreciated	<u>12,778,566</u>	<u>-</u>	<u>-</u>	<u>12,778,566</u>
Depreciable assets:				
Land improvements	8,621,529	1,103,414	(104,534)	9,620,409
Building and improvements	250,172,372	254,784	-	250,427,156
Equipment	42,495,114	2,906,395	(280,145)	45,121,364
Total depreciable assets	<u>301,289,015</u>	<u>4,264,593</u>	<u>(384,679)</u>	<u>305,168,929</u>
Accumulated Depreciation:				
Land improvements	(5,061,291)	(416,346)	104,534	(5,373,103)
Building and improvements	(99,746,075)	(5,673,578)	-	(105,419,653)
Equipment	(33,055,824)	(2,190,254)	280,145	(34,965,933)
Total accumulated depreciation	<u>(137,863,190)</u>	<u>(8,280,178)</u>	<u>384,679</u>	<u>(145,758,689)</u>
Total depreciable assets, net	<u>163,425,825</u>	<u>(4,015,585)</u>	<u>-</u>	<u>159,410,240</u>
Governmental activities assets, net	<u>\$ 176,204,391</u>	<u>\$ (4,015,585)</u>	<u>\$ -</u>	<u>\$ 172,188,806</u>

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 5: CAPITAL ASSETS (Concluded)

Discretely presented component unit (TCA):	Balance			Balance
	June 30, 2015	Additions	Retirements	June 30, 2016
Non-depreciable assets:				
Land	\$ 4,006,742	\$ 17,670	\$ -	\$ 4,024,412
Construction in progress	-	1,734,949	-	1,734,949
Total assets not being depreciated	<u>4,006,742</u>	<u>1,752,619</u>	<u>-</u>	<u>5,759,361</u>
Depreciable assets:				
Building and improvements	44,760,282	408,150	-	45,168,432
Transportation and facility equipment	18,290	32,425	-	50,715
Less: accumulated depreciation	<u>(14,153,625)</u>	<u>(1,546,591)</u>	<u>-</u>	<u>(15,700,216)</u>
Total assets being depreciated	<u>30,624,947</u>	<u>(1,106,016)</u>	<u>-</u>	<u>29,518,931</u>
Capital assets, net	<u>\$ 34,631,689</u>	<u>\$ 646,603</u>	<u>\$ -</u>	<u>\$ 35,278,292</u>

Depreciation

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

Governmental activities:

Instruction	\$ 5,856,128
Central services	1,300,259
Maintenance and operations	194,589
Pupil transportation	855,652
Food services	<u>73,550</u>
Total depreciation - primary government	<u>\$ 8,280,178</u>

Net Investment in Capital Assets

At June 30, 2016, the District reported the following net investment in capital assets:

	2016
Governmental activities capital assets, net	\$ 172,188,806
Less: Long-term debt	
GO Bonds payable	(107,014,342)
Premium	(9,947,990)
Deferred losses on refunding	<u>4,457,423</u>
Total Long-term debt	<u>(112,504,909)</u>
Net investment in capital assets	<u>\$ 59,683,897</u>

NOTE 6: ACCRUED COMPENSATION

Salaries and benefits of certain contractually employed personnel are paid over a ten or twelve month period beginning in September, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2016 in the General and Grants Funds are \$22,080,610. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements and is fully funded at year end.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 7: LONG-TERM LIABILITIES

Changes in Long-Term Liabilities - District

The changes in long-term liabilities for the year ended June 30, 2016, for the District, were as follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Principal Due within 1 year
General Obligation Bonds					
Series 2006	\$ 1,655,000	\$ -	\$ 1,655,000	\$ -	\$ -
Series 2006B Refunding	4,270,000	-	1,365,000	2,905,000	1,420,000
Series 2007	930,000	-	-	930,000	-
Series 2007 - Cap Appreciation	71,406	-	42,064	29,342	29,342
Series 2010 Refunding	49,245,000	-	5,775,000	43,470,000	5,930,000
Series 2011 Refunding	8,230,000	-	-	8,230,000	770,000
Series 2011 Refunding- Cap Appreciation	30,000	-	-	30,000	-
Series 2012 Refunding	24,745,000	-	-	24,745,000	610,000
Series 2012 Refunding - Cap Appreciation	410,000	-	410,000	-	-
Series 2014 Refunding	8,100,000	-	2,505,000	5,595,000	2,615,000
Series 2015 Refunding	21,405,000	-	325,000	21,080,000	225,000
Sub-total Principal on GO Bonds	119,091,406	-	12,077,064	107,014,342	11,599,342
Accreted Interest - Series 2007	1,597,609	144,399	887,936	854,072 *	900,659
Accreted Interest - Series 2011	102,708	29,000	-	131,708 *	145,000
Accreted Interest - Series 2012	1,458,513	328,729	645,000	1,142,242 *	1,250,000
Premium - Series 2004B	16,232	-	16,232	-	-
Premium - Series 2006	137,151	-	82,289	54,862	-
Premium - Series 2006B	111,395	-	55,695	55,700	-
Premium - Series 2010	4,208,885	-	623,540	3,585,345	-
Premium - Series 2011	856,135	-	114,151	741,984	-
Premium - Series 2012	3,449,896	-	323,428	3,126,468	-
Premium - Series 2014	431,099	-	68,976	362,123	-
Premium - Series 2015	2,196,027	-	174,519	2,021,508	-
Sub-total Other Amounts	14,565,650	502,128	2,991,766	12,076,012	2,295,659
Sub-total GO Bonds and Other Amounts	133,657,056	502,128	15,068,830	119,090,354	13,895,001
Certificates of Participation	1,265,000	-	1,265,000	-	-
Compensated Absences (Vacation)	1,069,307	1,024,172	908,331	1,185,148	375,000
Compensated Absences (Longevity)	4,443,119	17,726	1,006,363	3,454,482	806,304
Total Long-Term Debt	\$ 140,434,482	\$ 1,544,026	\$ 18,248,524	\$ 123,729,984	\$ 15,076,305

*The principal due within 1 year for accreted interest is greater than the balance as of June 30, 2016 due to additions of accreted interest that will occur during 2016-17.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 7: LONG-TERM LIABILITIES (Continued)

Changes in Long-Term Liabilities – Component Unit (TCA)

Long-term debt activity for the District’s discretely presented component unit as of June 30, 2016 is as follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Principal Due within 1 year
Compensated absences	\$ 135,968	\$ 89,131	\$ (104,783)	\$ 120,316	\$ -
Building loans	51,285,000	-	(890,000)	50,395,000	1,305,000
Premium	2,749,217	-	(110,533)	2,638,684	110,533
Note payable to Primary Government	775,405	-	(171,565)	603,840	175,904
Net Pension Liability	39,753,073	6,205,320	-	45,958,393	-
Total Long-Term Debt	\$ 94,698,663	\$ 6,294,451	\$ (1,276,881)	\$ 99,716,233	\$ 1,591,437

General Obligation Bonds-District

General obligation bonds outstanding as of June 30, 2016, are as follows:

Year Issued	Description	Interest Rate (%)	Final Maturity Date	Original Issue	Outstanding
2006	Series 2006B general obligation refunding bonds	4.00 - 4.375	2017	12,065,000	\$2,905,000
2007	Series 2007 general obligation bonds	5.00	2018	21,890,000	930,000
2007	Series 2007 capital appreciation	5.00	2017	341,980	29,342
2010	Series 2010 general obligation refunding bonds	1.00 - 5.00	2024	57,370,000	43,470,000
2011	Series 2011 general obligation refunding bonds	1.125 - 4.75	2023	8,230,000	8,230,000
2011	Series 2011 Refunding- Cap Appreciation	1.125 - 4.75	2017	30,000	30,000
2012	Series 2012 general obligation refunding bonds	0.25 - 4.45	2026	25,050,000	24,745,000
2014	Series 2014 general obligation refunding bonds	2.00 - 4.00	2022	8,140,000	5,595,000
2015	Series 2015 general obligation refunding bonds	2.00 - 4.00	2028	21,405,000	21,080,000
Total general obligation bonds					<u>\$ 107,014,342</u>

Bond payments, to maturity, are as follows:

Year Ending June 30	Principal	Interest	Total
2017	\$ 11,599,342	\$ 6,234,710	\$ 17,834,052
2018	12,690,000	3,499,828	16,189,828
2019	11,470,000	3,073,606	14,543,606
2020	11,895,000	2,626,756	14,521,756
2021	12,340,000	2,130,931	14,470,931
2022 - 2026	41,345,000	4,433,430	45,778,430
2027 - 2028	5,675,000	229,300	5,904,300
	<u>\$ 107,014,342</u>	<u>\$ 22,228,561</u>	<u>\$ 129,242,903</u>

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 7: LONG-TERM LIABILITIES (Continued)

General Obligation Bonds-District (concluded)

Gain/Loss on Refunding

Under existing standards, such as GASB 23, in a transaction involving current refundings or advance refundings resulting in defeasance of debt, any difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized to interest expense over a period of time that is the shorter of the remaining life of the old debt or the life of the new debt. Under GASB 65, this difference, referred to as the deferred gain or loss on refunding, will be recognized as a deferred outflow of resources or a deferred inflow of resources and amortized to interest expense in a systematic and rational manner over the same period mentioned above.

Deferred gains and losses on refunding as of June 30, 2016, are as follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
Series 2006B	\$ (96,477)	\$ -	\$ (38,591)	\$ (57,886)
Series 2010	(3,476,279)	-	(508,725)	(2,967,554)
Series 2011	(601,843)	-	(80,246)	(521,597)
Series 2012	(1,128,789)	-	(105,824)	(1,022,965)
Series 2015	180,127	-	67,548	112,579
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Refunding Gain/(Loss)	<u>\$ (5,123,261)</u>	<u>\$ -</u>	<u>\$ (665,838)</u>	<u>\$ (4,457,423)</u>

Defeased Debt

In February, 2012, the District issued \$25,545,000 General Obligation Refunding Bonds (consisting of \$25,050,000 Current Interest Bonds and \$495,000 Capital Appreciation Bonds), Series 2012 to refund, on an advance refunding basis, a portion of the outstanding General Obligation Bonds, Series 2004B, and a portion of the outstanding General Obligation Bonds, Series 2006. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the financial statements. The outstanding balance of \$21,640,000 was redeemed during the fiscal year resulting in a balance of \$0 at June 30, 2016.

In February, 2015, the District issued \$21,405,000 General Obligation Refunding Bonds, Series 2015 to refund, on an advance refunding basis, a portion of the outstanding General Obligation Bonds, Series 2007. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the financial statements. The outstanding balance of the defeased debt at June 30, 2016 was \$20,960,000.

Certificates of Participation (COP)

Series 1998 Refunding COP

In June 1998, certificates of participation were issued to restructure future obligations for outstanding leases and certificates of participation. Principal payments are due annually on December 15 and interest payments are due on June 15 and December 15, through 2016. The outstanding balance of \$794,375 including principal and interest was paid in full during the fiscal year resulting in a balance of \$0 at June 30, 2016.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 7: LONG-TERM LIABILITIES (Continued)

Certificates of Participation (COP) concluded

Series 2004 Refunding COP

In December 2004, certificates of participation were issued to restructure future obligations for outstanding leases and certificates of participation. Principal payments are due annually on December 15 and interest payments are due on June 15 and December 15, through 2016. The outstanding balance of \$499,065 including principal and interest was paid in full during the fiscal year resulting in a balance of \$0 at June 30, 2016.

Longevity Bonus

The District offers a Longevity Bonus to employees with an effective District 20 hire date prior to July 1, 1999. Hire date is defined as the employee's first day on the job as a regular employee.

- A. To receive payment, an employee must have completed the equivalent of 15 years of continuous full time employment. Employees eligible for the Longevity Bonus will be scheduled to receive the bonus payment based on the original hire date. Eligible employees will be notified of a scheduled payment by June 30 of the fiscal year prior to the actual payment. The Longevity Bonus shall be in the form of a one-time payment on January 31 of the year following notification.
- B. The bonus shall be a payment of fifty percent (50%) of the June 30, 2011 annualized base pay. Per C.R.S. 24-51-101(42)(a) and (b), the Longevity Bonus payment is not considered Public Employees' Retirement Association (PERA) includable salary.
- C. Employees scheduled to receive longevity payments in 2011-12 and/or 2012-13 under the former longevity adjustment policy continued to receive scheduled longevity payments through December 31, 2011. A one-time final payment equal to the unpaid balance of the longevity bonus as of December 31, 2011 was paid on January 31, 2012.
- D. Employees retired from the District and scheduled to receive bonus payments in 2011-12 and/or 2012-13, under the former early retirement bonus policy, received a one-time final payment on January 31, 2012 equal to the unpaid balance of the remaining benefit.

The liability for the current Longevity Bonus and payout of the former Longevity and Early Retirement Bonus must be recognized as both the immediate and long-term actuarial responsibility of the District. Longevity Bonus payments are expected to be paid with revenue from the General Fund. The obligation for known number of participants on June 30, 2016, is as follows:

<u>Year Ending June 30</u>	<u>Certified</u>	<u>Classified</u>	<u>Admin/Staff Specialists</u>	<u>Total</u>
2017	\$ 617,484	\$ 153,910	\$ 34,910	\$ 806,304
2018	382,826	50,289	49,194	482,309
2019	332,673	86,957	-	419,630
2020	403,829	117,670	28,181	549,680
2021	461,341	43,079	147,204	651,624
2022	316,666	160,476	67,793	544,935
	<u>\$ 2,514,819</u>	<u>\$ 612,381</u>	<u>\$ 327,282</u>	<u>\$ 3,454,482</u>

Compensated Absences

Compensated Absences are expected to be paid with revenue from the General Fund.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 8: TAX, SPENDING AND DEBT LIMITATIONS

In November 1992, the voters of Colorado approved Amendment I, commonly known as the Taxpayer’s Bill of Rights (TABOR), which added Section 20 to Article X to the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments, including school districts.

Each year the District’s financial activity from the previous fiscal year provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and enrollment growth. Subsequent to 1992, revenue in excess of the District’s “spending limit” must be refunded unless voters approve the retainage of such excess revenue. TABOR generally requires voter approval for any new tax, any tax increase above limits or any new debt.

As a result of the 2000-2001 audit, the District had collected revenue that was in excess of the TABOR revenue limit. The amendment requires voters to determine whether to permit the District to retain the excess collections. The question was put before the District voters on November 5, 2002. Voter approval was granted for the District to keep excess collections from 2000-2001. Permanent exemption from the revenue limit was also approved by voters.

An amount of \$5,387,000 is restricted for emergencies and is recognized in the General Fund and Governmental Activities as required by TABOR.

NOTE 9: INTER-FUND RECEIVABLES, PAYABLES, AND TRANSFERS

Receivables and Payables

All inter-fund receivables and payables are created in conjunction with the District’s pooled cash and investment portfolios. Balances are routinely cleared as a matter of practice. All balances are expected to be repaid within one year. The District’s inter-fund receivables and payables as of June 30, 2016 are:

<u>Fund</u>	<u>Inter-fund Payable</u>	<u>Inter-fund Receivable</u>
General Fund	-	\$ 874,483
Designated Purpose Grants Fund	\$ 874,483	-

Transfers

During the year, the General Fund transferred operating subsidies of \$4,912,430 and \$4,848,490 to the Transportation and Technology Funds, respectively. The Food Services Fund transferred \$200,000 to the General Fund to cover expenditures incurred by the General Fund on its behalf. \$3,979,732 from the General Fund was transferred to the Capital Reserve Capital Projects Fund to cover capital projects during the year.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 10: UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES

The District's governmental funds reported the following unearned revenue and deferred inflows of resources at June 30, 2016:

Unearned Revenue		Deferred Inflows of Resources	
General Fund		General Fund	
Miscellaneous	\$ 131,687	Property taxes	\$ 1,124,368
Tuition	<u>274,207</u>		
	405,894	Debt Service Fund	
Non-major Funds		Property taxes	346,264
Food Services Fund	235,221		
Designated Purpose Grant Fund		Non-major Funds	
Federal and state grants	<u>274,452</u>	Capital Reserve Fund	
	509,673	Long term note receivable	<u>603,840</u>
Total unearned revenue	<u><u>\$ 915,567</u></u>	Total deferred inflows of resources	<u><u>\$ 2,074,472</u></u>

NOTE 11: GENERAL REVENUES

Property Taxes

Mill levy rates are certified by the Board of Education to the county commissioners and treasurer by December 15th each year. Property taxes payable are based on the certified mill levies. Property taxes are levied in arrears on January 1. For example, property taxes paid in calendar year 2016 were certified in December 2015 and were available for collection on January 1, 2016 (lien date).

Property taxes are payable in full by April 30 or in two equal installments due February 28 and June 15. The County bills property owners and collects property taxes for all taxing districts in the County. The property tax receipts collected by the County are generally remitted to the District in the subsequent month.

Specific Ownership Taxes

The county treasurer collects specific ownership taxes on motor vehicles and other personal property. The tax receipts collected by the county treasurer are remitted to the District in the subsequent month. Specific ownership taxes are recognized as revenue when collected by the County.

State Equalization

The District's primary revenue component from the state is created by the Colorado School Finance Act. State equalization is received in equal monthly installments on the 25th day of each month.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 12: COMMITMENTS AND CONTINGENCIES

The District has received federal, state and local grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. District management believes non-allowances, if any, will be immaterial.

The District is a defendant in various threatened litigation some of which were settled subsequent to the fiscal year end. Although the outcome of this litigation is not presently determinable, in the opinion of the District's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the District.

In July 2011, the District entered into a 15 year performance-based intergovernmental agreement with the City of Colorado Springs for economic development services. Currently, both the City and the District's governing boards have approved only one project; relocation of a Wal-Mart data center to the area. The cost associated with the agreement is 25% of the District's total program levy (currently 26.952 mills) applied to the business personal property, as determined by the El Paso County Assessor. This amount cannot be determined until the facility is constructed and business personal property has been assessed. The District does not anticipate considering future projects.

NOTE 13: RETIREMENT PLAN

Plan Description and Provisions

The District and its component unit contribute to the School Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The 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.

Eligible employees of the District 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/investments/pera-financial-reports.

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.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 13: RETIREMENT PLAN (Continued)

Plan Description and Provisions (continued)

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

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

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

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

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, 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 (AIR) 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.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 13: RETIREMENT PLAN (Continued)

Contributions

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

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

¹Rates 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 District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$20,544,869 for the year ended June 30, 2016.

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

At June 30, 2016, the District reported a liability of \$404,158,474 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. Standard update procedures were used to roll forward the total pension liability to December 31, 2015. The District's proportion of the net pension liability was based on its contributions to the SCHDTF for the calendar year 2015 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2015, the District's proportion was 2.642 percent, which was an increase of 0.002 from its proportion measured as of December 31, 2014.

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 13: RETIREMENT PLAN (Continued)

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

For the year ended June 30, 2016, the District recognized pension expense of \$41,700,985. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$5,336,959	\$16,828
Changes of assumptions or other inputs	-	\$5,711,476
Net difference between projected and actual earnings on pension plan investments	\$34,360,469	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$2,621,408	-
Contributions subsequent to the measurement date	\$10,536,471	-
Total	\$52,855,307	\$5,728,304

\$10,536,471 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, 2017. 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:	Deferred Amount:
2017	\$10,456,560
2018	\$10,029,122
2019	\$ 9,057,963
2020	\$ 7,046,887

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

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

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 13: RETIREMENT PLAN (Continued)

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

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

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

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

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

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

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

As of the November 15, 2013 adoption of the 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	10 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
Total	100.00%	

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 13: RETIREMENT PLAN (Continued)

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.90%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

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

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 13: RETIREMENT PLAN (Concluded)

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability (\$ in Thousands)	\$523,908	\$404,158	\$304,550

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.

NOTE 14: POST EMPLOYMENT HEALTH BENEFITS

Plan Description

The District and the component unit contribute to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer post-employment healthcare plan administered by the PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy

The District is required to contribute at a rate of 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The District's apportionment to HCTF for the years ending June 30, 2014, 2015, and 2016 was \$1,099,146, \$1,159,179, and \$1,181,854 respectively, equal to their required contributions for each year.

REQUIRED SUPPLEMENTARY INFORMATION

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

The District does not have a special revenue fund qualified as a major fund as of June 30, 2016.

Due to the implementation of GASB Statement No. 68, schedules for the District's Proportionate Share of the Net Pension Liability and the District's Contributions and Related Ratios are also included as required supplementary information.

General Fund

As the District's major operating fund, the General Fund accounts for ordinary operating expenditures financed by property taxes, state equalization payments, service charges and other sources. The fund includes all resources and expenditures not legally or properly accounted for in other funds. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to Colorado Revised Statutes. It is the most significant fund in relation to the District's overall operation.

**ACADEMY SCHOOL DISTRICT TWENTY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016
With Comparative Actual Amounts For the Year Ended June 30, 2015**

REVENUES	Budget		2016 Actual	% of Actual	Variance with Final Budget Positive (Negative)	% of Final Budget Collected	2015 Actual
	Original	Final					
Local sources							
Property taxes	\$ 64,530,984	\$ 65,366,825	\$ 64,885,210	31.13%	\$ (481,615)	99.26%	\$ 62,313,301
Specific ownership taxes	8,316,146	8,685,654	9,472,082	4.54%	786,428	109.05%	8,685,655
Delinquent taxes and abatement	550,129	332,679	375,768	0.18%	43,089	112.95%	795,139
Tuition	1,335,000	1,335,000	1,552,452	0.74%	217,452	116.29%	1,525,248
Other local sources	1,136,054	1,121,755	1,255,238	0.60%	133,483	111.90%	1,263,926
Interest on investments	50,000	50,000	182,887	0.09%	132,887	365.77%	58,326
Total local sources	<u>75,918,313</u>	<u>76,891,913</u>	<u>77,723,637</u>	<u>37.29%</u>	<u>831,724</u>	<u>101.08%</u>	<u>74,641,595</u>
State sources							
State equalization	121,569,441	121,107,882	121,708,205	58.39%	600,323	100.50%	115,576,439
Vocational education	1,250,000	1,259,920	1,334,916	0.64%	74,996	105.95%	1,408,167
Special education	3,285,632	3,285,632	3,570,939	1.71%	285,307	108.68%	3,518,542
Gifted and talented education	210,000	210,000	225,730	0.11%	15,730	107.49%	225,802
Other state revenue	549,280	666,520	984,595	0.47%	318,075	100.00%	668,255
Total state sources	<u>126,864,353</u>	<u>126,529,954</u>	<u>127,824,385</u>	<u>61.32%</u>	<u>1,294,431</u>	<u>101.02%</u>	<u>121,397,205</u>
Federal sources							
Public law 81-874	1,900,000	1,900,000	1,416,792	0.68%	(483,208)	74.57%	1,736,350
Other federal sources	100,000	467,261	1,479,631	0.71%	1,012,370	316.66%	1,402,475
Total federal sources	<u>2,000,000</u>	<u>2,367,261</u>	<u>2,896,423</u>	<u>1.39%</u>	<u>529,162</u>	<u>122.35%</u>	<u>3,138,825</u>
TOTAL REVENUES	<u>\$ 204,782,666</u>	<u>\$ 205,789,128</u>	<u>\$ 208,444,445</u>	<u>100.00%</u>	<u>\$ 2,655,317</u>	<u>101.29%</u>	<u>\$ 199,177,625</u>

See note to Required Supplementary Information.
(continued)

**ACADEMY SCHOOL DISTRICT TWENTY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016
With Comparative Actual Amounts For the Year Ended June 30, 2015
(continued)**

EXPENDITURES	Budget		2016 Actual	% of Actual	Variance with Final Budget Positive (Negative)	% of Final Budget Used	2015 Actual
	Original	Final					
Instruction							
Regular instruction	\$ 92,056,845	\$ 91,318,904	\$ 86,672,947	45.70%	\$ 4,645,957	94.91%	\$ 86,262,367
Regular instruction - pre-schools	-	-	260,184	0.14%	(260,184)	0.00%	269,932
Regular instruction - charter schools	26,396,701	26,299,696	26,350,810	13.90%	(51,114)	100.19%	25,470,904
Special education	15,048,780	15,725,348	15,118,558	7.97%	606,790	96.14%	13,812,228
Gifted and talented education	2,297,130	2,489,813	2,328,855	1.23%	160,958	93.54%	2,307,119
Total instruction	<u>135,799,456</u>	<u>135,833,761</u>	<u>130,731,354</u>	<u>68.94%</u>	<u>5,102,407</u>	<u>96.24%</u>	<u>128,122,550</u>
Supporting Services							
Pupil services	8,827,160	8,913,183	8,731,093	4.60%	182,090	97.96%	8,945,536
Instructional staff	6,259,215	7,043,683	6,662,428	3.51%	381,255	94.59%	6,158,842
General administration	1,866,915	1,758,154	1,481,708	0.78%	276,446	84.28%	1,438,478
School administration	16,022,110	16,939,770	16,740,051	8.83%	199,719	98.82%	16,024,503
Business administration	2,451,050	2,484,384	2,354,885	1.24%	129,499	94.79%	2,299,608
Central services	1,632,285	1,811,129	1,687,693	0.89%	123,436	93.18%	1,716,160
Community services	613,650	472,500	664,704	0.35%	(192,204)	140.68%	761,507
Operations & maintenance of plant	17,960,745	18,710,953	17,609,670	9.29%	1,101,283	94.11%	17,720,832
Risk Management Services	3,099,750	3,219,745	2,974,860	1.57%	244,885	92.39%	2,398,148
Total supporting services	<u>58,732,880</u>	<u>61,353,501</u>	<u>58,907,092</u>	<u>31.06%</u>	<u>2,446,409</u>	<u>96.01%</u>	<u>57,463,614</u>
TOTAL EXPENDITURES	<u>194,532,336</u>	<u>197,187,262</u>	<u>189,638,446</u>	<u>100.00%</u>	<u>7,548,816</u>	<u>96.17%</u>	<u>185,586,164</u>
Excess (deficiency) of revenues over expenditures	<u>10,250,330</u>	<u>8,601,866</u>	<u>18,805,999</u>		<u>10,204,133</u>	<u>218.63%</u>	<u>13,591,461</u>
OTHER FINANCING SOURCES (USES)							
Transfer from Food Services Fund	200,000	200,000	200,000		-	100.00%	200,000
Transfer to Capital Projects Fund	(2,385,905)	(3,979,732)	(3,979,732)		-	100.00%	(3,252,470)
Transfer to Transportation Fund	(5,330,245)	(4,912,430)	(4,912,430)		-	100.00%	(5,090,190)
Transfer to Technology Fund	(4,968,665)	(4,848,490)	(4,848,490)		-	100.00%	(5,058,490)
TOTAL OTHER SOURCES (USES)	<u>(12,484,815)</u>	<u>(13,540,652)</u>	<u>(13,540,652)</u>		<u>-</u>	<u>100.00%</u>	<u>(13,201,150)</u>
Net change in fund balance	(2,234,485)	(4,938,786)	5,265,347		10,204,133	-106.61%	390,311
Fund balance, beginning of year	<u>33,436,886</u>	<u>37,398,778</u>	<u>37,398,778</u>		<u>-</u>	<u>100.00%</u>	<u>37,008,467</u>
Fund balance, end of year	<u>\$ 31,202,401</u>	<u>\$ 32,459,992</u>	<u>\$ 42,664,125</u>		<u>\$ 10,204,133</u>	<u>N/A</u>	<u>\$ 37,398,778</u>

ACADEMY SCHOOL DISTRICT TWENTY
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

1. State law requires annual appropriated budgets for all funds. No later than May 31, the Superintendent must submit to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the Board of Education to obtain taxpayer comments.
3. Prior to June 30 the budget is adopted and appropriated by formal resolution.
4. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department in the General Fund rests with management. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles.
6. Appropriations for all funds lapse at the end of the fiscal year, with the exception of the Capital Reserve Capital Projects Fund. Total annual appropriations, as illustrated in the table below, include transfers and ending fund balance.

Fund	2015-16 APPROPRIATION			ACTUAL		
	Expenditures	Transfers & Other Uses	Ending Fund Balance	Total Appropriation	Expenditures & Uses	Compliance Yes / (No)
General Fund	\$ 197,187,262	\$ 13,740,652	\$ 32,459,992	\$ 243,387,906	\$ 203,379,098	\$ 40,008,808
Designated Purpose Grants Fund	8,050,000	-	-	8,050,000	6,440,476	1,609,524
Transportation Fund	7,488,300	-	1,107,342	8,595,642	7,047,502	1,548,140
Bond Redemption Fund	18,002,938	-	26,095,751	44,098,689	17,985,988	26,112,701
Capital Reserve Capital Projects	6,998,836	-	2,711,307	9,710,143	5,668,913	4,041,230
Technology Fund	7,346,638	-	7,337,068	14,683,706	6,853,999	7,829,707
Food Service Fund	5,207,104	200,000	228,468	5,635,572	5,299,596	335,976
School Activity Fund	10,400,000	-	4,018,034	14,418,034	10,629,063	3,788,971
Scholarship Fund	110,000	-	105,905	215,905	84,380	131,525
	<u>\$ 260,791,078</u>	<u>\$ 13,940,652</u>	<u>\$ 74,063,867</u>	<u>\$ 348,795,597</u>	<u>\$ 263,389,015</u>	<u>\$ 85,406,582</u>

7. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized appropriations.
8. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations. All supplemental appropriations were legally enacted by the Board of Education during fiscal year 2016. The original appropriations were amended as follows:

Fund	Original	Amendment	Amended
	Appropriation		Appropriation
General Fund	\$ 238,419,552	\$ 4,968,354	\$ 243,387,906
Designated Purpose Grants Fund	7,500,000	550,000	8,050,000
Transportation Fund	8,111,754	483,888	8,595,642
Bond Redemption Fund	42,580,858	1,517,831	44,098,689
Capital Reserve Capital Projects Fund	5,500,507	4,209,636	9,710,143
Technology Fund	12,649,107	2,034,599	14,683,706
Food Service Fund	5,573,629	61,943	5,635,572
School Activity Fund	14,092,040	325,994	14,418,034
Scholarship Fund	194,187	21,718	215,905
Total Appropriations	<u>\$ 334,621,634</u>	<u>14,173,963</u>	<u>\$ 348,795,597</u>

ACADEMY SCHOOL DISTRICT 20
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
Last 10 Fiscal Years¹

	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion (percentage) of the collective net pension liability (asset)	2.64%	2.64%	2.60%
District's proportionate share of the collective pension liability (asset)	404,158,474	357,901,961	331,510,717
Covered-employee payroll	115,163,118	110,625,896	104,814,258
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	350.9%	323.5%	316.3%
Plan fiduciary net position as a percentage of the total pension liability	59.20%	62.80%	64.06%

* The amounts presented for each fiscal year were determined as of December 31.

¹Information is not available prior to 2013. In future reports, additional years will be added until 10 years historical data are presented.

ACADEMY SCHOOL DISTRICT 20
SCHEDULE OF CONTRIBUTIONS
AND RELATED RATIOS
Last 10 Fiscal Years¹

As of June 30,	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Statutorily required contributions	\$ 20,544,869	\$ 19,186,956	\$ 17,222,951	\$ 15,604,973	\$ 14,290,160	\$ 13,456,254	\$ 12,404,040	\$ 11,233,221
Contributions in relation to the statutorily required contribution	<u>20,544,869</u>	<u>19,186,956</u>	<u>17,222,951</u>	<u>15,604,973</u>	<u>14,290,160</u>	<u>13,456,254</u>	<u>12,404,040</u>	<u>11,233,221</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	115,868,084	113,645,008	107,759,439	103,510,671	100,806,443	101,350,270	101,181,739	97,820,313
Contribution as a percentage of covered-employee payrol	17.73%	16.88%	15.98%	15.08%	14.18%	13.28%	12.38%	11.48%

* The amounts presented for each fiscal year were determined as of June 30.

¹Information is not available prior to 2009. In future reports, additional years will be added until 10 years historical data are presented.

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information include schedules that are reported for other major governmental funds, non-major governmental funds, and fiduciary funds.

Other Major Governmental Funds

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources and payment of long-term debt used to finance government fund-type capital construction and acquisition.

The District has the following Debt Service Fund:

Bond Redemption Fund - Used to finance and account for payment of principal and interest on all long-term debt of the District. (C.R. S. 22-45-103(b)).

**ACADEMY SCHOOL DISTRICT TWENTY
BOND REDEMPTION FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016
With Comparative Actual Amounts For the Year Ended June 30, 2015**

	Final Budget	2016 Actual	Variance Positive (Negative)	2015 Actual
REVENUES				
Local sources:				
Property taxes	\$ 20,400,089	\$ 20,181,722	\$ (218,367)	\$ 16,952,871
Interest on investments	20,000	54,784	34,784	22,757
TOTAL REVENUES	20,420,089	20,236,506	(183,583)	16,975,628
EXPENDITURES				
Debt service				
Principal	12,077,064	12,077,064	-	12,365,291
Interest	5,899,874	5,899,874	-	5,671,978
Other expenditures and issue costs	26,000	9,050	16,950	281,688
TOTAL EXPENDITURES	18,002,938	17,985,988	16,950	18,318,957
Excess (deficiency) of revenues over expenditures	2,417,151	2,250,518	(166,633)	(1,343,329)
OTHER FINANCING SOURCES (USES)				
Bond issuance	-	-	-	29,545,000
Bond premium	-	-	-	2,751,574
Payments to escrow agents	-	-	-	(32,012,442)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	284,132
Net change in fund balance	2,417,151	2,250,518	(166,633)	(1,059,197)
Fund balance, beginning of year	23,678,600	23,678,600	-	24,737,797
Fund balance, end of year	\$ 26,095,751	\$ 25,929,118	\$ (166,633)	\$ 23,678,600



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Non-Major Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than private purpose trusts or for major capital projects) that are legally restricted to expenditures for specified purposes.

The District has the following non-major Special Revenue Funds:

Food Service Fund - Accounts for all of the operating revenues and expenses associated with providing breakfast and lunch for the District's students and staff.

Designated Purpose Grant Fund - Accounts for the various federal, state, and local grants awarded to the district to accomplish specific activities.

Transportation Fund - Accounts for the operations of the District's pupil transportation services.

Capital Project Funds

Capital Project Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

The District has the following non-major Capital Project Funds:

Capital Reserve Capital Projects Fund – Accounts for the ongoing capital needs of the District such as site acquisitions, building additions and improvements, as well as purchases of equipment and vehicles.

Technology Fund – Provides better fiscal management for district-wide technology services.

**ACADEMY SCHOOL DISTRICT TWENTY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2016**

	Special Revenue			Capital Projects		Totals
	Food Service Fund	Designated Purpose Grants Fund	Transportation Fund	Capital Reserve Capital Projects Fund	Technology Fund	
ASSETS						
Cash and investments	\$ 725,617	\$ -	\$ 1,602,653	\$ 4,375,014	\$ 8,240,846	\$ 14,944,130
Receivables	30,350	2,010,776	-	-	-	2,041,126
Prepaid items	-	11,989	5,275	-	-	17,264
Promissory note and accrued interest receivable	-	-	-	603,840	-	603,840
TOTAL ASSETS	<u>\$ 755,967</u>	<u>\$ 2,022,765</u>	<u>\$ 1,607,928</u>	<u>\$ 4,978,854</u>	<u>\$ 8,240,846</u>	<u>\$ 17,606,360</u>
LIABILITIES						
Accounts payable	\$ 40,975	\$ 224,388	\$ 13,518	\$ 166,920	\$ 26,503	\$ 472,304
Accrued salaries and benefits	-	649,442	-	-	-	649,442
Inter-fund payable	-	874,483	-	-	-	874,483
Unearned revenue	235,221	274,452	-	-	-	509,673
TOTAL LIABILITIES	<u>276,196</u>	<u>2,022,765</u>	<u>13,518</u>	<u>166,920</u>	<u>26,503</u>	<u>2,505,902</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	603,840	-	603,840
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>603,840</u>	<u>-</u>	<u>603,840</u>
FUND BALANCE						
Nonspendable, prepaid items	-	11,989	5,275	-	-	17,264
Restricted for Food Service	479,771	-	-	-	-	479,771
Assigned for Technology Replacement	-	-	-	-	6,749,349	6,749,349
Assigned for Food Service Future Projects	-	-	-	230,274	-	230,274
Assigned for Future Projects	-	-	1,481,357	3,977,820	1,464,994	6,924,171
Assigned for Activity Bus Replacement	-	-	107,778	-	-	107,778
Unassigned	-	(11,989)	-	-	-	(11,989)
TOTAL FUND BALANCE	<u>479,771</u>	<u>-</u>	<u>1,594,410</u>	<u>4,208,094</u>	<u>8,214,343</u>	<u>14,496,618</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 755,967</u>	<u>\$ 2,022,765</u>	<u>\$ 1,607,928</u>	<u>\$ 4,978,854</u>	<u>\$ 8,240,846</u>	<u>\$ 17,606,360</u>

ACADEMY SCHOOL DISTRICT TWENTY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2016

	Special Revenue			Capital Projects		Totals
	Food Service Fund	Designated Purpose Grants Fund	Transportation Fund	Capital Reserve Capital Projects Fund	Technology Fund	
REVENUES						
Local sources	\$ 3,196,517	\$ 185,647	\$ 887,975	\$ 205,071	\$ 307,681	\$ 4,782,891
State sources	81,492	655,524	1,734,165	-	-	2,471,181
Federal sources	1,950,786	5,599,305	-	-	1,726,355	9,276,446
TOTAL REVENUES	5,228,795	6,440,476	2,622,140	205,071	2,034,036	16,530,518
EXPENDITURES						
Instruction	-	6,440,476	-	-	629,812	7,070,288
Supporting Services						
Instructional staff	-	-	-	-	739,852	739,852
Central services	-	-	-	-	3,692,890	3,692,890
Food services	5,099,596	-	-	-	-	5,099,596
Pupil Transportation	-	-	7,047,502	-	-	7,047,502
Capital outlay	-	-	-	4,375,473	1,791,445	6,166,918
Debt Service						
Principal on certificates of participation	-	-	-	1,265,000	-	1,265,000
Interest on certificates of participation	-	-	-	28,440	-	28,440
TOTAL EXPENDITURES	5,099,596	6,440,476	7,047,502	5,668,913	6,853,999	31,110,486
Excess (deficiency) of revenues over expenditures	129,199	-	(4,425,362)	(5,463,842)	(4,819,963)	(14,579,968)
OTHER FINANCING SOURCES						
Gain/(loss) on sale of capital assets	-	-	-	252,293	-	252,293
Transfers in/(out)	(200,000)	-	4,912,430	3,979,732	4,848,490	13,540,652
TOTAL OTHER FINANCING SOURCES	(200,000)	-	4,912,430	4,232,025	4,848,490	13,792,945
Net change in fund balance	(70,801)	-	487,068	(1,231,817)	28,527	(787,023)
Fund balance, beginning of year	550,572	-	1,107,342	5,439,911	8,185,816	15,283,641
Fund balance, end of year	<u>\$ 479,771</u>	<u>\$ -</u>	<u>\$ 1,594,410</u>	<u>\$ 4,208,094</u>	<u>\$ 8,214,343</u>	<u>\$ 14,496,618</u>



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**ACADEMY SCHOOL DISTRICT TWENTY
FOOD SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016
With Comparative Actual Amounts For the Year Ended June 30, 2015**

	Final Budget	2016 Actual	Variance Positive (Negative)	2015 Actual
REVENUES				
Local sources				
Charges for services	\$ 3,215,000	\$ 3,196,517	\$ (18,483)	\$ 3,066,290
State sources				
State support	80,000	81,492	1,492	81,701
Federal sources				
Federal reimbursement	1,450,000	1,587,129	137,129	1,438,808
USDA commodities	340,000	363,657	23,657	345,182
TOTAL REVENUES	5,085,000	5,228,795	143,795	4,931,981
EXPENDITURES				
Current				
Purchased food, labor, & services	4,535,000	4,352,468	182,532	4,331,701
Other expenses	332,104	383,471	(51,367)	428,155
USDA commodities	340,000	363,657	(23,657)	345,182
TOTAL EXPENDITURES	5,207,104	5,099,596	107,508	5,105,038
Excess (deficiency) of revenues over expenditures	(122,104)	129,199	251,303	(173,057)
OTHER FINANCING USES				
Transfer to the General Fund	(200,000)	(200,000)	-	(200,000)
Net change in fund balance	(322,104)	(70,801)	251,303	(373,057)
Fund balance, beginning of year	550,572	550,572	-	923,629
Fund balance, end of year	\$ 228,468	\$ 479,771	\$ 251,303	\$ 550,572

**ACADEMY SCHOOL DISTRICT TWENTY
DESIGNATED PURPOSE GRANTS FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016
With Comparative Actual Amounts For the Year Ended June 30, 2015**

	Final Budget	2016 Actual	Variance Positive (Negative)	2015 Actual
REVENUES				
Local sources	\$ 241,000	\$ 185,647	\$ (55,353)	\$ -
State sources	976,888	655,524	(321,364)	578,511
Federal sources	6,832,112	5,599,305	(1,232,807)	5,467,878
TOTAL REVENUES	8,050,000	6,440,476	(1,609,524)	6,046,389
EXPENDITURES				
Regular Instruction	8,050,000	6,440,476	1,609,524	6,046,389
TOTAL EXPENDITURES	8,050,000	6,440,476	1,609,524	6,046,389
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ACADEMY SCHOOL DISTRICT TWENTY
TRANSPORTATION FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016
With Comparative Actual Amounts For the Year Ended June 30, 2015**

	Final Budget	2016 Actual	Variance Positive (Negative)	2015 Actual
REVENUES				
Local sources				
Field trips	\$ 250,000	\$ 235,837	\$ (14,163)	\$ 254,066
Student Transportation Trip Charge	460,000	408,395	(51,605)	464,430
Other	200,000	243,743	43,743	205,640
	<u>910,000</u>	<u>887,975</u>	<u>(22,025)</u>	<u>924,136</u>
State sources				
State transportation	<u>1,665,870</u>	<u>1,734,165</u>	<u>68,295</u>	<u>1,570,868</u>
TOTAL REVENUES	<u>2,575,870</u>	<u>2,622,140</u>	<u>46,270</u>	<u>2,495,004</u>
EXPENDITURES				
Current				
Administration	982,252	870,869	111,383	845,130
Bus operations	4,530,998	4,271,738	259,260	4,297,791
Bus monitors	857,575	793,421	64,154	765,191
Vehicle maintenance	<u>1,117,475</u>	<u>1,111,474</u>	<u>6,001</u>	<u>1,013,124</u>
TOTAL EXPENDITURES	<u>7,488,300</u>	<u>7,047,502</u>	<u>440,798</u>	<u>6,921,236</u>
Excess (deficiency) of revenues over expenditures	(4,912,430)	(4,425,362)	487,068	(4,426,232)
OTHER FINANCING SOURCES				
Transfer from the General Fund	<u>4,912,430</u>	<u>4,912,430</u>	<u>-</u>	<u>5,090,190</u>
Net change in fund balance	-	487,068	487,068	663,958
Fund balance, beginning of year	<u>1,107,342</u>	<u>1,107,342</u>	<u>-</u>	<u>443,384</u>
Fund balance, end of year	<u>\$ 1,107,342</u>	<u>\$ 1,594,410</u>	<u>\$ 487,068</u>	<u>\$ 1,107,342</u>

**ACADEMY SCHOOL DISTRICT TWENTY
CAPITAL RESERVE CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016
With Comparative Actual Amounts For the Year Ended June 30, 2015**

	Final Budget	2016 Actual	Variance Positive (Negative)	2015 Actual
REVENUES				
Local sources				
Local sources	\$ 100,000	\$ 123,340	\$ 23,340	\$ 203,499
Other sources	-	80,167	80,167	339,371
Investment income	1,500	1,564	64	1,584
Sub-total local sources	<u>101,500</u>	<u>205,071</u>	<u>103,571</u>	<u>544,454</u>
TOTAL REVENUES	<u>101,500</u>	<u>205,071</u>	<u>103,571</u>	<u>544,454</u>
EXPENDITURES				
Current				
Capital outlay				
Site and Building modifications & repairs	1,740,250	2,439,657	(699,407)	2,536,515
Vehicles	1,300,000	1,935,816	(635,816)	1,044,585
Sub-total capital outlay	<u>3,040,250</u>	<u>4,375,473</u>	<u>(1,335,223)</u>	<u>3,581,100</u>
Debt service				
Principal on certificates of participation	1,265,000	1,265,000	-	700,000
Interest on certificates of participation	28,440	28,440	-	71,055
Miscellaneous	-	-	-	-
Sub-total debt service	<u>1,293,440</u>	<u>1,293,440</u>	<u>-</u>	<u>771,055</u>
Carryover Projects	<u>2,665,146</u>	<u>-</u>	<u>2,665,146</u>	<u>-</u>
TOTAL EXPENDITURES	<u>6,998,836</u>	<u>5,668,913</u>	<u>1,329,923</u>	<u>4,352,155</u>
Excess (deficiency) of revenues over expenditures	<u>(6,897,336)</u>	<u>(5,463,842)</u>	<u>1,433,494</u>	<u>(3,807,701)</u>
OTHER FINANCING SOURCES				
Gain on sale of capital assets	189,000	252,293	63,293	198,878
Transfer from General Fund	<u>3,979,732</u>	<u>3,979,732</u>	<u>-</u>	<u>3,252,470</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>4,168,732</u>	<u>4,232,025</u>	<u>63,293</u>	<u>3,451,348</u>
Net change in fund balance	(2,728,604)	(1,231,817)	1,496,787	(356,353)
Fund balance, beginning of year	<u>5,439,911</u>	<u>5,439,911</u>	<u>-</u>	<u>5,796,264</u>
Fund balance, end of year	<u>\$ 2,711,307</u>	<u>\$ 4,208,094</u>	<u>\$ 1,496,787</u>	<u>\$ 5,439,911</u>

**ACADEMY SCHOOL DISTRICT TWENTY
TECHNOLOGY FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016
With Comparative Actual Amounts For the Year Ended June 30, 2015**

	Final Budget	2016 Actual	Variance Positive (Negative)	2015 Actual
REVENUES				
Federal sources				
Impact Aid	\$ 1,500,000	\$ 1,726,355	\$ 226,355	\$ 1,730,916
Other sources				
E-Rate	120,000	174,726	54,726	127,276
Miscellaneous	-	14,206	14,206	624
One to One Initiative Self Insurance Fees	29,400	118,749	89,349	28,517
SCETC Grant	-	-	-	7,500
TOTAL REVENUES	<u>1,649,400</u>	<u>2,034,036</u>	<u>384,636</u>	<u>1,894,833</u>
EXPENDITURES				
Current				
Instruction	645,911	629,812	16,099	515,529
Supporting Services				
Instruction staff	868,785	739,852	128,933	655,622
Central Services	3,653,961	3,692,890	(38,929)	3,079,969
Capital outlay	2,177,981	1,791,445	386,536	1,608,509
TOTAL EXPENDITURES	<u>7,346,638</u>	<u>6,853,999</u>	<u>492,639</u>	<u>5,859,629</u>
Excess (deficiency) of revenues over expenditures	(5,697,238)	(4,819,963)	877,275	(3,964,796)
OTHER FINANCING SOURCES				
Transfer from General Fund	4,848,490	4,848,490	-	5,058,490
Net change in fund balance	(848,748)	28,527	877,275	1,093,694
Fund balance, beginning of year	8,185,816	8,185,816	-	7,092,122
Fund balance, end of year	<u>\$ 7,337,068</u>	<u>\$ 8,214,343</u>	<u>\$ 877,275</u>	<u>\$ 8,185,816</u>

Fiduciary Funds

Trust & Agency Funds

Fiduciary Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds.

The District has the following Fiduciary Funds:

Pupil Activity Agency Funds - Used to account for assets held by the District in a trustee capacity for individuals and organizations.

Private-Purpose Scholarship Trust Fund - Used to account for resources received and held by the District for student scholarships.

**ACADEMY SCHOOL DISTRICT TWENTY
PUPIL ACTIVITY AGENCY FUND
STATEMENT OF CHANGES IN ASSETS & LIABILITIES
For the Year Ended June 30, 2016**

	<u>Balance, June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2016</u>
ASSETS				
Cash and cash equivalents	<u>\$ 4,018,034</u>	<u>\$ 10,662,662</u>	<u>\$ 10,629,063</u>	<u>\$ 4,051,633</u>
TOTAL ASSETS	<u><u>\$ 4,018,034</u></u>	<u><u>\$ 10,662,662</u></u>	<u><u>\$ 10,629,063</u></u>	<u><u>\$ 4,051,633</u></u>
LIABILITIES				
Due to student organizations	<u>\$ 4,018,034</u>	<u>\$ 10,662,662</u>	<u>\$ 10,629,063</u>	<u>\$ 4,051,633</u>
TOTAL LIABILITIES	<u><u>\$ 4,018,034</u></u>	<u><u>\$ 10,662,662</u></u>	<u><u>\$ 10,629,063</u></u>	<u><u>\$ 4,051,633</u></u>



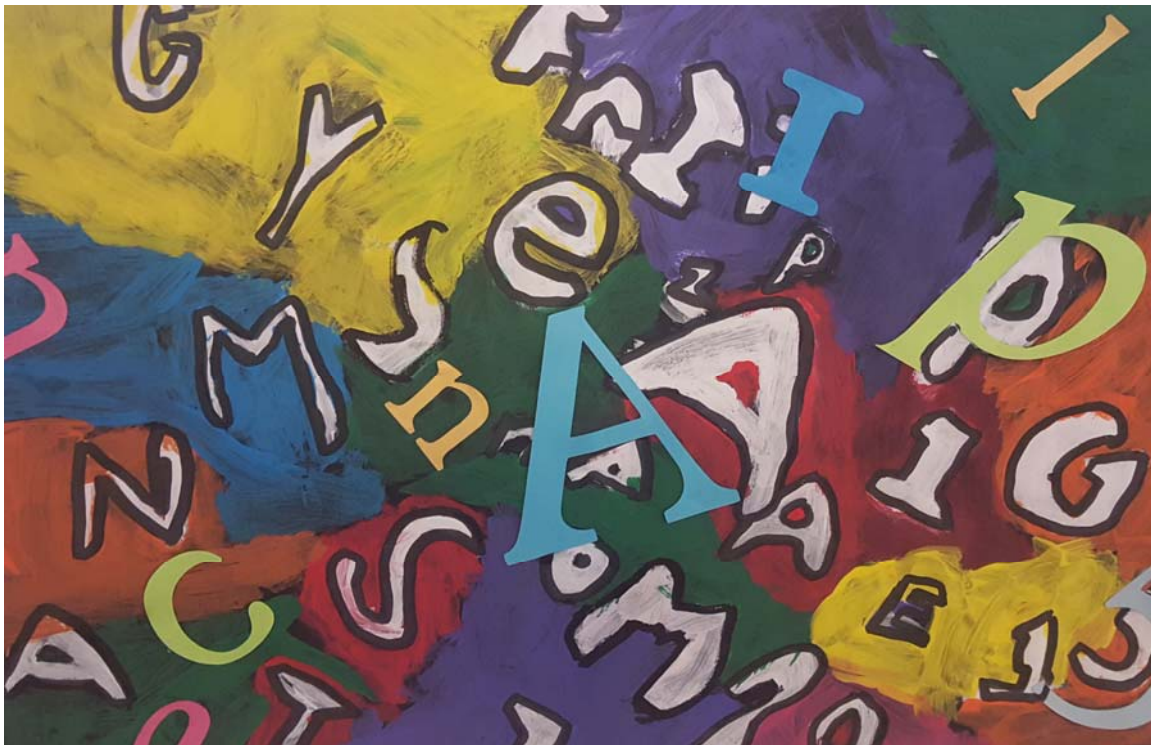
ACADEMY
DISTRICT 20
The Peak of Excellence

Where dreams take flight...
One student at a time.



The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.

III. Statistical Section



Financial Trend Information

The following unaudited statistical tables and graph reflect financial trend information of the District.

Table 1	Net Position by Component
Table 2	Change in Net Position
Table 3.1	Fund Balances, Governmental Funds 2010-2016
Table 3.2	Fund Balances, Governmental Funds 2006-2010
Table 4	Change in Fund balances, Governmental Funds
Table 5	Summary of Expenditures by Function and Other Financing Uses, General Fund
Graph	Revenues/Sources vs. Expenditures/Uses
Table 6.1	Fiscal Health Tracking Ratios
Table 6.2	Fiscal Health Tracking Ratios - ASR
Table 6.3	Fiscal Health Tracking Ratios - DBR
Table 6.4	Fiscal Health Tracking Ratios - ORR
Table 6.5	Fiscal Health Tracking Ratios - OMR
Table 6.6	Fiscal Health Tracking Ratios - DFBR
Table 6.7	Fiscal Health Tracking Ratios - CFBR

Table 1

ACADEMY SCHOOL DISTRICT TWENTY
Net Position by Component
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental activities										
Net investment in capital assets	\$ 59,683,897	\$ 49,564,426	\$ 39,884,689	\$ 37,489,696	\$ 31,434,949	\$ 25,574,480	\$ 8,088,936	\$ 286,040	\$ (2,623,385)	\$ (11,145,255)
Restricted	29,649,108	26,662,935	27,088,310	23,769,198	31,972,535	31,360,875	33,038,210	29,455,995	26,183,522	22,326,895
Unrestricted ¹	(308,648,921)	(293,330,154)	41,895,755	39,611,329	27,087,861	22,376,505	30,197,520	20,928,470	17,041,356	20,084,936
Total governmental activities net position	(219,315,916)	(217,102,793)	108,868,754	100,870,223	90,495,345	79,311,860	71,324,666	50,670,505	40,601,493	31,266,576
Business-type activities²										
Net investment in capital assets	\$ -	\$ -	\$ 320,906	\$ 365,678	\$ 362,299	\$ 355,774	\$ 402,646	\$ 421,549	423,559	385,385
Unrestricted	-	-	923,629	968,760	1,059,968	1,056,599	760,572	769,863	636,786	571,484
Total business-type activities net position	-	-	1,244,535	1,334,438	1,422,267	1,412,373	1,163,218	1,191,412	1,060,345	956,869
Primary government										
Net investment in capital assets	59,683,897	49,564,426	40,205,595	37,855,374	31,797,248	25,930,254	8,491,582	707,589	(2,199,826)	(10,759,870)
Restricted	29,649,108	26,662,935	27,088,310	23,769,198	31,972,535	31,360,875	33,038,210	29,455,995	26,183,522	22,326,895
Unrestricted ¹	(308,648,921)	(293,330,154)	42,819,384	40,580,089	28,147,829	23,433,104	30,958,092	21,698,333	17,678,142	20,656,420
Total primary government net position	\$ (219,315,916)	\$ (217,102,793)	\$ 110,113,289	\$ 102,204,661	\$ 91,917,612	\$ 80,724,233	\$ 72,487,884	\$ 51,861,917	\$ 41,661,838	\$ 32,223,445

¹ Effective July 1, 2014 the District implemented GASB Statement No. 68, which requires cost-sharing employers to record their proportionate share of PERA's unfunded pension liability.

² Business-type activities were reclassified as governmental activities for fiscal year 2014-15.

Table 2

ACADEMY SCHOOL DISTRICT TWENTY
Change in Net Position
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
EXPENSES										
Governmental activities										
Instruction	\$ 132,164,419	\$ 125,984,908	\$ 110,554,910	\$ 106,117,731	\$ 103,098,093	\$ 107,905,369	\$ 101,947,072	\$ 99,894,710	\$ 93,405,038	\$ 91,937,050
Pupil services	9,887,759	9,711,175	7,598,443	6,942,622	6,697,838	6,152,734	5,519,786	5,867,641	5,507,066	5,316,583
Instructional staff	8,456,443	7,456,322	6,325,592	5,687,895	5,585,794	6,054,903	5,915,069	6,018,725	5,864,458	5,580,553
General administration	1,751,061	1,458,524	1,647,816	1,693,187	1,504,176	1,513,483	1,481,697	1,759,209	1,700,920	1,928,167
School administration	19,450,379	18,108,305	15,601,056	15,069,876	14,000,977	15,118,039	15,835,966	16,079,558	15,681,639	14,853,970
Business administration	2,645,121	2,489,328	2,231,064	2,144,004	2,075,844	2,002,070	1,976,424	1,932,947	1,984,596	1,822,712
Central services	7,080,614	6,167,809	5,576,625	5,407,839	5,191,509	5,356,306	5,285,598	5,582,057	4,949,747	4,985,563
Community services	688,018	785,350	529,647	738,458	804,655	392,963	234,912	273,610	348,022	278,541
Operation & maintenance of plant	19,047,138	18,693,908	17,342,932	16,308,120	16,039,847	15,517,031	15,693,767	14,633,849	14,486,485	13,532,399
Risk management services	3,014,459	2,424,123	2,653,089	2,434,238	2,420,629	2,893,838	2,768,505	2,374,100	2,258,270	2,503,932
Pupil transportation	8,659,257	8,251,551	7,429,495	7,115,562	6,764,674	7,273,231	7,239,065	7,084,592	7,055,395	6,400,777
¹ Food services	5,309,694	5,302,312	-	-	-	-	-	-	-	-
Miscellaneous support services	-	-	-	-	-	-	10,337	9,700	451,951	699,935
² Charter schools	23,391,249	22,519,530	20,608,732	19,895,401	19,518,565	18,804,275	18,457,764	17,026,875	-	-
Interest and fiscal charges	4,158,278	5,090,955	5,958,895	7,773,828	7,330,371	10,543,291	8,850,344	11,434,635	14,750,492	13,714,651
Total governmental activities expenses	<u>245,703,889</u>	<u>234,444,100</u>	<u>204,058,296</u>	<u>197,328,761</u>	<u>191,032,972</u>	<u>199,527,533</u>	<u>191,216,306</u>	<u>189,972,208</u>	<u>168,444,079</u>	<u>163,554,833</u>
Business-type activities										
Food services	-	-	4,963,702	4,706,965	4,598,305	4,507,340	4,670,242	4,475,212	4,137,113	3,825,810
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>4,963,702</u>	<u>4,706,965</u>	<u>4,598,305</u>	<u>4,507,340</u>	<u>4,670,242</u>	<u>4,475,212</u>	<u>4,137,113</u>	<u>3,825,810</u>
Total primary government expenses	<u>245,703,889</u>	<u>234,444,100</u>	<u>209,021,998</u>	<u>202,035,726</u>	<u>195,631,277</u>	<u>204,034,873</u>	<u>195,886,548</u>	<u>194,447,420</u>	<u>172,581,192</u>	<u>167,380,643</u>
PROGRAM REVENUES										
Governmental activities										
Charges for services - tuition and other fees	2,132,343	2,096,421	2,104,724	1,999,766	1,831,141	1,696,434	1,629,559	1,526,881	1,628,531	1,262,556
Charges for services - student transportation	887,975	924,137	833,559	840,909	508,617	541,732	615,153	717,780	611,910	587,855
¹ Charges for services - food services	3,196,517	3,066,290	-	-	-	-	-	-	-	-
Operating grants and contributions	21,071,025	20,391,428	16,378,807	18,172,533	15,100,926	11,126,835	15,418,783	12,092,996	13,874,826	11,816,125
Total governmental activities revenues	<u>27,287,860</u>	<u>26,478,276</u>	<u>19,317,090</u>	<u>21,013,208</u>	<u>17,440,684</u>	<u>13,365,001</u>	<u>17,663,495</u>	<u>14,337,657</u>	<u>16,115,267</u>	<u>13,666,535</u>
Business-type activities										
Charges for services - food services	-	-	3,223,319	3,129,470	3,250,665	3,505,622	3,520,080	3,561,318	3,414,311	3,241,911
Operating grants and contributions - food services	-	-	1,850,480	1,689,666	1,532,534	1,425,873	1,296,968	1,169,961	951,278	832,596
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>5,073,799</u>	<u>4,819,136</u>	<u>4,783,199</u>	<u>4,931,495</u>	<u>4,817,048</u>	<u>4,731,279</u>	<u>4,365,589</u>	<u>4,074,507</u>
Total primary government program revenues	<u>27,287,860</u>	<u>26,478,276</u>	<u>24,390,889</u>	<u>25,832,344</u>	<u>22,223,883</u>	<u>18,296,496</u>	<u>22,480,543</u>	<u>19,068,936</u>	<u>20,480,856</u>	<u>17,741,042</u>
Net (Expense) / Revenue										
Governmental activities	(218,416,029)	(207,965,824)	(184,741,206)	(176,315,553)	(173,592,288)	(186,162,532)	(173,552,811)	(175,634,551)	(152,328,812)	(149,888,298)
Business-type activities	-	-	110,097	112,171	184,894	424,155	146,806	256,067	228,476	248,697
Total primary government net expense	<u>(218,416,029)</u>	<u>(207,965,824)</u>	<u>(184,631,109)</u>	<u>(176,203,382)</u>	<u>(173,407,394)</u>	<u>(185,738,377)</u>	<u>(173,406,005)</u>	<u>(175,378,484)</u>	<u>(152,100,336)</u>	<u>(149,639,601)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Property taxes	93,113,353	86,531,866	84,614,059	84,178,623	84,369,113	89,350,563	90,920,250	86,752,392	84,767,592	72,474,148
² State equalization	121,708,205	115,576,439	107,613,303	101,120,601	99,199,268	94,490,255	101,882,904	96,396,034	72,986,351	72,775,416
³ Grants & Contributions, not restricted to specific programs	-	-	-	-	-	9,402,021	-	-	-	-
Investment earnings	239,234	82,667	76,114	129,670	114,293	106,725	177,662	703,226	3,146,492	5,640,207
Miscellaneous revenues	1,142,114	1,162,424	1,301,910	1,061,537	918,099	625,162	1,051,154	1,726,910	638,294	988,703
Transfers in(out)	-	-	200,000	200,000	175,000	175,000	175,000	125,000	125,000	125,000
Total governmental activities	<u>216,202,906</u>	<u>203,353,396</u>	<u>193,805,386</u>	<u>186,690,431</u>	<u>184,775,773</u>	<u>194,149,726</u>	<u>194,206,970</u>	<u>185,703,562</u>	<u>161,663,729</u>	<u>152,003,474</u>
Business-type activities										
Investment earnings	-	-	(200,000)	(200,000)	(175,000)	(175,000)	(175,000)	(125,000)	(125,000)	(125,000)
Transfers in(out)	-	-	(200,000)	(200,000)	(175,000)	(175,000)	(175,000)	(125,000)	(125,000)	(125,000)
Total business-type activities	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(175,000)</u>	<u>(175,000)</u>	<u>(175,000)</u>	<u>(125,000)</u>	<u>(125,000)</u>	<u>(125,000)</u>
Total primary government program revenues	<u>216,202,906</u>	<u>203,353,396</u>	<u>193,605,386</u>	<u>186,490,431</u>	<u>184,600,773</u>	<u>193,974,726</u>	<u>194,031,970</u>	<u>185,578,562</u>	<u>161,538,729</u>	<u>151,878,474</u>
CHANGE IN NET POSITION										
Governmental activities	(2,213,123)	(4,612,428)	9,064,180	10,374,878	11,183,485	7,987,194	20,654,159	10,069,011	9,334,917	2,115,177
Business-type activities	-	-	(89,903)	(87,829)	9,894	249,155	(28,194)	131,067	103,476	123,697
Total primary government change in net position	<u>\$ (2,213,123)</u>	<u>\$ (4,612,428)</u>	<u>\$ 8,974,277</u>	<u>\$ 10,287,049</u>	<u>\$ 11,193,379</u>	<u>\$ 8,236,349</u>	<u>\$ 20,625,965</u>	<u>\$ 10,200,078</u>	<u>\$ 9,438,393</u>	<u>\$ 2,238,874</u>

¹ Starting in fiscal year 2015, Food Services was reclassified as a Special Revenue Fund. Prior to 2015 Food Services was classified as an Enterprise Fund.

² Starting in fiscal year 2009, charter school equalization payments are included in total governmental revenue and shown as an expense under governmental activities.

³ For fiscal year 2011, State Equalization revenue was reduced and backfilled with federal funding.

Table 3.1

ACADEMY SCHOOL DISTRICT TWENTY
Fund Balances, Governmental Funds
Last Seven Fiscal Years ¹
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010
General Fund							
Nonspendable	\$ 66,896	\$ 33,155	\$ -	\$ -	\$ -	\$ 5,610	\$ -
Restricted	5,387,000	5,132,000	4,853,000	4,593,000	4,493,000	4,416,000	4,685,000
Assigned	8,574,948	7,528,913	8,398,979	7,387,221	6,780,355	6,907,315	5,050,539
Unassigned	28,635,281	24,704,710	23,756,488	23,874,811	23,042,300	19,875,731	16,864,984
Total general fund	<u>42,664,125</u>	<u>37,398,778</u>	<u>37,008,467</u>	<u>35,855,032</u>	<u>34,315,655</u>	<u>31,204,656</u>	<u>26,600,523</u>
All Other Governmental Funds							
Nonspendable	17,264	94,072	-	-	-	-	-
Restricted	26,408,889	24,774,672	25,568,459	26,465,421	27,016,847	26,455,539	27,742,856
Assigned (by Fund Type)							
Special Revenue ²	1,589,135	1,107,342	443,384	6,749,110	3,773,798	4,511,793	6,696,491
Capital Projects ²	12,422,437	13,080,227	12,057,724	4,043,588	4,190,767	3,385,025	-
Unassigned	(11,989)	(94,072)	-	-	-	-	-
Total all other governmental funds	<u>40,408,472</u>	<u>38,962,241</u>	<u>38,069,567</u>	<u>37,258,119</u>	<u>34,981,412</u>	<u>34,352,357</u>	<u>34,439,347</u>
Governmental Funds							
Restricted	31,880,049	30,033,899	30,421,459	31,058,421	31,509,847	30,877,149	32,427,856
Unrestricted	51,209,812	46,327,120	44,656,575	42,054,730	37,787,220	34,679,864	28,612,014
Total governmental funds	<u>\$ 83,089,861</u>	<u>\$ 76,361,019</u>	<u>\$ 75,078,034</u>	<u>\$ 73,113,151</u>	<u>\$ 69,297,067</u>	<u>\$ 65,557,013</u>	<u>\$ 61,039,870</u>

1 Data presented is from fiscal year 2011, the first year of GASB Statement No. 54 implementation. Fiscal year 2010 has been restated accordingly.

2 Beginning in 2014, Technology Fund is presented in Capital Projects, rather than Special Revenue.

Source: School District Financial Records/Financial Audits

Table 3.2

ACADEMY SCHOOL DISTRICT TWENTY				
Fund Balances, Governmental Funds ¹				
Four Fiscal Years				
(Unaudited)				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund				
Reserved	4,941,071	6,840,110	\$ 6,974,922	\$ 7,090,177
Unreserved	<u>21,659,452</u>	<u>11,217,110</u>	<u>8,844,727</u>	<u>10,250,812</u>
Total general fund	<u>26,600,523</u>	<u>18,057,220</u>	<u>15,819,649</u>	<u>17,340,989</u>
All Other Governmental Funds				
Reserved	27,742,856	26,036,235	28,501,767	36,580,644
Unreserved, reported in Special revenue funds	<u>6,696,491</u>	<u>8,340,493</u>	<u>7,456,084</u>	<u>7,092,232</u>
Total all other governmental funds	<u>34,439,347</u>	<u>34,376,728</u>	<u>35,957,851</u>	<u>43,672,876</u>
Governmental Funds				
Reserved	32,683,927	32,876,345	35,476,689	43,670,821
Unreserved	<u>28,355,943</u>	<u>19,557,603</u>	<u>16,300,811</u>	<u>17,343,044</u>
Total governmental funds	<u>\$ 61,039,870</u>	<u>\$ 52,433,948</u>	<u>\$ 51,777,500</u>	<u>\$ 61,013,865</u>

1 Data presented is prior to the implementation of GASB Statement No. 54 implementation.

Source: School District Financial Records/Financial Audits

Table 4

ACADEMY SCHOOL DISTRICT TWENTY
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
REVENUES										
Taxes	\$ 94,914,782	\$ 88,746,966	\$ 87,241,469	\$ 85,998,101	\$ 85,301,987	\$ 90,618,426	\$ 91,988,978	\$ 86,093,142	\$ 84,532,449	\$ 72,894,575
Intergovernmental	142,654,084	135,749,893	123,834,564	119,177,812	114,229,191	114,945,076	117,244,672	108,421,172	102,956,791	99,414,188
Investment income	239,234	82,667	76,114	129,671	114,293	106,725	177,662	703,229	2,295,351	4,910,393
Tuition	1,552,452	1,525,248	1,510,350	1,460,014	1,423,982	1,348,302	1,306,224	1,272,782	1,248,400	995,472
Miscellaneous	5,850,917	6,160,018	3,098,462	2,825,484	2,106,539	1,764,954	2,178,993	2,975,829	1,679,712	1,912,847
Total revenues	245,211,469	232,264,792	215,760,959	209,591,082	203,175,992	208,783,483	212,896,529	199,466,154	192,712,703	180,127,475
EXPENDITURES										
Current										
Instruction	137,801,642	134,684,468	126,909,178	121,577,230	117,958,985	117,242,707	113,296,682	107,843,869	102,994,566	99,144,739
Pupil services	8,731,093	8,945,536	7,598,443	6,942,622	6,697,838	6,152,734	5,519,786	5,867,641	5,507,066	5,319,823
Instructional staff	7,402,280	6,814,464	6,325,592	5,687,895	5,585,794	6,054,903	5,915,069	6,018,725	5,864,458	5,580,553
General administration	1,481,708	1,438,478	1,583,768	1,518,087	1,420,629	1,333,149	1,395,361	1,653,730	1,658,527	1,843,751
School administration	16,740,051	16,024,503	14,900,074	14,547,980	13,982,790	13,013,134	14,920,089	14,208,946	15,221,410	13,576,019
Business administration	2,354,885	2,299,608	2,231,064	2,144,004	2,075,844	2,002,070	1,976,424	1,932,947	1,984,596	1,823,117
Central services	5,380,583	4,796,129	4,563,598	4,321,269	3,939,723	4,052,467	4,003,777	4,309,835	4,211,670	4,143,053
Community services	664,704	761,507	529,647	738,458	804,655	392,963	234,912	273,610	348,022	278,541
Operation & maintenance of plant	17,609,670	17,720,832	17,184,956	16,153,804	15,899,277	15,360,738	15,516,601	14,448,004	14,263,325	13,355,446
Risk management services	2,974,860	2,398,148	2,653,089	2,434,238	2,420,629	2,893,838	2,768,505	2,374,100	2,258,270	2,503,932
Food services ³	5,099,596	5,105,038	-	-	-	-	-	-	-	-
Pupil transportation	7,047,502	6,921,236	6,581,957	6,278,306	5,914,195	6,460,412	6,454,322	6,294,419	6,328,816	5,734,155
Capital outlay	6,166,918	5,189,609	3,570,411	4,154,173	2,225,848	2,888,044	4,392,007	7,655,608	13,299,756	55,524,587
Debt Service										
Principal retirement	13,342,064	13,065,291	8,582,811	11,195,897	12,694,821	17,279,237	19,717,409	12,346,372	10,662,567	18,066,781
Interest and fiscal charges	5,937,364	5,743,033	10,781,488	8,281,035	8,158,794	9,314,944	8,359,046	13,706,900	17,471,019	10,983,979
Other issuance costs	-	281,688	-	-	301,970	-	465,693	-	-	446,961
Total expenditures	238,734,920	232,189,568	213,996,076	205,974,998	200,081,792	204,441,340	204,935,683	198,934,706	202,074,068	238,325,437
OTHER FINANCING SOURCES (USES)										
Bond proceeds	-	29,545,000	-	-	33,805,000	-	58,380,000	-	-	34,296,980
COP issue proceeds	-	-	-	-	-	-	-	-	-	-
Bond premium	-	2,751,574	-	-	5,783,653	-	7,482,470	-	-	5,084,697
Payments to escrow agents	-	(32,012,442)	-	-	(39,117,799)	-	(65,392,395)	-	-	(12,528,093)
Payments to Trustee	-	-	-	-	-	-	-	-	-	(23,435,011)
Sale of assets	252,293	-	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	200,000	200,000	175,000	175,000	175,000	125,000	125,000	125,000
Total other financing sources (uses)	252,293	284,132	200,000	200,000	645,854	175,000	645,075	125,000	125,000	3,543,573
NET CHANGE IN FUND BALANCES	\$ 6,728,842	\$ 359,356	\$ 1,964,883	\$ 3,816,084	\$ 3,740,054	\$ 4,517,143	\$ 8,605,922	\$ 656,448	\$ (9,236,365)	\$ (54,654,389)
Debt service as a percentage of non-capital expenditures ¹	<u>8.2%</u>	<u>8.4%</u>	<u>9.1%</u>	<u>9.6%</u>	<u>10.5%</u>	<u>13.1%</u>	<u>13.9%</u>	<u>13.4%</u>	<u>14.9%</u>	<u>15.9%</u>

1 Ratio of total debt service expenditures to noncapital expenditures:

Principal retirement	13,342,064	
+ Interest and fiscal charges	5,937,364	
Total Debt Service	19,279,428	
Total Expenditures	238,734,920	
- Capital Outlay ²	4,264,593	
Non Capital Expenditures	234,470,327	
Total Debt Service	19,279,428	8.2%
Non Capital Expenditures	234,470,327	

2 From Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities

3 Food Services was moved from Enterprise Fund to Special Revenue Fund effective 7/1/2014
 Source: School District 20 Financial Records

Table 5

ACADEMY SCHOOL DISTRICT TWENTY
Summary of Expenditures by Function and Other Financing Uses
General Fund
Last Ten Fiscal Years
(Unaudited)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Instruction	\$ 104,380,544	\$ 102,651,646	\$ 97,197,984	\$ 93,736,659	\$ 90,705,707	\$ 90,657,877	\$ 86,300,123	\$ 85,428,879	\$ 82,133,077	\$ 78,845,967
Instruction - charter schools	26,350,810	25,470,904	23,337,203	22,390,710	21,659,428	20,949,718	20,293,833	18,526,682	17,267,383	16,123,852
Total Instruction	<u>130,731,354</u>	<u>128,122,550</u>	<u>120,535,187</u>	<u>116,127,369</u>	<u>112,365,135</u>	<u>111,607,595</u>	<u>106,593,956</u>	<u>103,955,561</u>	<u>99,400,460</u>	<u>94,969,819</u>
Supporting Services										
Pupil Services	8,731,093	8,945,536	7,598,443	6,942,622	6,697,838	6,152,734	5,519,786	5,867,641	5,507,065	5,319,823
Instructional Staff	6,662,428	6,158,842	5,683,219	5,276,881	5,154,804	5,609,025	5,438,652	6,018,725	5,864,459	5,580,553
General Administration	1,481,708	1,438,478	1,583,768	1,518,087	1,420,629	1,333,149	1,395,361	1,653,730	1,658,527	1,843,751
School Administration	16,740,051	16,024,503	14,900,074	14,547,980	13,982,790	13,013,134	14,920,089	14,208,946	15,221,410	13,576,019
Business Support Services	2,354,885	2,299,608	2,231,064	2,144,004	2,075,844	2,002,070	1,976,424	1,932,947	1,984,596	1,823,117
Operations & Maintenance	17,609,670	17,720,832	17,184,956	16,153,804	16,117,306	15,360,738	15,524,046	14,448,004	14,263,325	13,355,446
Risk Management Services	2,974,860	2,398,148	2,653,089	2,434,238	2,420,629	2,893,838	2,768,505	2,374,100	2,258,270	2,503,932
Central Support Services	1,687,693	1,716,160	1,479,057	1,406,955	1,341,764	1,451,619	1,597,606	4,309,835	4,211,670	4,143,053
Community Services	664,704	761,507	529,647	738,458	804,655	392,963	234,912	273,610	348,022	278,541
Total Support Services	<u>58,907,092</u>	<u>57,463,614</u>	<u>53,843,317</u>	<u>51,163,029</u>	<u>50,016,259</u>	<u>48,209,270</u>	<u>49,375,381</u>	<u>51,087,538</u>	<u>51,317,344</u>	<u>48,424,235</u>
Debt Service	-	-	-	-	-	-	-	-	52,941	52,942
Other Financing Uses	13,740,652	13,401,150	12,077,654	10,037,654	8,836,038	9,648,768	11,159,402	4,770,889	4,254,320	3,952,060
Total Expenditures and Other Uses	<u>\$ 203,379,098</u>	<u>\$ 198,987,314</u>	<u>\$ 186,456,158</u>	<u>\$ 177,328,052</u>	<u>\$ 171,217,432</u>	<u>\$ 169,465,633</u>	<u>\$ 167,128,739</u>	<u>\$ 159,813,988</u>	<u>\$ 155,025,065</u>	<u>\$ 147,399,056</u>

Source: School District Financial Records/Financial Audits

Table 5

Revenues/Sources vs Expenditures/Uses

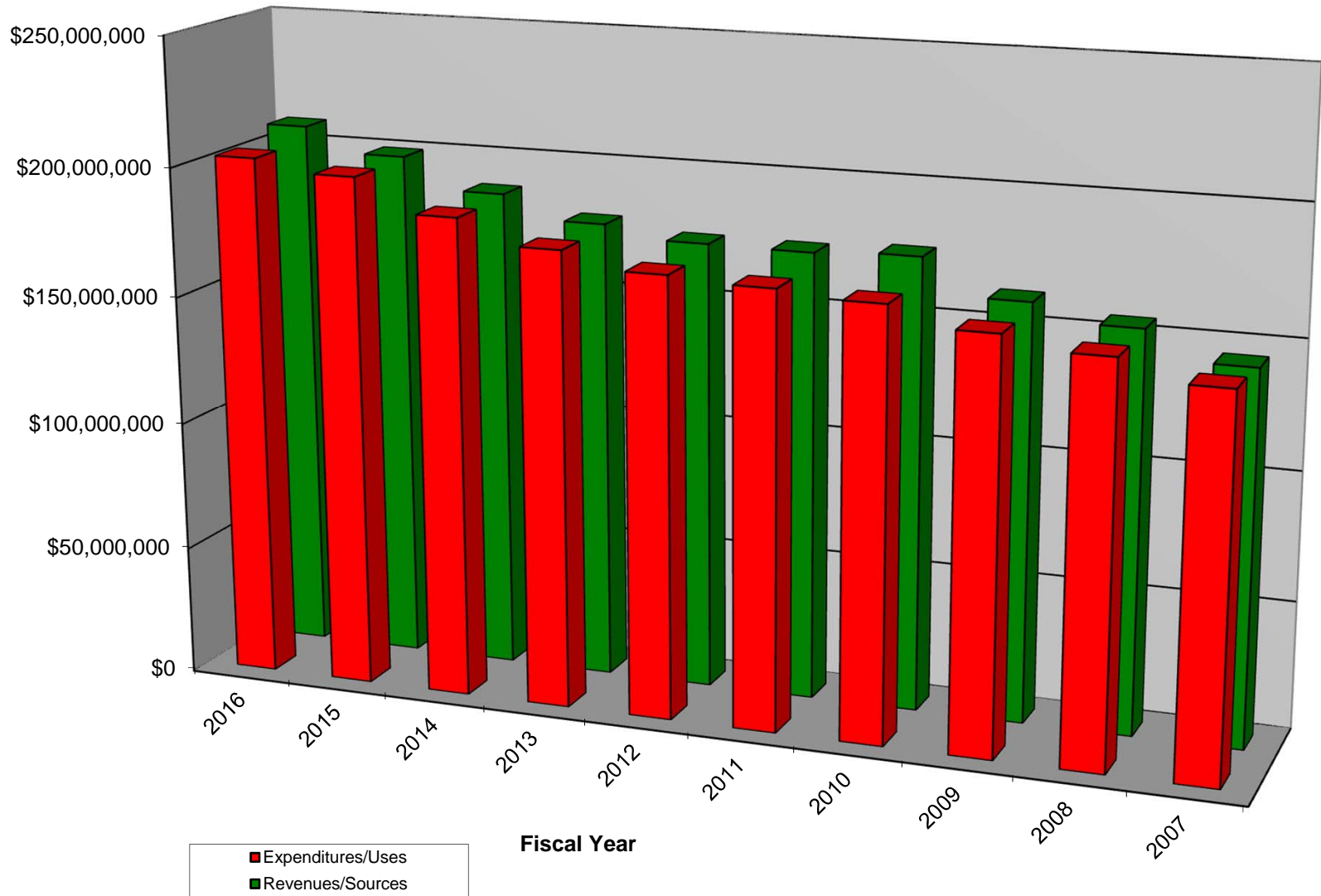


Table 6.1

ACADEMY SCHOOL DISTRICT TWENTY
Fiscal Health Tracking Ratios
Last Ten Fiscal Years
(Unaudited)

	<u>Asset Sufficiency Ratio</u>	<u>Debt Burden Ratio</u>	<u>Operating Reserve Ratio</u>	<u>Operating Margin Ratio</u>	<u>Deficit Fund Balance Ratio</u>	<u>Change in Fund Balance Ratio</u>
2016	2.742	11.872	0.2100	0.025	0.000	0.141
2015	2.441	11.532	0.1881	0.002	0.000	0.011
2014	2.639	10.620	0.1990	0.006	0.000	0.032
2013	2.582	10.120	0.2020	0.009	0.000	0.045
2012	2.554	9.370	0.2010	0.018	0.000	0.100
2011	2.497	7.484	0.1840	0.026	0.000	0.173
2010	2.292	7.239	0.1590	0.049	0.000	0.473
2009	1.838	7.422	0.1130	0.014	0.000	0.141
2008	1.806	6.631	0.1020	-0.010	0.000	-0.088
2007	1.948	5.933	0.1180	-0.017	0.000	-0.127

The Fiscal Health Program was developed by the Office of the State Auditor to help identify negative financial trends in local governments. The program is ratio-based and the financial data is derived from the audited financial report. The ratios are based on governmental funds balance sheet information, revenues, expenditures, fund balance information, and debt information. The ratios are calculated and analyzed for trends over three-year periods. Defined benchmarks are used to determine the threshold for negative indicators in these trends.

The following 6 pages present details and explanations for each ratio.

Table 6.2

ACADEMY SCHOOL DISTRICT TWENTY
Fiscal Health Tracking Ratios
Asset Sufficiency Ratio (ASR)
Last Ten Fiscal Years
(Unaudited)

2016	<u>67,157,147</u> 24,493,022	=	2.742
2015	<u>63,359,810</u> 25,961,032	=	2.441
2014	<u>59,585,804</u> 22,577,337	=	2.639
2013	<u>58,512,894</u> 22,657,862	=	2.582
2012	<u>56,398,584</u> 22,082,929	=	2.554
2011	<u>52,044,950</u> 20,840,294	=	2.497
2010	<u>47,186,289</u> 20,585,766	=	2.292
2009	<u>39,605,488</u> 21,548,267	=	1.838
2008	<u>35,438,274</u> 19,618,625	=	1.806
2007	<u>35,625,803</u> 18,284,814	=	1.948

Formula:
$$\frac{\text{General Fund Total Assets}}{\text{General Fund Total Liabilities}}$$

Description: Indicates the coverage of general fund assets to general fund liabilities.

Benchmark: An ASR of 1 would indicate that total assets equals total liabilities.

Negative Indicators: ASR < 1.0 (liabilities exceed assets)

The District's ratio is closely aligned with similarly-sized districts with comparative levels of growth in student population.

Table 6.3

ACADEMY SCHOOL DISTRICT TWENTY
Fiscal Health Tracking Ratios
Debt Burden Ratio (DBR)
Last Ten Fiscal Years
(Unaudited)

2016	<u>228,886,022</u> 19,279,428	=	11.872
2015	<u>216,896,585</u> 18,808,324	=	11.532
2014	<u>205,634,376</u> 19,364,299	=	10.619
2013	<u>178,667,429+17,842,781+482,120</u> 11,195,897+8,268,385	=	10.121
2012	<u>174,153,431+20,502,196+666,075</u> 12,694,821+8,150,644	=	9.370
2011	<u>173,894,766+24,603,063+456,096</u> 17,279,237+9,304,294	=	7.484
2010	<u>175,497,042+287,985+27,372,699</u> 19,717,410+8,348,708	=	7.239
2009	<u>161,926,560 + 3,939,330 + 27,433,884</u> 12,346,372 + 13,697,200	=	7.422
2008	<u>153,378,725 + 3,459,225 + 29,656,648</u> 10,662,567 + 17,461,569	=	6.631
2007	<u>22,822,296 + 144,743,679 + 4,723,390</u> 18,066,781 + 10,974,779	=	5.933

Formula:
$$\frac{\text{Funds Paying Debt Service}}{\text{Total Governmental Debt Service}}$$

Description: Indicates the coverage of revenue of fund(s) paying debt service to the annual principal and interest payments, including leases.

Benchmark: A DBR of 1 would indicate that debt service equals the annual revenue of the fund supporting the debt.

Negative Indicators: DBR < 1 (debt service exceeds revenue)

Table 6.4

ACADEMY SCHOOL DISTRICT TWENTY
Fiscal Health Tracking Ratios
Operating Reserve Ratio (ORR)
Last Ten Fiscal Years
(Unaudited)

2016	<u>42,664,125</u> 189,638,446+13,540,652	=	0.210
2015	<u>37,398,778</u> 185,586,164+13,201,150	=	0.188
2014	<u>37,008,467</u> 174,378,504+11,877,654	=	0.199
2013	<u>35,855,032</u> 167,290,398+9,837,654	=	0.202
2012	<u>34,315,655</u> 162,381,394+8,661,038	=	0.201
2011	<u>31,204,656</u> 159,816,865+9,473,768	=	0.184
2010	<u>26,600,523</u> 155,969,337+10,984,402	=	0.159
2009	<u>18,057,221</u> 155,043,099 + 4,645,889	=	0.113
2008	<u>15,819,649</u> 150,770,745 + 4,129,320	=	0.102
2007	<u>17,340,989</u> 143,446,996 + 3,827,060	=	0.118

Formula:
$$\frac{\text{General Fund Fund Balance}}{\text{Total General Fund Expenditures +/- Transfer}}$$

Description: Indicates the amount the general fund ending balance will cover the current year general fund expenditures, including transfers.

Benchmark: An ORR of 0.0192 (1/52, or one week) equates to one week of reserves for current expenditures and transfers.

Negative Indicators: ORR < .0192

The District's general fund balance can cover approximately 10.9 weeks of operating expenses.
The District's ratio is aligned with similarly-sized districts with comparative levels of growth in student population.

Table 6.5

ACADEMY SCHOOL DISTRICT TWENTY
Fiscal Health Tracking Ratios
Operating Margin Ratio (OMR)
Last Ten Fiscal Years
(Unaudited)

2016	<u>208,444,445-(189,638,446+13,540,652)</u> 208,444,445	=	0.025
2015	<u>199,177,625-(185,586,164+13,201,150)</u> 199,177,625	=	0.002
2014	<u>187,409,593-(174,378,504+11,877,654)</u> 187,409,593	=	0.006
2013	<u>178,667,429-(167,290,398+9,837,654)</u> 178,667,429	=	0.009
2012	<u>174,153,431- (162,381,394+8,661,038)</u> 174,153,431	=	0.018
2011	<u>173,894,766- (159,816,865+9,473,768)</u> 173,894,766	=	0.026
2010	<u>175,497,042- (155,969,337+10,984,402)</u> 175,497,042	=	0.049
2009	<u>161,926,560 - (155,043,099 + 4,645,889)</u> 161,926,560	=	0.014
2008	<u>153,378,725 - (150,770,745 + 4,129,320)</u> 153,378,725	=	-0.010
2007	<u>144,743,679 - (143,446,996 + 3,827,060)</u> 144,743,679	=	-0.017

Formula:
$$\frac{\text{General Fund Total Revenues} - (\text{General Funds Total Expenditures} +/- \text{Transfers})}{\text{General Fund Total Revenues}}$$

Description: Indicates for every \$ 1 produced in total general fund gross revenue the amount that results in net income.

Benchmark: An OMR of 0.01 would indicate that \$.01 would result in net income for every \$1 produced in gross revenue.

Negative Indicators: OMR < 0.00

The District's 2016 ratio of (.025) indicates that \$.025 will be added to the district's reserves for every \$1.00 of gross revenue.

Table 6.6

ACADEMY SCHOOL DISTRICT TWENTY
Fiscal Health Tracking Ratios
Deficit Fund Balance Ratio (DFBR)
Last Ten Fiscal Years
(Unaudited)

2016	No deficit fund balances.	=	0.000
2015	No deficit fund balances.	=	0.000
2014	No deficit fund balances.	=	0.000
2013	No deficit fund balances.	=	0.000
2012	No deficit fund balances.	=	0.000
2011	No deficit fund balances.	=	0.000
2010	No deficit fund balances.	=	0.000
2009	No deficit fund balances.	=	0.000
2008	No deficit fund balances.	=	0.000
2007	No deficit fund balances.	=	0.000

Formula:
$$\frac{-(\text{Total Deficit Fund Balances} - \text{Positive General Fund Balance})}{\text{Total Revenue in Deficit Fund Balances}}$$

Description: Indicates how many months or partial months of revenue in the next year are required to cover the deficit fund balance (in excess of the deficit covered by the existing general fund balance).

Benchmark: A DFBR of .25 (1/4) would equate to three months of revenue in the subsequent year to cover the deficit fund balance(s).

Negative Indicators: Deficit fund balances.

This ratio only applies for deficit fund balances, and the District has not had a deficit fund balance since 2000.

Table 6.7

ACADEMY SCHOOL DISTRICT TWENTY
Fiscal Health Tracking Ratios
Change in Fund Balance Ratio (CFBR)
Last Ten Fiscal Years
(Unaudited)

2016	<u>42,664,125-37,398,778</u> 37,398,778	=	0.141
2015	<u>37,398,778-37,008,467</u> 37,008,467	=	0.011
2014	<u>37,008,467-35,855,032</u> 35,855,032	=	0.032
2013	<u>35,855,032-34,315,655</u> 34,315,655	=	0.045
2012	<u>34,315,655-31,204,656</u> 31,204,656	=	0.100
2011	<u>31,204,656-26,600,523</u> 26,600,523	=	0.173
2010	<u>26,600,523-18,057,221</u> 18,057,221	=	0.473
2009	<u>18,057,221 - 15,819,649</u> 15,819,649	=	0.141
2008	<u>15,819,649 - 17,340,989</u> 17,340,989	=	-0.088
2007	<u>17,340,989 - 19,871,366</u> 19,871,366	=	-0.127

Formula:
$$\frac{\text{Current Year General Fund Fund Balance} - \text{Last Year General Fund Fund Balance}}{|\text{Prior Year General Fund Fund Balance}|}$$

Description: Indicates the change in the general fund balance from one year to the next in relationship to the prior year fund balance.

Benchmark: A CFBR of 0 would indicate that the fund balance had not changed from the prior year.

Negative Indicators: CFBR < 0 (this would indicate a decrease in the fund balance from prior year)

In 2009 the district attained a positive fund balance ratio and has maintained a positive ratio into 2016.

In 2007 and 2008 District 20 saw a decrease in the Fund Balance Ratio as a result of planned increases for employee compensation and benefits.



ACADEMY
DISTRICT 20
The Peak of Excellence

Where dreams take flight...
One student at a time.



The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.

Revenue Capacity

The following unaudited statistical tables and graph reflect revenue capacity information of the District.

Table 7	Summary of Revenues by Source and Other Financing Sources, General Fund
Table 8	Assessed and Estimated Actual Value of Taxable Property
Table 9	Property Tax Rates – Direct and Overlapping Governments
Table 10	Principal Taxpayers
Table 11	Property Tax Levies and Collections
Graph	Property Tax Levy vs. Collections

Table 7

ACADEMY SCHOOL DISTRICT TWENTY
Summary of Revenues by Source and Other Financing Sources
General Fund
Last Ten Fiscal Years
(Unaudited)

	<u>2016</u>		<u>2015</u>		<u>2014</u>		<u>2013</u>		<u>2012</u>	
Revenue from Local Sources										
Property Taxes	\$ 38,635,660	18.5%	\$ 36,336,766	18.2%	\$ 35,845,621	19.1%	\$ 35,812,807	20.0%	\$ 35,441,168	20.3%
Property Taxes - MLO	26,625,318	12.8%	26,771,674	13.4%	25,535,958	13.6%	24,805,851	13.9%	22,039,108	12.6%
Specific Ownership Taxes	9,472,082	4.5%	8,685,655	4.4%	8,173,602	4.4%	7,582,020	4.2%	7,343,290	4.2%
Interest on Investments	182,887	0.1%	58,326	0.0%	50,780	0.0%	78,017	0.0%	50,505	0.0%
Other Local Revenue	2,807,690	1.3%	2,789,174	1.4%	3,088,538	1.6%	2,696,590	1.5%	2,224,420	1.3%
Total Local Sources	77,723,637	37.3%	74,641,595	37.4%	72,694,499	38.7%	70,975,285	39.7%	67,098,490	38.5%
Revenue From State Sources										
Equalization Aid - General Fund	121,708,205	58.3%	115,576,439	58.0%	107,613,303	57.4%	101,120,601	56.5%	99,199,268	56.9%
Equalization Aid - Risk Mgmt Fund	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Amendment 23 Revenue **	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Other State Aid	6,116,180	2.9%	5,820,766	2.9%	5,126,024	2.7%	4,238,350	2.4%	3,805,278	2.2%
Total State Sources	127,824,385	61.3%	121,397,205	60.9%	112,739,327	60.1%	105,358,951	58.9%	103,004,546	59.1%
Revenue from Federal Sources										
ARRA & Education Job Funds ***	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Impact Aid -8002	-	0.0%	-	0.0%	-	0.0%	-	0.0%	1,726,624	1.0%
Impact Aid -8003	1,416,792	0.7%	1,736,350	0.9%	1,350,506	0.7%	1,661,838	0.9%	1,753,300	1.0%
Other Federal Aid	1,479,631	0.7%	1,402,475	0.7%	625,261	0.3%	671,355	0.4%	570,470	0.3%
Total Federal Sources	2,896,423	1.4%	3,138,825	1.6%	1,975,767	1.1%	2,333,193	1.3%	4,050,394	2.3%
Total Revenue	208,444,445	99.9%	199,177,625	99.9%	187,409,593	99.9%	178,667,429	99.9%	174,153,431	99.9%
Other Sources	200,000	0.1%	200,000	0.1%	200,000	0.1%	200,000	0.1%	175,000	0.1%
Total Revenue and Other Sources	\$ 208,644,445	100.0%	\$ 199,377,625	100.0%	\$ 187,609,593	100.0%	\$ 178,867,429	100.0%	\$ 174,328,431	100.0%

Source: School District Financial Records/Financial Audits

* In years 2007, 2008, and 2009 Risk Management Fund was a Sub-fund of the General Fund, making it appropriate to include the Risk Management portion of the State equalization revenue. In 2010, the Risk Fund was eliminated, and the Risk Management portion of Equalization Aid is included in the General Fund.

** Amendment 23 requirements ended with the 2009/2010 Fiscal year.

*** In 2011, State Equalization was reduced and then supplemented by ARRA and Education Job Funds received from Federal Sources

	<u>2011</u>		<u>2010</u>		<u>2009</u>		<u>2008</u>		<u>2007</u>	
\$	37,867,152	21.8%	\$ 37,928,686	21.6%	\$ 34,582,525	21.3%	\$ 33,840,661	21.7%	\$ 29,293,371	20.2%
	20,599,267	11.8%	17,920,786	10.2%	15,382,872	9.5%	12,750,262	8.2%	12,727,748	8.8%
	7,587,257	4.4%	7,914,003	4.5%	8,364,517	5.2%	8,748,460	5.6%	8,671,598	6.0%
	60,572	0.0%	80,890	0.0%	350,411	0.2%	969,640	0.6%	1,444,984	1.0%
	2,122,843	1.2%	3,522,890	2.0%	3,193,586	2.0%	2,277,148	1.5%	4,304,212	3.0%
	<u>68,237,091</u>	<u>39.2%</u>	<u>67,367,255</u>	<u>38.3%</u>	<u>61,873,911</u>	<u>38.2%</u>	<u>58,586,171</u>	<u>37.6%</u>	<u>56,441,913</u>	<u>39.0%</u>
	94,490,255	54.3%	101,882,903	58.0%	91,745,119	56.6%	83,999,738	54.0%	80,162,948	55.3%
	-	0.0%	-	0.0%	2,171,640	1.3%	2,124,360	1.4%	2,197,500	0.0%
	-	0.0%	1,449,286	0.5%	1,336,850	0.8%	1,259,983	0.8%	1,176,588	0.8%
	3,752,522	2.2%	2,767,132	1.9%	2,762,629	1.7%	4,663,517	3.0%	1,947,812	1.3%
	<u>98,242,777</u>	<u>56.4%</u>	<u>106,099,321</u>	<u>60.4%</u>	<u>98,016,238</u>	<u>60.5%</u>	<u>92,047,598</u>	<u>59.1%</u>	<u>85,484,848</u>	<u>59.0%</u>
	5,706,984	3.3%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	-	0.0%	-	0.0%	-	0.0%	2,269,610	1.5%	-	0.0%
	1,585,646	0.9%	1,471,673	0.8%	1,789,141	1.1%	1,993,051	1.3%	1,873,056	1.3%
	122,268	0.1%	558,793	0.3%	247,270	0.2%	606,655	0.4%	943,862	0.7%
	<u>7,414,898</u>	<u>4.3%</u>	<u>2,030,466</u>	<u>1.2%</u>	<u>2,036,411</u>	<u>1.3%</u>	<u>4,869,316</u>	<u>3.1%</u>	<u>2,816,918</u>	<u>1.9%</u>
	<u>173,894,766</u>	<u>99.9%</u>	<u>175,497,042</u>	<u>99.9%</u>	<u>161,926,560</u>	<u>99.9%</u>	<u>155,503,085</u>	<u>99.9%</u>	<u>144,743,679</u>	<u>99.9%</u>
	175,000	0.1%	175,000	0.1%	125,000	0.1%	125,000	0.1%	125,000	0.1%
\$	<u>174,069,766</u>	<u>100.0%</u>	<u>175,672,042</u>	<u>100.0%</u>	<u>162,051,560</u>	<u>100.0%</u>	<u>155,628,085</u>	<u>100.0%</u>	<u>144,868,679</u>	<u>100.0%</u>

Table 8

ACADEMY SCHOOL DISTRICT TWENTY
Assessed and Estimated Actual Value of Taxable Property
Academy School District Boundaries
Last Ten Calendar Years
(Unaudited)

Assessment Year	Collection Year	Assessed Values					Tax Increment Financing (TIF) ¹	Total Taxable Assessed Value	Total Direct Tax Rate	Total Market (Actual) Value	Taxable Assessed Value as a Percentage of Market Value	Assessment Rates	
		Residential Property	Commercial Property	Industrial, Agricultural and Natural Resources	State Assessed, Vacant Land, and Other							Residential	Commercial
2015	2016	\$ 814,407,310	\$ 506,356,350	\$ 34,321,450	\$ 90,393,210	\$ (12,686,590)	1,432,791,730	6.0216	\$12,407,455,105	11.55%	7.96%	29.00%	
2014	2015	738,193,530	483,354,510	32,312,930	88,795,620	(7,627,170)	1,335,029,420	6.0216	11,358,361,928	11.75%	7.96%	29.00%	
2013	2014	723,536,870	469,496,790	32,027,760	88,568,220	(4,920,740)	1,308,708,900	6.0216	11,124,683,125	11.76%	7.96%	29.00%	
2012	2013	721,209,240	460,779,790	32,879,360	88,629,600	(693,740)	1,302,804,250	6.0216	11,068,481,302	11.77%	7.96%	29.00%	
2011	2012	709,404,130	464,087,280	34,098,810	96,774,950	(708,400)	1,303,656,770	6.0216	10,963,874,278	11.89%	7.96%	29.00%	
2010	2011	749,077,530	499,890,100	34,803,310	111,140,840	(606,510)	1,394,305,270	6.0216	11,637,693,307	11.98%	7.96%	29.00%	
2009	2010	737,081,050	504,666,510	39,824,030	119,502,810	-	1,401,074,400	6.0216	11,549,597,980	12.13%	7.96%	29.00%	
2008	2009	694,250,970	459,561,990	38,372,650	123,471,040	-	1,315,656,650	6.0216	10,864,953,764	12.11%	7.96%	29.00%	
2007	2008	673,229,780	441,206,910	40,911,980	126,342,470	-	1,281,691,140	6.0216	10,556,227,376	12.14%	7.96%	29.00%	
2006	2007	566,492,520	376,176,500	35,663,970	92,285,370	-	1,070,618,360	6.0216	8,855,039,903	12.09%	7.96%	29.00%	

Source: El Paso County Treasurer's Office

Notes:

Residential Property Assessed Value is calculated by applying the Residential Rate to the Residential Market Value.

"7.96% is the Current Assessment Rate for residential property, set by the State Legislature, not the percentage of Increase or Decrease in market value. This is the percentage of the estimated Market value upon which your property tax is calculated."

<http://asr.elpasoco.com/NR/exeres/7E0D4D36-E6AF-4D99-B853-F007D9BD270B.frameless.htm>

Commercial Property Assessed Value is calculated by applying the Commercial Rate to the Other Property Classes' Total Market Value.

"The Assessor multiplies the actual value of the commercial property by the assessment rate of 29% to arrive at an assessed value. The assessed value is then multiplied by a tax rate (mill levy) to calculate the taxes for the property.

$$\text{\$10,000 (Market Value) } \times \text{ 29% (Assessment Rate) } = \text{\$2,900 (Assessed Value) "}$$

<http://asr.elpasoco.com/NR/exeres/2FD5205D-B6D1-4288-9A41-1F94D7972A7E.frameless.htm>

¹ This Column reflects the Copper Ridge at Northgate Development as a Tax Increment Financed Project under the Urban Renewal Authority (URA) of Colorado Springs

Table 9

ACADEMY SCHOOL DISTRICT TWENTY
Property Tax Rates--Direct and Overlapping Governments
Per \$1,000 of Assessed Valuation
Last Ten Calendar Years
(Unaudited)

Taxing Authority	Collection Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Academy School District Twenty										
General Fund	26.952	26.952	26.952	26.952	26.952	26.952	26.952	26.952	26.952	26.952
S.B. 184 ⁽¹⁾	0.356	0.519	0.184	0.505	0.587	0.389	0.756	0.557	0.162	0.532
Voter Approved Override	18.670	20.036	19.608	19.121	16.887	15.073	12.965	11.665	9.948	11.910
Debt Service Fund	<u>14.238</u>	<u>12.709</u>	<u>13.472</u>	<u>13.638</u>	<u>15.790</u>	<u>17.802</u>	<u>19.543</u>	<u>21.042</u>	<u>23.154</u>	<u>20.822</u>
District Total	60.216	60.216	60.216	60.216	60.216	60.216	60.216	60.216	60.216	60.216
El Paso County	7.869	7.791	7.714	7.663	7.597	7.882	7.531	7.748	7.514	7.710
Cities & Towns										
Colorado Springs	4.279	4.279	4.279	4.279	4.279	4.279	4.279	4.944	4.944	4.944
Monument	6.255	6.289	6.289	6.289	6.289	6.289	6.289	6.289	6.289	6.458
Fire Districts										
Black Forest	10.237	10.356	10.382	10.379	10.406	6.275	6.322	6.444	8.235	7.287
Donald Westcott	7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000
Falcon	8.612	8.612	8.612	8.612	8.612	5.712	5.712	5.712	5.712	5.712
Tri-Lakes	11.500	11.500	11.500	11.500	8.500	8.500	8.500	8.500	8.500	8.500
Sanitation Districts										
Monument	-	-	-	-	-	-	-	-	-	3.200
Water Districts										
Park Forest	14.437	14.437	14.437	14.437	14.437	14.437	14.437	14.437	14.437	14.437
SE Colo Water Cons.	0.941	0.940	0.940	0.944	0.947	0.947	0.940	0.943	0.915	0.941
Upper Black Squirrel	1.057	1.082	1.082	1.082	1.082	1.082	0.682	0.682	0.682	0.706
Sanitation & Water Districts										
Academy ⁽²⁾	2.937	2.937	2.937	24.755	24.950	24.150	23.637	25.517	24.817	27.613
Donala- Area A	21.296	21.296	21.296	21.296	16.296	16.296	16.296	16.296	16.296	16.296
Special Districts										
Brgte Ctr BID	45.000	45.000	45.000	45.000	35.674	25.000	25.000	25.000	25.000	27.278
CS Brgte Gn Imp	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000
Briargate	4.409	4.409	4.409	4.409	4.409	4.409	4.409	4.409	4.409	4.409
CS Cottonwood	-	-	6.500	6.500	6.500	6.500	7.000	7.000	7.000	7.000
Norwood	3.935	3.935	3.935	3.935	3.935	3.935	3.935	3.935	3.935	3.935
Woodstone	3.615	3.615	3.615	3.615	3.615	3.615	3.615	3.615	3.615	3.615
Metropolitan Districts										
Fly Horse Rch # 2	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Fly Horse Rch # 3	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Pikes Peak Library District	3.857	4.000	4.000	4.000	3.999	3.556	3.468	3.540	3.325	3.515

Source: El Paso County Assessor's Office

Note: ⁽¹⁾Colorado Revised Statutes require that districts shall levy, in the next fiscal year, the mill levy that is necessary to recoup property tax abatements granted after the mill levy is certified for the fiscal year.

⁽²⁾Confirmed reduction in mill levy due to bond payoff.

Table 10

ACADEMY SCHOOL DISTRICT TWENTY
Principal Taxpayers
(Based on Property Valuation)
Current Year and Nine Years Ago As of May 31, 2016

<u>Taxpayer</u>	<u>Assessed Valuation(1)</u>	<u>% of Total Assessed Valuation</u>	<u>Taxes Assessed</u>	<u>El Paso County Tax Credit</u>
Wal-Mart Real Estate (Retail)	29,034,150	2.03%	2,184,445	(106,246.87)
Hewlett Packard Financial Svcs (Property Management)	13,658,620	0.95%	1,003,919	(49,999.41)
Garrison Chapel Hills Mall LLC (Property Management)	12,440,340	0.87%	959,874	(48)
Progressive Direct Insurance CO (Insurance)	12,296,710	0.86%	1,034,916	-
CV Patriot Springs, LLC (Office Building and Parks)	11,307,650	0.79%	883,729	-
T Rowe Price Assoc (Financial Investing)	10,776,000	0.75%	831,498	-
DDR Corp (Property Management - Barnes and Noble))	10,134,200	0.71%	781,975	-
IMI Colorado Springs LLC (Property Management - Miller Capital Advisory))	9,137,520	0.64%	1,694,084	-
Dar Briargate LLC (Property Management)	7,582,050	0.53%	585,046	-
QWEST Corporation (Network and Exchange Services)	2,654,602	0.19%	159,850	-
TOTAL	<u>\$ 119,021,842</u>	<u>8.31%</u>	<u>\$ 10,119,336</u>	<u>\$ (156,294)</u>

Source: El Paso County Treasurer's Office

Note: 1. Based upon 2015 assessment for taxes due in 2016
2. Total Assessed valuation = \$1,432,791,730

**Principal Taxpayers
(Based on Property Valuation)
As of June 30, 2007**

<u>Taxpayer</u>	<u>Assessed Valuation(1)</u>	<u>% of Total Valuation</u>	<u>Taxes Assessed</u>	<u>El Paso County Tax Credit</u>
CS Lifestyle Center LLC (Property Management)	6,432,020	0.60%	1,250,642	-
Chapel Hills Mall LLC (Property Management)	14,289,080	1.33%	1,104,917	-
Mack Briargate LLC (Property Management)	12,801,540	1.20%	989,931	-
Progressive Casualty Insurance CO (Insurance)	11,837,710	1.11%	989,625	8,416
Oracle Corporation (Technology)	8,717,860	0.81%	711,130	24,012
Digital Equipment Corp (Technology)	16,120,480	1.51%	694,379	-
Wal-Mart Real Estate (Retail)	8,126,950	0.76%	670,042	9,175
Westminster Tech II LLC (Real Estate Investor)	8,363,540	0.78%	646,719	-
United Services Automobile Assoc (Insurance)	6,846,430	0.64%	526,450	2,957
Hewlett Packard Co (Technology)	7,140,590	0.67%	502,698	49,456
Qwest Corp (Communication)	7,854,500	0.73%	472,997	-
Fedex Express (Transportation)	6,503,620	0.61%	391,622	-
TOTAL	<u>\$ 115,034,320</u>	<u>10.74%</u>	<u>\$ 8,951,151</u>	<u>\$ 94,015</u>

Source: El Paso County Treasurer's Office

Note: 1. Based upon January 1, 2006 assessment for taxes due in 2007.

2. Total Assessed Valuation= \$1,070,618,360

Table 11

ACADEMY SCHOOL DISTRICT TWENTY
Property Tax Levies and Collections
General Fund
Last Ten Calendar Years
(Unaudited)

<u>Tax Year</u>	<u>Collection Year</u>	<u>Current Tax Levy(1)</u>	<u>Current Tax Collection</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collection (2)</u>	<u>Total Tax Collection</u>	<u>Percent of Total Collection to Levy</u>
2015	2016	\$ 65,876,899	\$ 64,263,537	97.6%	66,252	\$ 64,329,788	97.7%
2014	2015	63,423,242	61,918,457	97.6%	655,318	62,573,775	98.7%
2013	2014	61,174,323	59,586,505	97.4%	137,932	59,724,437	97.6%
2012	2013	60,682,016	58,985,694	97.2%	162,012	59,147,706	97.5%
2011	2012	57,916,263	55,969,415	96.6%	129,629	56,099,044	96.9%
2010	2011	59,138,066	57,112,089	96.6%	114,203	57,226,292	96.8%
2009	2010	56,985,905	54,639,358	95.9%	112,092	54,751,450	96.1%
2008	2009	51,539,539	50,375,373	97.7%	66,607	50,441,980	97.9%
2007	2008	47,502,046	46,733,383	98.4%	113,045	46,846,428	98.6%
2006	2007	42,175,942	41,958,343	99.5%	76,473	42,034,816	99.7%

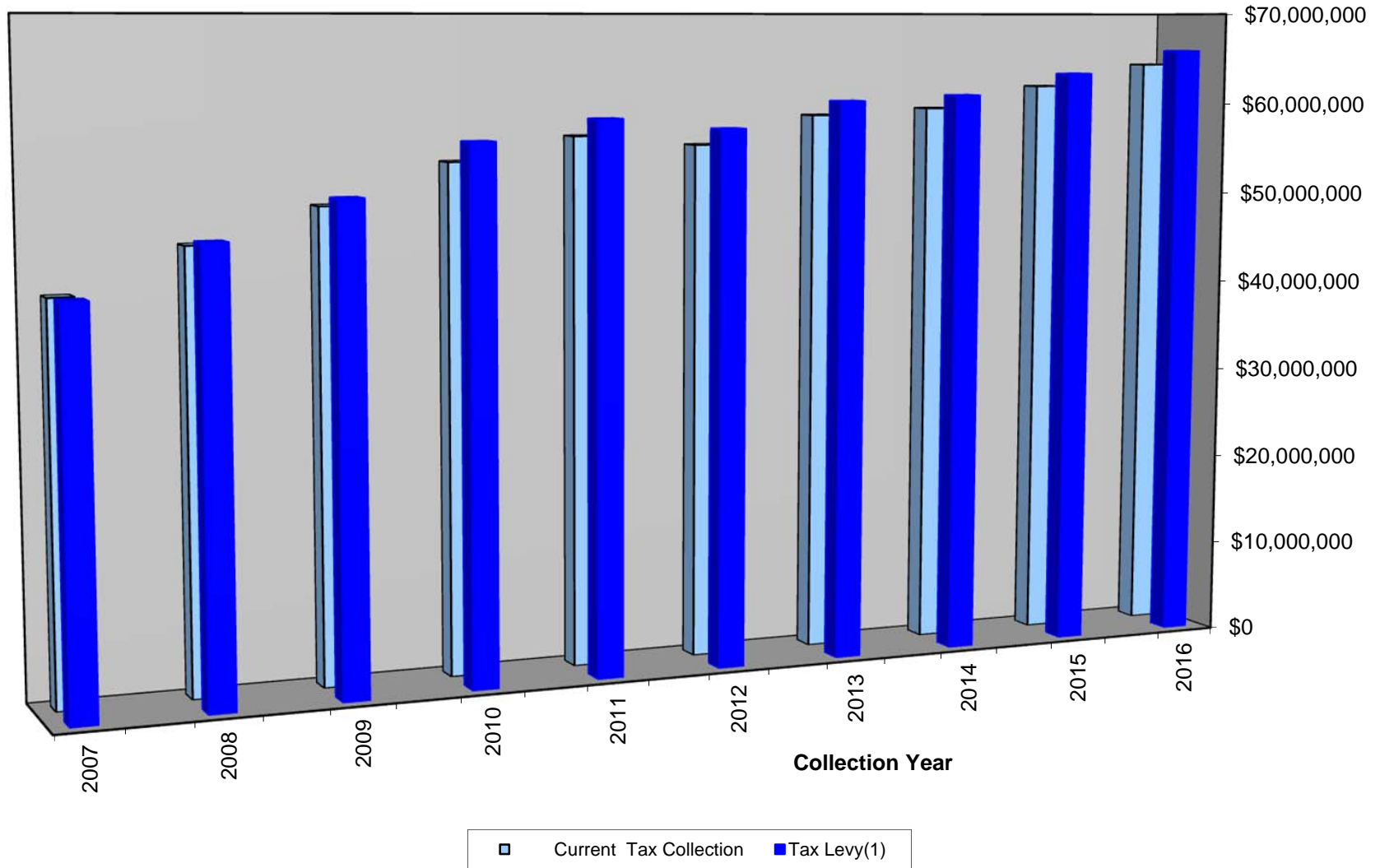
Source: El Paso County Treasurer's Office
County Treasurer's Report to School Districts (Monthly Reports July 30, 2015 through June 30, 2016)

Note: (1)The levies for property tax abatements and asbestos removal are included in the general fund for the applicable tax years plus a voter approved override levy for operations beginning in 1999-2000.

(2)El Paso County reports delinquent taxes in the period collected. The levy year is not reported and is unavailable. Delinquent Tax Collection may include late payment interest collected.

Table 11

Property Tax Levy vs. Collections



Debt Capacity

The following unaudited statistical tables reflect debt capacity information of the District.

Table 12	Net Bonded Debt
Table 13	Computation of Direct and Overlapping Debt
Table 14	Computation of Legal Debt Margin
Table 15	Percent of Annual Debt Service for General Bonded Debt

Table 12

ACADEMY SCHOOL DISTRICT TWENTY
Net Bonded Debt
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities			Total Primary Government	Assessed Valuation (3)	Percent of Debt to Assessed Value (4)	District Population(5)	Total Debt Per Capita	Personal Income in Thousands (6)	Total Debt as % Personal Income	October Funded Pupil Count (7)	Total Debt per Pupil
	General Obligation Bonds (1)	Certificates of Participation	Capital Leases (2)									
2016	\$ 119,090,354	\$ -	\$ -	\$ 119,090,354	\$ 1,432,791,730	8.31%	108,318	\$ 1,099	4,660,078,271	2.56%	23,701.6	\$ 5,025
2015	133,657,056	1,265,000	-	134,922,056	1,335,029,420	10.11%	106,512	1,267	4,333,319,057	3.11%	23,306.4	5,789
2014	148,961,994	1,965,000	-	150,926,994	1,308,708,900	11.53%	106,151	1,422	4,377,178,513	3.45%	23,227.4	6,498
2013	153,969,150	2,606,223	-	156,575,373	1,302,804,250	12.02%	103,836	1,508	4,281,729,133	3.66%	22,720.9	6,891
2012	165,416,371	3,227,449	-	168,643,820	1,303,656,770	12.94%	102,543	1,645	4,228,398,088	3.99%	22,437.9	7,516
2011	178,290,291	3,818,675	-	182,108,966	1,394,305,270	13.06%	100,032	1,821	4,124,864,250	4.41%	21,888.5	8,320
2010	193,717,743	4,389,901	-	182,824,364	1,401,074,400	13.05%	97,718	1,871	4,029,452,560	4.54%	21,382.2	8,550
2009	207,064,287	4,941,127	5,102,409	217,107,823	1,316,575,890	16.49%	104,699	2,074	4,317,311,279	5.03%	20,824.6	10,426
2008	219,977,318	5,585,000	5,854,986	231,417,304	1,281,691,140	18.06%	101,946	2,270	4,203,784,025	5.50%	20,277.0	11,413
2007	233,347,716	6,115,000	6,631,023	246,093,739	1,070,618,360	22.99%	100,895	2,439	4,160,454,594	5.92%	20,068.0	12,263

Source: El Paso County Assessor's/Treasurer's Offices and District Fiscal Records

Notes:

- (1) Bonded debt is net of premiums, discounts, deferred losses on refunding, and accreted interest. Prior years 2004 to 2012 were restated to conform with current year presentation.
- (2) In May 2005, the District entered into a ten-year lease agreement to finance the purchase and renovation of a new administrative building. The lease was paid off early, after 5 years, in 2010.
- (3) Based upon 2015 assessment for taxes due 2016.

Property taxes are calculated based on Assessed Value not Estimated Actual Value.

*The Assessor multiplies the actual value of the personal property by the assessment rate of 29% to arrive at an assessed value. The assessed value is then multiplied by a tax rate (mill levy) to calculate the taxes for the property.

$$\text{\$10,000 (Market Value)} \times 29\% \text{ (Assessment Rate)} = \text{\$2,900 (Assessed Value)}$$

$$\text{\$2,900 (Assessed Value)} \times .070 \text{ (Hypothetical Mill Rate)} = \text{\$203.00 Estimated Taxes Due*}$$

<http://asr.elpasoco.com/NR/exeres/2FD5205D-B6D1-4288-9A41->

- (4) (Net) General Bonded Debt is shown as a percentage of Total Assessed Value, because debt is repaid from Property Taxes.
- (5) The district population for 2010 of 97,718 is from actual census data. 2011 to current is estimated using the ratio of the current year district membership to the prior year district membership (growth rate in District membership is applied to District population).
- (6) District Personal Income data is unavailable. Personal Income was estimated using El Paso County statistics (Table 16)
- (7) Includes Full Day Kindergarten Factor

ACADEMY SCHOOL DISTRICT TWENTY
Estimation of Direct and Overlapping Debt
General Obligation Bonded Debt
As of June 30, 2016
(Unaudited)

	2015	Outstanding	Outstanding General	Obligation Debt
	Assessed Valuation ⁽⁴⁾	General Obligation Debt	Attributable to the District ⁽⁵⁾	Debt
			Percent	
Direct Debt:				
Academy School District 20 (Direct Debt)	\$ 1,432,791,730	\$ 119,090,354	100.00%	\$ 119,090,354
Overlapping Debt⁽¹⁾⁽²⁾⁽³⁾:				
Black Forest Fire Protection District	\$ 191,186,030	\$ 998,575	76.55%	764,409.16
Briargate Center Business Improvement District	10,594,010	8,650,000	100%	8,650,000.00
Cathedral Pines Metropolitan District	10,755,230	5,000,000	100%	5,000,000.00
City of Colorado Springs Briargate General Improvement District	83,382,090	975,947	100%	975,947.00
Copper Ridge Metropolitan District	14,442,800	4,850,000	100%	4,850,000.00
Flying Horse Metropolitan District No. 2	39,090,340	24,225,000	100%	24,225,000.00
Flying Horse Metropolitan District No. 3	11,694,220	5,895,000	100%	5,895,000.00
Interquest North Business Improvement District	13,569,270	6,255,000	100%	6,255,000.00
Old Ranch Metropolitan District ⁽⁶⁾	10	6,155,000	100%	6,155,000.00
Park Forest Water District	8,900,780	24,039	100%	24,039.00
Southeastern Colorado Water Cons. District ⁽⁷⁾	7,832,733,580	29,271,268	15%	4,431,669.98
Triview Metropolitan District	67,563,420	45,590,005	5%	2,224,792.24
Upper Cottonwood Creek Metro. Dist. No. 2	14,241,920	2,185,000	100%	2,185,000.00
Wildwood Ridge Metropolitan District	1,150,200	285,000	100%	285,000.00
Woodmen Road Metropolitan District	125,884,470	16,530,000	6.29%	1,039,737.00
TOTAL				<u><u>72,960,594.38</u></u>

(1) The following entities also overlap the District, but have no reported general obligation debt outstanding: Academy Water and Sanitation District; Allison Valley Metropolitan Districts Nos. 1 and 2; Baptist Road Rural Transportation Authority; Bradley Ranch Metropolitan District; Briargate Special Improvement Maintenance District; College Creek Metropolitan District; Colorado Crossing Metropolitan Districts Nos. 1 to 3; City of Colorado Springs; Colorado Springs Copper Ridge at Northgate Urban Renewal Authority; Donala Water and Sanitation District; Donald Wescott Fire Protection District; El Paso County; El Paso County Conservation District; Falcon Fire Protection District; Flying Horse Metropolitan District No. 1; Interquest South Business Improvement District; Kiowa Soil Conservation District; Morningview Metropolitan District; Norwood Special Improvement Maintenance District; Pikes Peak Library District; Pinon Pines Metropolitan District No. 3; The Sanctuary Metropolitan District; Sterling Ranch Metropolitan Districts Nos. 2 and 3; Struthers Road Local Improvement District; Tri-Lakes Monument Fire Protection District; Upper Black Squirrel Creek Groundwater Management District; Upper Cottonwood Creek Metropolitan District; Upper Cottonwood Creek Metropolitan Districts Nos. 3 to 5; Wildgrass at Rockrimmon Metropolitan District; Woodmen Valley Fire Protection District; and Woodstone Special Improvement Maintenance District.

(2) As of December 31, 2014, the Town of Monument has an outstanding general obligation water bond principal balance of approximately \$24,500 and an outstanding general obligation water loan principal balance of approximately \$275,000. These debts are supported by water system revenues and are not included in this table.

(3) Pursuant to a funding agreement, Woodmen Heights Metropolitan Districts Nos. 2 and 3 impose a required mill levy to support the revenue bonds issued by Woodmen Heights Metropolitan District No. 1 and currently outstanding in the amount of \$30,512,680. Woodmen Heights Metropolitan District No. 1 does not overlap with the District; however, Woodmen Heights Metropolitan Districts Nos. 2 and 3 do. The 2015 assessed values of Woodmen Heights Metropolitan Districts Nos. 2 and 3 are \$23,351,820 and \$1,706,300, respectively.

(4) Assessed values certified in 2015 are for collection of ad valorem property taxes in 2016.

(5) The percentage of each entity's outstanding debt chargeable to the District is calculated by comparing the assessed valuation of the portion overlapping the District to the total assessed valuation of the overlapping entity. To the extent the District's assessed valuation changes disproportionately with the assessed valuation of overlapping entities, the percentage of debt for which property owners within the District are responsible will also change.

(6) Pursuant to an intergovernmental agreement, Upper Cottonwood Creek Metropolitan District ("UCCMD"), which overlaps the District, has pledged a portion of its mill levy to repay the general obligation debt issued by Old Ranch Metropolitan District. The 2015 assessed value of UCCMD is \$19,654,990.

(7) Estimated debt as of December 31, 2015, most recent figure available. Southeastern Colorado Water Conservancy District ("SCWCD") is comprised of portions of nine Colorado counties, and its debt consists of a contractual obligation with the United States Bureau of Reclamation for payment of the reimbursable costs of the Frypan-Arkansas Project. The project's primary purpose is to divert water from the Colorado River tributaries for use in water-short areas. Revenues to meet payments are provided via an ad valorem mill levy applied against property within the nine counties and via fees charged for sale and storage of water. SCWCD dedicates nine-tenths of its mill levy to the contractual obligation.

Sources: Official Statement Dated January 28, 2015 and updated with information obtained from individual taxing entities.

Table 14

ACADEMY SCHOOL DISTRICT TWENTY
Computation of Legal Debt Margin
As of June 30, 2016
(Unaudited)

	<u>2016⁽¹⁾</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt Limit	\$ 286,558,346	\$ 267,005,884	\$ 261,741,780	\$ 260,560,850	260,731,354	278,861,054	280,214,880	263,131,330	256,338,228	267,654,590
Total net debt applicable to limit	107,014,342	119,091,406	131,181,697	139,104,508	149,660,405	161,745,226	178,434,463	192,479,463	203,523,258	212,879,788
Legal debt margin	179,544,004	147,914,478	130,560,083	121,456,342	111,070,949	117,115,828	101,780,417	70,651,867	52,814,970	54,774,802
Total bonded debt as a percentage of debt limit	37.34%	44.60%	50.12%	53.39%	57.40%	58.00%	63.68%	73.15%	79.40%	79.54%

Legal Debt Margin Calculation for Fiscal Year 2015/2016

Estimated Property Market Value----2015	<u>\$ 12,407,455,105</u>
Based upon 2015 assessment for taxes due in 2016	<u>\$ 1,432,791,730</u>
20% of Assessed Valuation	
Percent of Assessed Valuation	\$ 286,558,346
Less: Bonded Debt June 30, 2016	<u>107,014,342</u>
MAXIMUM LEGAL DEBT MARGIN	<u>\$ 179,544,004</u>

Note (1) The debt margin calculation for 2016 is calculated at 20%, since District 20 does not qualify as a fast growing district. As of 2015 the growth rate was not 2.5% or greater for 3 consecutive years. (CRS 22-42-104)

	Funded Pupil Count ²	% Growth
Oct-15	23,701.6	1.70%
Oct-14	23,306.4	0.34%
Oct-13	23,227.4	2.23%
Oct-12	22,720.9	1.26%
Oct-11	22,437.9	2.51%
Oct-10	21,888.5	2.37%
Oct-09	21,382.2	2.68%
Oct-08	20,824.6	2.70%
Oct-07	20,277.0	1.04%
Oct-06	20,068.0	3.16%

Colorado Revised Statutes (CRS) provide three alternative methods for determining the legal debt margin for school districts. The standard method uses 20% of assessed valuation. For certain fast growing school districts, 25% of assessed valuation could be used in the calculation.

Finally, the CRS permits using 6% of market value in the calculation. However, this method has not been tested in Colorado courts to be in compliance with the Tax Payers Bill of Rights (TABOR). While this method yields a very high debt margin, the district's bond council will not provide an opinion to permit the district to use the method to determine the amount of bonds that could be sold.

Note (2)

Funded Pupil Count includes Full Day Kindergarten Factor

Source: District Financial Records
El Paso County Abstract of Assessment for Academy School No. 20

Table 15

ACADEMY SCHOOL DISTRICT TWENTY
Percent of Annual Debt Service for General Bonded Debt
to General Fund Expenditures
Last Ten Fiscal Years
(unaudited)

<u>Fiscal Year</u>	<u>General Fund Expenditures</u>	<u>Annual Debt Service(1)</u>	<u>% of Debt Service to Expenditures</u>
2016	\$ 189,638,446	\$ 17,985,988	9.5%
2015	185,586,164	18,318,957	9.9%
2014	174,378,504	18,606,219	10.7%
2013	167,290,398	18,666,719	11.2%
2012	162,381,394	20,087,896	12.4%
2011	159,816,865	25,823,466	16.2%
2010	155,969,337	22,018,769	14.1%
2009	155,043,099	24,317,478	15.7%
2008	150,770,745	26,347,490	17.5%
2007	143,446,996	22,804,750	15.9%

Source: District financial records

Note: 1. Includes principal, interest and fees

Demographic and Economic Information

The following unaudited statistical tables reflect demographic and economic information of the District.

Table 16	Demographic Data – El Paso County
Table 17	El Paso County Property Values and Construction
Table 18	El Paso County Principal Employers

Table 16

ACADEMY SCHOOL DISTRICT TWENTY
Demographic Data - El Paso County (1)
Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (2)</u> (thousands of dollars)	<u>Median Household Income (3)</u>	<u>Per Capita Income (2)</u>	<u>Median Age</u>	<u>District 20 School Enrollment</u>	<u>Unemployment Rate</u>
2016	683,592	\$ 29,409,703	\$ 58,642	43,022	33.6	25,063	4.7%
2015	674,471	29,118,518	58,062	43,172	33.6	24,578	5.5%
2014	662,874	28,830,216	57,487	43,493	33.6	24,481	6.2%
2013	655,150	26,940,874	57,125	41,122	33.8	23,973	8.5%
2012	645,678	26,502,138	57,531	41,045	34.1	23,657	9.3%
2011	636,946	25,631,830	57,079	40,242	34.2	23,119	9.1%
2010	622,263	24,190,357	56,268	38,875	34.3	22,620	9.6%
2009	608,061	23,260,743	55,621	38,254	34.4	21,917	8.2%
2008	597,919	23,023,846	59,061	38,507	34.3	21,423	5.8%
2007	586,783	22,409,055	38,584	38,190	33.0	21,204	4.4%

Sources: District Financial Records
Colorado Department of Local Affairs
Southern Colorado Economic Forum
US Department of Commerce, Bureau of Economic Analysis

Note: (1) Demographic data is for all of El Paso County except school enrollment.
(2) Personal Income and Per Capita personal Income are estimated based on a 1% annual growth rates and last known figures, per Bureau of Economic Analysis.
<http://bea.gov/regional/bearfacts/action.cfm>
(3) Median Household Income is estimated with a 1% annual growth rate and last known figure, per US Census Bureau Records for El Paso County, Colorado.
<http://quickfacts.census.gov/qfd/states/08/08041.html>

Table 17

ACADEMY SCHOOL DISTRICT TWENTY
El Paso County Property Values and Construction
Last Ten Calendar Years
(Unaudited)

Calendar Year	<u>Property Values-----Assessed</u>			<u>Commercial Construction</u>		<u>Residential Construction</u>		Total Units	Total Construction Value
	Commercial, Industrial, Agricultural	Residential, Public Utility, Other	Total	Units	Estimated Value	Single Family Units	Estimated Value		
2016	\$ 1,927,937,240 (2)	\$ 4,508,220,600 (2)	\$ 6,436,157,840 (2)	1,222 (1)	\$ 391,403,051 (1)	2,739 (1)	\$ 1,131,190,529 (1)	3,961 (1)	\$ 1,522,593,580 (1)
2015	1,883,324,970	4,154,810,190	6,038,135,160	940	142,726,070	2,433	1,032,039,203	3,373	1,174,765,273
2014	1,872,256,030	4,062,568,000	5,934,824,030	878	380,876,383	2,688	1,079,909,778	3,566	1,460,786,161
2013	1,885,551,780	4,070,365,710	5,955,917,490	863	198,027,513	2,216	801,352,986	3,079	999,380,499
2012	1,884,059,810	4,060,728,590	5,944,788,400	672	243,573,323	1,399	496,585,288	2,071	740,158,611
2011	2,065,234,830	4,381,616,240	6,446,851,070	694	74,847,818	1,404	465,349,499	2,098	540,197,317
2010	2,061,225,930	4,371,420,100	6,432,646,030	974	282,021,540	1,105	378,446,473	2,079	660,468,013
2009	1,946,775,180	4,238,620,950	6,185,396,130	1,147	365,936,404	1,223	261,700,154	2,370	627,636,558
2008	1,873,225,620	4,156,925,880	6,030,151,500	1,440	385,538,119	2,135	413,753,784	3,575	799,291,903
2007	1,845,001,697	3,188,003,743	5,033,005,440	1,298	344,509,474	3,446	616,774,229	4,744	961,283,703

Source: Pikes Peak Regional Building Department
<http://www.pprbd.org/permitreps/2015govrep.pdf>
El Paso County Assessor's Office
<http://asr.elpasoco.com/Documents/Abstract%20Information/2014%20Abstract.pdf>

Notes: (1) Unit and construction value data available through December 2015.
(2) Based on 2015 Assessment, Taxes due 2016.

Table 18

**ACADEMY SCHOOL DISTRICT TWENTY
Principal Employers of the Pikes Peak Region
Current Year and Nine Years Ago
(Unaudited)**

Employer	2015		2006	
	Rank	Percentage of Total County Employment	Rank	Percentage of Total County Employment
Fort Carson Army Post	1	10.22%	1	8.70%
Peterson Air Force Base	2	4.17%	2	6.10%
United States Air Force Academy	3	3.13%	3	2.83%
Colorado Springs School District 11	4	2.21%	5	1.54%
Academy School District 20	5	1.25%	9	1.04%
Memorial Hospital-UCHealth	6	1.22%	6	1.46%
Penrose-St. Francis Health Services	7	1.09%	8	1.20%
Schriever Air Force Base ²	8	1.08%	4	1.95%
City of Colorado Springs ¹	9	0.89%	7	1.22%
El Paso County	10	0.81%	-	0.82%
Lockheed Martin	-	0.52%	10	0.85%
		26.59%		27.71%

Source: City of Colorado Springs - 2015 Comprehensive Annual Financial Report
 2015 is the most current CAFR available from City of Colorado Springs, the City's Fiscal Year is from January to December
https://coloradosprings.gov/sites/default/files/2015_final_cafr.pdf p.262

City Sources: The Colorado Springs Regional Business Alliance

¹City of Colorado Springs includes the total of all full-time equivalent employees (FTE's) in all funds and enterprises except Colorado Springs Utilities and Memorial Health System.

²Schriever Air Force Base previously known as Falcon Air Force Bas

Operating Information

The following unaudited statistical tables reflect operating information of the District.

Table 19	District Building Information
Table 20	Schedule of Insurance Policies
Table 21	Full-time Equivalent Employees by Functional Program
Table 22	Operating Statistics

Table 19

ACADEMY SCHOOL DISTRICT TWENTY
District Building Information¹
Last Ten Fiscal Years
(Unaudited)

ELEMENTARY SCHOOLS	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Academy Endeavour Elementary (1998)										
Building Square feet	47,467	47,467	47,467	47,467	47,467	47,467	47,467	47,467	47,467	47,467
Modular Square feet	5,760	5,760	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Capacity (students)	723	723	723	723	723	723	723	723	723	723
Enrollment	573	573	609	624	629	622	513	469	437	507
Academy International Elementary (1998)										
Building Square feet	47,467	47,467	47,467	47,467	47,467	47,467	47,467	47,467	47,467	47,467
Modular Square feet	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment ²	600	600	721	695	728	740	734	719	733	694
Antelope Trails Elementary (1992)										
Building Square feet	48,122	48,122	48,122	48,122	48,122	48,122	48,122	48,122	48,122	48,122
Modular Square feet	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Capacity (students)	541	541	541	541	541	541	541	541	541	541
Enrollment	468	468	530	530	537	573	581	535	517	509
Calvert Online Academy										
Modular Square feet	1,440	-	-	-	-	-	-	-	-	-
Modular Capacity (students)	50	-	-	-	-	-	-	-	-	-
Chinook Trail Elementary (2007)										
Building Square feet	73,064	73,064	73,064	73,064	73,064	73,064	73,064	73,064	73,064	-
Modular Square feet	2,850	2,850	2,850	1,440	1,440	1,440	-	-	-	-
Capacity (students)	610	610	610	560	560	560	510	510	510	-
Enrollment ³	767	767	730	590	483	406	363	217	100	-
Discovery Canyon Campus (2005)										
Building Square feet	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Modular Square feet	1,410	1,410	1,410	-	-	-	-	-	-	-
Capacity (students)	560	560	560	510	510	510	510	510	510	510
Enrollment	520	520	525	528	516	528	516	461	382	347
Douglass Valley Elementary (1958)										
Building Square feet	43,720	43,720	43,720	43,720	43,720	43,720	43,720	43,720	43,720	43,720
Capacity (students)	400	400	400	400	400	400	400	400	400	400
Enrollment	345	345	383	387	383	415	371	350	247	276
Edith Wolford Elementary (2004)										
Building Square feet	53,063	53,063	53,063	53,063	53,063	53,063	53,063	53,063	53,063	53,063
Capacity (students)	425	425	425	425	425	425	425	425	425	425
Enrollment	300	300	314	302	301	359	369	393	375	478
Explorer Elementary (1989)										
Building Square feet	47,600	47,600	47,600	47,600	47,600	47,600	47,600	47,600	47,600	47,600
Modular Square feet	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,880
Capacity (students)	517	517	517	517	517	517	517	517	517	517
Enrollment	505	505	517	521	522	529	515	499	514	549
Foothills Elementary (1981)										
Building Square feet	43,046	43,046	43,046	43,046	43,046	43,046	43,046	43,046	43,046	43,046
Modular Square feet	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Capacity (students)	590	590	590	590	590	590	590	590	590	590
Enrollment	414	414	439	439	430	416	400	416	390	408
Frontier Elementary (1985)										
Building Square feet	47,900	47,900	47,900	47,900	47,900	47,900	47,900	47,900	47,900	47,900
Modular Square feet	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Capacity (students)	664	664	664	664	664	664	664	664	664	664
Enrollment	429	429	434	390	417	408	427	444	456	468
High Plains Elementary (1981)										
Building Square feet	41,846	41,846	41,846	41,846	41,846	41,846	41,846	41,846	41,846	41,846
Capacity (students)	468	468	468	468	468	468	468	468	468	468
Enrollment	273	273	380	399	388	378	361	350	341	376
Mountain View Elementary (2004)										
Building Square feet	53,500	53,500	53,500	53,500	53,500	53,500	53,500	53,500	53,500	53,500
Capacity (students)	510	510	510	510	510	510	510	510	510	510
Enrollment	541	541	561	580	580	568	595	586	543	515
Pine Valley Elementary (1958-2008)										
Building Square feet	-	-	-	-	-	-	-	-	46,522	46,522
Capacity (students)	-	-	-	-	-	-	-	-	491	491
Enrollment	-	-	-	-	-	-	-	-	149	203
Pioneer Elementary (1987)										
Building Square feet	47,900	47,900	47,900	47,900	47,900	47,900	47,900	47,900	47,900	47,900
Modular Square feet	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
Capacity (students)	614	614	614	614	614	614	614	614	614	614
Enrollment	389	389	413	403	425	476	475	492	535	546
Prairie Hills Elementary (1993)										
Building Square feet	49,100	49,100	49,100	49,100	49,100	49,100	49,100	49,100	49,100	49,100
Modular Square feet	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760
Capacity (students)	664	664	664	664	664	664	664	664	664	664
Enrollment	473	473	498	502	528	548	583	548	584	601
Ranch Creek Elementary (2007)										
Building Square feet	55,500	55,500	55,500	55,500	55,500	55,500	55,500	55,500	55,500	-
Modular Square feet	1,410	1,410	1,410	-	-	-	-	-	-	-
Capacity (students)	560	560	560	510	510	510	510	510	510	-
Enrollment	535	535	481	497	460	432	378	348	268	-
Rockrimmon Elementary (1972)										
Building Square feet	36,208	36,208	36,208	36,208	36,208	36,208	36,208	36,208	36,208	36,208
Modular Square feet	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440
Capacity (students)	494	494	494	494	494	494	494	494	494	494
Enrollment	351	351	367	341	344	349	365	384	377	391
School In the Woods (1999)										
Modular Square feet	5,760	5,760	5,760	5,760	4,320	4,320	4,320	4,320	4,320	4,320
Capacity (students)	78	78	78	78	52	52	52	52	52	52
Enrollment	78	78	78	78	52	52	52	52	52	52
The da Vinci Academy Elementary (2004)										
Building Square feet	56,500	56,500	56,500	56,500	56,500	56,500	56,500	56,500	56,500	56,500
Capacity (students)	510	510	510	510	510	510	510	510	510	510
Enrollment	447	447	454	407	397	382	423	461	490	502
Woodmen Roberts Elementary (1990)										
Building Square feet	49,100	49,100	49,100	49,100	49,100	49,100	49,100	49,100	49,100	49,100
Modular Square feet	-	-	-	-	-	-	1,440	1,440	1,440	1,440
Capacity (students)	468	468	468	468	468	468	518	518	518	518
Enrollment	350	350	370	373	367	353	370	353	375	399

ACADEMY SCHOOL DISTRICT TWENTY
District Building Information¹
Last Ten Fiscal Years
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
MIDDLE SCHOOLS										
Challenger Middle (1965)										
Building Square feet	101,793	101,793	101,793	101,793	101,793	101,793	101,793	101,793	101,793	101,793
Modular Square feet	4,320	4,320	4,320	4,320	4,320	5,760	5,760	5,760	5,760	5,760
Capacity (students)	964	964	964	964	964	1,014	1,014	1,014	1,014	1,014
Enrollment	810	810	766	718	720	691	635	634	583	691
Discovery Canyon Campus (2006)										
Building Square feet	114,039	114,039	114,039	114,039	114,039	114,039	114,039	114,039	114,039	114,039
Capacity (students)	850	850	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment ²	960	960	964	939	903	867	736	761	722	503
Eagleview Middle (1986)										
Building Square feet	137,135	137,135	137,135	137,135	137,135	137,135	137,135	137,135	137,135	137,135
Capacity (students)	1,105	1,105	1,105	1,105	1,105	1,105	1,105	1,105	1,105	1,105
Enrollment	989	989	958	945	937	976	964	953	915	927
Mountain Ridge Middle (1997)										
Building Square feet	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400
Modular Square feet	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
Capacity (students)	1,190	1,190	1,190	1,190	1,190	1,190	1,190	1,190	1,190	1,190
Enrollment	1,155	1,155	1,131	1,066	1,052	1,069	1,094	1,114	1,132	1,156
Summit Middle School Purchased 2013										
Building Square feet	6,106	6,106	6,106	6,106	-	-	-	-	-	-
Building Utilization Capacity (90% of Design)	125	125	125	125	-	-	-	-	-	-
Enrollment	46	46	53	58	-	-	-	-	-	-
Timberview Middle (1988)										
Building Square feet	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Modular Square feet	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
Capacity (students)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	1,038	1,038	1,062	1,088	1,076	1,011	1,044	1,022	987	1,007
HIGH SCHOOLS										
Air Academy High (1959)										
Building Square feet	243,362	243,362	243,362	243,362	243,362	243,362	243,362	243,362	243,362	243,362
Capacity (students)	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530
Enrollment	1,335	1,335	1,419	1,383	1,388	1,359	1,309	1,380	1,428	1,476
Aspen Valley High (1997)										
Building Square feet	16,600	16,600	16,600	16,600	16,600	16,600	16,600	16,600	16,600	16,600
Modular Square feet	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440
Capacity (students)	150	150	150	150	150	150	150	150	150	150
Enrollment	115	115	97	105	99	88	94	93	101	107
Discovery Canyon Campus (2006)										
Building Square feet	173,418	173,418	173,418	173,418	173,418	173,418	173,418	173,418	173,418	-
Capacity (students)	1,148	1,148	1,350	1,350	1,350	1,350	1,350	1,350	1,350	-
Enrollment	1,107	1,107	1,020	940	877	775	562	346	118	-
Liberty High (1987)										
Building Square feet	186,000	186,000	186,000	186,000	186,000	186,000	186,000	186,000	186,000	186,000
Modular Square feet	8,610	8,610	8,610	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Capacity (students)	1,448	1,448	1,448	1,398	1,398	1,398	1,398	1,398	1,398	1,398
Enrollment	1,590	1,590	1,591	1,552	1,537	1,532	1,552	1,459	1,475	1,457
Pine Creek High (1998)										
Building Square feet	192,530	192,530	192,530	192,530	192,530	192,530	192,530	192,530	192,530	192,530
Modular Square feet	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200
Capacity (students)	1,340	1,340	1,340	1,340	1,340	1,340	1,340	1,340	1,340	1,340
Enrollment	1,504	1,504	1,479	1,453	1,462	1,409	1,509	1,501	1,564	1,609
Rampart High (1982)										
Building Square feet	213,100	213,100	213,100	213,100	213,100	213,100	213,100	213,100	213,100	213,100
Capacity (students)	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment	1,623	1,623	1,531	1,595	1,589	1,584	1,652	1,745	1,745	1,689
ADMINISTRATION BUILDINGS										
Education and Administration Center (EAC)										
Building Square feet	112,792	112,792	112,792	112,792	112,792	112,792	112,792	112,792	112,792	112,792
Maintenance										
Square feet	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059	13,059
Transportation/Warehouse										
Building Square feet	35,966	35,966	35,966	35,966	35,966	35,966	35,966	35,966	35,966	35,966
Modular Square feet	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200
Woodmen Center (sold 2009)										
Square feet	-	-	-	-	-	-	-	-	11,016	11,016
Total Modular Square feet	77,040	75,600	77,040	71,400	69,960	71,400	71,400	71,400	71,400	71,400
Total Building Square feet	2,679,344	2,679,344	2,679,344	2,679,344	2,673,238	2,673,238	2,673,238	2,673,238	2,719,760	2,417,778
Total Square Feet	2,756,384	2,754,944	2,756,384	2,750,744	2,743,198	2,744,638	2,744,638	2,744,638	2,791,160	2,489,178

Source: District Facilities Maintenance Office and CDE Data Summary Report

Note: Year of construction is shown in parentheses. Increases/decreases in square footage and capacity are the result of renovations, additions, and deletions.

¹ Student capacity reported is *utilization* capacity, which is estimated at 90% of *design* capacity. Capacity also includes modular capacity for those schools with modulars on site. Standard modular capacity is 50 (2 classrooms at 25 students each).

² Enrollment included Briargate Preschool students until 2015

³ Enrollment includes Home School Academy Enrollment

Table 20

ACADEMY SCHOOL DISTRICT TWENTY
Schedule of Insurance Policies
as of July 1, 2015
(unaudited)

<u>Company</u>	<u>Policy Number</u>	<u>Policy Period</u>		<u>Coverage Details</u>
		<u>From</u>	<u>To</u>	
Affiliated FM Insurance Company	EP493	7/1/2015	6/30/2016	Facility/Property Coverages Building and Contents (\$729,764,100) Boiler and Machinery Extra Expense Property in Transit Newly Acquired Buildings Personal Property of Others Accounts Receivable Valuable Papers(Student Records) Earthmovement (Included in property) Flood (Included in property)
AIG Specialty Insurance Company	PLC4691857	7/1/2015	6/30/2018	Pollution
Zurich (American Guarantee & Liability Ins)	GLO3993606	7/1/2015	6/30/2016	General Liability/Wrongful Acts
Zurich (Northern Insurance Company of NY)	ELL9816154-00	7/1/2015	6/30/2016	Educators Legal Liability
Zurich (American Guarantee & Liability Ins)	BAP981615500	7/1/2015	6/30/2016	Auto Coverages Auto Liability Medical Pay (replaces PIP) Auto Physical Damage Hired/Borrowed Vehicles - liability
Traveler's Casualty & Surety Co of America	105798183	7/1/2015	6/30/2016	Crime Coverages (including faithful performance and dishonesty) Forgery, Alteration, Computer Fraud Theft, Disappearance, Destruction Secretary & Treasurer/Statutory Bond
ACE American Insurance Co	PHFD38268910001	7/1/2015	6/30/2016	Foreign Package GL/Auto Liability Workers' Comp/Employers Liability Accidental Death & Dismemberment & Medical Kidnap & Extortion
Indian Harbor Insurance	LEI9517255-03	7/1/2015	6/30/2016	Police Professional Liability
Great American	EPP1117707	7/1/2015	6/30/2016	Directors and Officers (for Foundation)
RLI Surety	LSM0202416	7/1/2015	6/30/2016	Notary Bond
Beazley Insurance Co. Inc.	V14FA6150201	7/1/2015	6/30/2016	Cyber Liability
American Guarantee & Liability Insurance Company	AUC017863300	7/1/2015	6/30/2016	Umbrella Liability
<hr/>				
Pinnacol Assurance	4140427	7/1/2015	6/30/2016	Worker's Compensation
<hr/>				
Kaiser		7/1/2015	6/30/2016	Health Employee Health/Dental Package Fulltime
Delta Dental	6295			Dental Fulltime Fulltime
<hr/>				
Standard Insurance	640336-C	7/1/2015	6/30/2016	Employee Life Coverage
<hr/>				

Source: District Internal Reports - Risk Management

<u>Deductible</u>	<u>Liability Limits</u>	<u>Annual Premium</u>
		\$239,928
\$25,000	\$250,000,000 per occurrence	
\$5,000	\$5,000,000	
	\$5,000,000	
	\$500,000	
	\$10,000,000	
	\$10,000	
	\$5,000,000	
	\$5,000,000	
\$100,000	\$100,000,000	Included
\$100,000	\$50,000,000	Included
\$25,000	\$1,000,000	\$28,794
\$0	\$1,000,000	\$194,685
	\$2,000,000 /Aggregate	
\$25,000	\$1,000,000	\$95,525
	\$2,000,000 /Aggregate	
		\$157,092
\$0	\$1,000,000	
\$0	\$5,000	
\$5,000	Varies, depending on age of vehicle	
	\$1,000,000	
\$5,000	\$1,000,000	\$7,229
\$5,000	\$500,000	
\$5,000	\$500,000	
\$5,000	\$1,000,000	Included
		\$6,375
\$1,000	\$1,000,000	
	As per Colorado law	
	\$1,500,000 max.	
	\$250,000	
\$5,000	\$1,000,000	\$12,151
\$0	\$1,000,000	\$700
	\$10,000	\$388
\$50,000	\$1,000,000	\$15,118
\$10,000	\$3,000,000/Aggregate	\$59,800
	TOTAL PREMIUM	\$817,785
\$250,000	As per Colorado Statute	\$212,181

Employee Premium	\$132.57 - \$988.43/month
Employer Premium	\$385.07 - \$642.78/month
Employee Premium	\$2.79 - \$90.17/month
Employer Premium	\$30.95/month

Employee Premium	\$0 - \$1.00/month
Employer Premium	\$4.25/month



ACADEMY
DISTRICT 20
The Peak of Excellence

Where dreams take flight...
One student at a time.



The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.

Table 21

ACADEMY SCHOOL DISTRICT TWENTY
Full-time Equivalent Employees by Functional Program
Last Ten Fiscal Years ³
(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
PROGRAM										
Instruction	1,604.8	1,609.7	1,675.1	1,651.6	1,619.8	1,578.3	1,521.5	1,476.4	1,455.6	1,463.8
Instructional Pupil and Staff Support	226.5	229.2	228.7	224.1	224.4	219.0	216.2	207.3	204.0	197.0
General Administration	6.8	7.0	7.3	7.3	7.3	6.8	6.8	6.5	8.0	11.0
School Administration	262.0	263.1	259.7	261.6	257.7	258.9	259.1	257.1	254.0	243.3
Business Services	27.5	28.6	27.6	27.6	27.6	27.6	28.6	28.1	29.6	29.6
Maintenance and Operations	196.9	201.0	208.7	202.5	208.6	209.7	204.2	202.4	191.2	195.8
Transportation	225.3	220.2	209.8	200.3	169.3	201.8	197.3	193.8	178.4	163.8
Central Services ¹	54.7	51.6	47.7	45.9	44.6	46.5	49.9	50.3	49.1	49.1
Community and Other Services ²	0.0	0.6	0.6	1.0	1.0	1.1	2.1	2.1	3.1	6.1
	<u>2,604.5</u>	<u>2,610.8</u>	<u>2,665.1</u>	<u>2,621.8</u>	<u>2,560.3</u>	<u>2,549.6</u>	<u>2,485.4</u>	<u>2,424.0</u>	<u>2,373.0</u>	<u>2,359.5</u>

¹ Central Services includes Food Service personnel employed by District 20.

² Community and Other Services includes Construction Management Personnel from 2003 to 2007.

Source: District Financial Records

Table 22

ACADEMY SCHOOL DISTRICT TWENTY					
Operating Statistics					
Last Ten Fiscal Years ¹					
(Unaudited)					
	2016	2015	2014	2013	2012
PRIMARY GOVERNMENT					
Expenses	\$ 245,703,889	\$ 234,444,100	\$ 209,021,998	\$ 202,035,726	\$ 195,631,277
Enrollment, Oct 1 count	25,063	24,578	24,481	23,973	23,657
Funded Pupil Count (FPC)	23,701.6	23,306.4	23,227.4	22,720.9	22,437.9
Cost per FPC	\$ 10,367	\$ 10,059	\$ 8,999	\$ 8,892	\$ 8,719
Percentage Change	3.1%	11.8%	1.2%	2.0%	-6.5%
Certified Staff	1,763	1,778	1,723	1,709	1,706
Pupil/Certified Staff Ratio	13.4	13.1	13.5	13.3	13.1
Student Attendance (%)	TBD	93.9%	94.3%	94.5%	95.0%
ACT Scores					
English					
District 20	22.3	22.2	22.3	22.2	22.0
Colorado	19.6	19.4	19.7	19.4	19.4
Nation	20.1	20.4	20.3	20.5	20.5
Math					
District 20	21.9	21.8	22.0	21.9	21.8
Colorado	20.0	20.0	20.1	20.1	20.1
Nation	20.6	20.8	20.9	21.1	21.1
Reading					
District 20	23.5	22.7	23.0	23.0	22.2
Colorado	20.7	20.2	20.5	20.4	19.8
Nation	21.3	21.4	21.3	21.3	21.3
Science					
District 20	22.5	22.5	22.3	22.0	22.0
Colorado	20.6	20.5	20.4	20.1	20.1
Nation	20.8	20.9	20.8	20.9	20.9
Composite					
District 20	22.4	22.4	22.5	22.4	22.1
Colorado	22.7	20.1	20.3	20.1	20.0
Nation	20.8	21.0	21.0	21.1	21.1
Graduation Rate	TBD	90.2	89.79	91.37%	88.98%
Drop Out Rate	TBD	0.40%	0.26%	0.49%	0.44%
Students Qualified for Federal Assistance:					
Free Lunch Program (%)	9.60%	8.77%	9.19%	9.06%	8.43%
Reduced Lunch Program (%)	3.90%	3.98%	4.02%	3.53%	3.55%
Teacher Salary Range:					
Lo	36,862	36,210	35,155	34,131	33,299
Hi	83,553	81,830	79,010	77,110	75,229
Average Teacher Salary (incl. benefits)	\$ 65,730	\$ 63,700	\$ 61,500	\$ 60,226	\$ 58,229
Educational Increments					
	# of Teachers				
BA	184				
BA + 16	88				
BA + 32	81				
BA + 48	133				
MA	304				
MA + 16	198				
MA + 32	165				
MA + 48	111				
MA + 64	287				
PHD	34				

In 2014, the District discontinued reporting of SAT scores. Low student participation rates in the SAT exam reduce the significance of the scores. (in 2015 100% of High School Graduates in the state of Colorado took the ACT)

Source: District Adopted Budget, District Internal Reports, Colorado Dept. of Education Statistics, and District CAFR Statement of Activities

Table 22

2011	2010	2009	2008	2007
\$ 204,034,873	\$ 195,886,548	\$ 194,447,420	\$ 172,581,192	\$ 167,380,640
23,119	22,620	21,917	21,423	21,204
21,888.5	21,382.2	20,824.6	20,277.0	20,068.0
\$ 9,322	\$ 9,161	\$ 9,337	\$ 8,511	\$ 8,341
1.8%	-1.9%	9.7%	2.0%	7.6%
1,669	1,616	1,580	1,557	1,554
13.1	13.2	13.1	13.0	12.9
91.8%	94.3%	94.9%	95.0%	95.0%
22.0	21.7	21.7	20.9	21.1
19.0	18.6	18.6	18.3	18.2
20.6	20.5	20.6	20.6	20.7
21.8	21.5	21.3	20.3	20.5
20.0	19.5	19.3	19.2	18.9
21.1	21.0	21.1	21.1	21.0
22.7	22.6	22.4	22.0	22.1
19.9	20.1	19.6	19.4	19.4
21.3	21.3	21.4	21.4	21.5
22.3	21.9	21.6	21.0	21.0
20.2	19.8	19.6	19.1	19.1
209.0	20.9	20.9	20.8	21.0
22.3	22.0	21.9	21.1	21.3
19.9	19.6	19.4	19.1	19.0
21.1	21.0	21.1	21.1	21.2
89.54%	89.48%	91.6%	94.7%	91.4%
0.23%	0.72%	0.7%	0.6%	0.9%
7.91%	7.01%	6.12%	5.03%	4.18%
3.54%	3.40%	3.43%	2.77%	3.26%
33,299	33,299	32,643	32,352	31,874
75,229	75,229	73,747	73,089	72,009
\$ 58,874	\$ 58,796	\$ 57,712	\$ 57,076	\$ 55,700



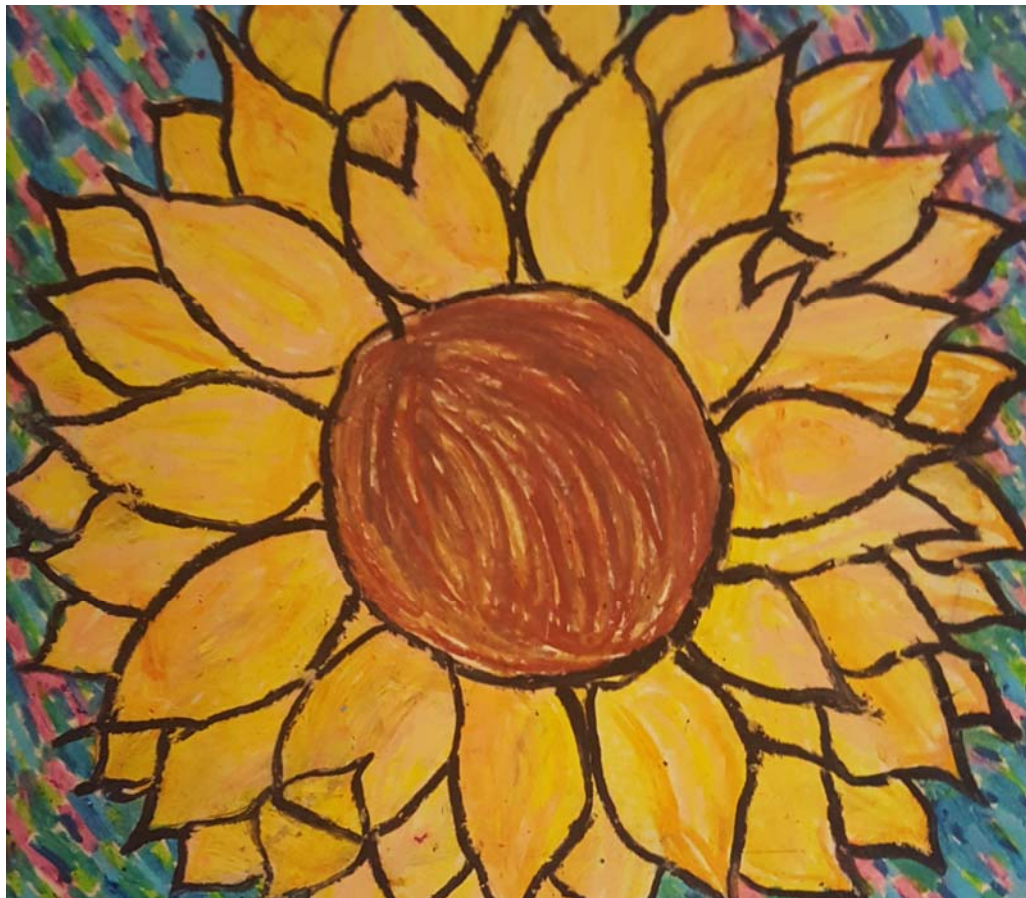
ACADEMY
DISTRICT 20
The Peak of Excellence

Where dreams take flight...
One student at a time.



The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.

IV. Compliance Section





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

Board of Education
Academy School District Twenty
Colorado Springs, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Academy School District Twenty (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 4, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Greenwood Village, Colorado
November 4, 2016



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Education
Academy School District Twenty
Colorado Springs, Colorado

Report on Compliance for Each Major Federal Program

We have audited Academy School District Twenty's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2016. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the District are responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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



CliftonLarsonAllen LLP

Greenwood Village, Colorado
November 4, 2016

**ACADEMY SCHOOL DISTRICT TWENTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
10.553, 10.555	Child Nutrition Cluster
84.041	Impact Aid
84.010	Title I

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? x yes _____ no

**ACADEMY SCHOOL DISTRICT TWENTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016**

Section II – Financial Statement Findings

None

Section III – Findings and Questioned Costs – Major Federal Programs

None

Section IV – Prior Year Findings

There were no findings in the prior year that were required to be reported.

ACADEMY SCHOOL DISTRICT TWENTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-through Grantor Program Title	Federal CFDA Number	Federal Award Identification Number	Pass- through Entity Grant Code	Expenditures	Passed to Sub-recipients
<u>U.S. Department of Education</u>					
Direct Programs					
Impact Aid PL 874-7002	84.041	S041A-201X-1127		\$ 1,726,355	-
Impact Aid PL-874-7003	84.041	S041B-201X-1126		1,416,792	-
Subtotal Direct Programs				<u>\$ 3,143,147</u>	<u>-</u>
Passed through Colorado Department of Education					
Special Education	84.027	H027A150020	4027	3,127,292	-
Special Education - Indicator 14	84.027	N/A	5027	1,954	-
Special Education - Preschool	84.173	H173A150097	4173	64,349	-
Special Education Cluster Total				<u>3,193,595</u>	<u>-</u>
Title I	84.010	S010A150006	4010	598,245	-
Title I Reallocated	84.010	N/A	6010	339,127	-
Title I Cluster				<u>937,372</u>	<u>-</u>
English Language Acquisition	84.365	S365A150006	4365	27,296	-
English Language Acquisition - Unaccompanied Children and Youth	84.365	S365B150006	6365	4,408	-
English Language Acquisition - Set Aside Immigrant	84.365	S365A150006	7365	28,061	-
English Language Acquisition Cluster Total				<u>59,765</u>	<u>-</u>
Improving Teacher Quality	84.367	S367A150050	4367	241,359	-
Advanced Placement Program (Advanced Placement Test Fee - ESCAPE)	84.330	N/A	5330	8,036	-
Subtotal Passed through Colorado Department of Education				<u>\$ 4,440,127</u>	<u>-</u>
Passed through Colorado Community College System					
Career and Technical Education	84.048	N/A		\$ 73,967	-
Passed through Colorado Department of Human Services					
Division of Vocational Rehabilitation					
Rehabilitation Services - Vocational Rehabilitation	84.126	16 IHEA 76745		\$ 273,197	-
Subtotal U.S. Department of Education				<u>\$ 7,930,438</u>	<u>-</u>
<u>U.S. Department of Agriculture</u>					
Passed through Colorado Department of Human Services					
Food Donation	10.555	N/A		363,657	-
Passed through Colorado Department of Education					
School Breakfast Program	10.553	N/A	4553	191,119	-
National School Lunch Program	10.555	N/A	4555	1,396,010	-
Subtotal for Child Nutrition cluster and U.S. Department of Agriculture				<u>\$ 1,950,786</u>	<u>-</u>
<u>U.S. Department of Defense</u>					
Direct Programs					
JROTC	12.000	N/A		106,118	-
DoD Impact Aid (Supplement, CWSD, BRAC)	12.558	N/A		423,449	-
DodEA Promoting K-12 Student Achievement at Military-Connected Schools	12.556	HE 1254-13-1-0010		812,015	-
Subtotal U.S. Department of Defense				<u>\$ 1,341,582</u>	<u>-</u>
Total Federal Awards				<u>\$ 11,222,806</u>	<u>-</u>

ACADEMY SCHOOL DISTRICT TWENTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2016

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2016 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Revenue from Federal Awards is recognized when the District has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when it becomes both measurable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred. The District has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Grant Guidance.

NOTE 3: NONCASH PROGRAMS

Commodities donated to the District by the United States Department of Agriculture (USDA) of \$363,657 are valued based on the USDA's Donated Commodity Price List. These are shown as part of the National School Lunch Program, CFDA 10.555.

Colorado Department of Education

Auditor's Electronic Financial Data Integrity Check Figures

The audit report shall contain a fiscal year report of receipts and expenditures of each fund with designated program reports in accordance with the *Financial Policies and Procedures Handbook* per Colorado Revised Statute 29-1-603(1).

The supplemental Schedule of Receipts and Expenditures (CDE-3) for each fund shall be in the format prescribed by the State Board of Education and shall be in agreement with the audited financial statements of the school district per Colorado Revised Statute 29-1-603(1).



Colorado Department of Education
Auditors Integrity Report
 District: 1040 - ACADEMY 20
 Fiscal Year 2015-16
 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	37,398,778	168,292,799	163,027,452	42,664,124
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	260,184	260,184	0
Sub-Total	37,398,778	168,552,982	163,287,636	42,664,124
11 Charter School Fund	19,769,540	29,450,101	29,281,460	19,938,181
20,26-29 Special Revenue Fund	0	0	0	0
21 Food Service Spec Revenue Fund	550,572	5,028,795	5,099,597	479,771
22 Govt Designated-Purpose Grants Fund	0	6,440,476	6,440,476	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	1,107,341	7,298,733	6,811,664	1,594,410
31 Bond Redemption Fund	23,678,601	20,236,506	17,985,988	25,929,119
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	8,185,816	6,882,526	6,853,999	8,214,342
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	5,439,911	4,437,096	5,668,913	4,208,093
Totals	96,130,559	248,327,216	241,429,733	103,028,042
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	105,905	85,085	84,380	106,610
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	4,018,034	10,662,662	10,629,064	4,051,633
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	4,123,939	10,747,747	10,713,444	4,158,243

FINAL

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



Art Students

Cover	Fionna O'Halloran – 7 th	TCA
Introductory Section	Nathan Tucker – 12 th	LHS
Financial Section	Caleb Smith - 12 th	HSA
Statistical Section	Cody Malone – 3 rd	HPE
Compliance Section	Ava Lewis – 3 rd	MVE
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ACADEMY
DISTRICT 20
The Peak of Excellence

Where dreams take flight...
One student at a time.



The mission of Academy School District 20 is to educate every student in a safe and nurturing environment and provide comprehensive and challenging curricular and extracurricular opportunities that meet the unique needs of every individual, expand their interests, enhance their abilities and equip them with the knowledge, skills and character essential to being a responsible citizen of our community, our nation and the world.

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