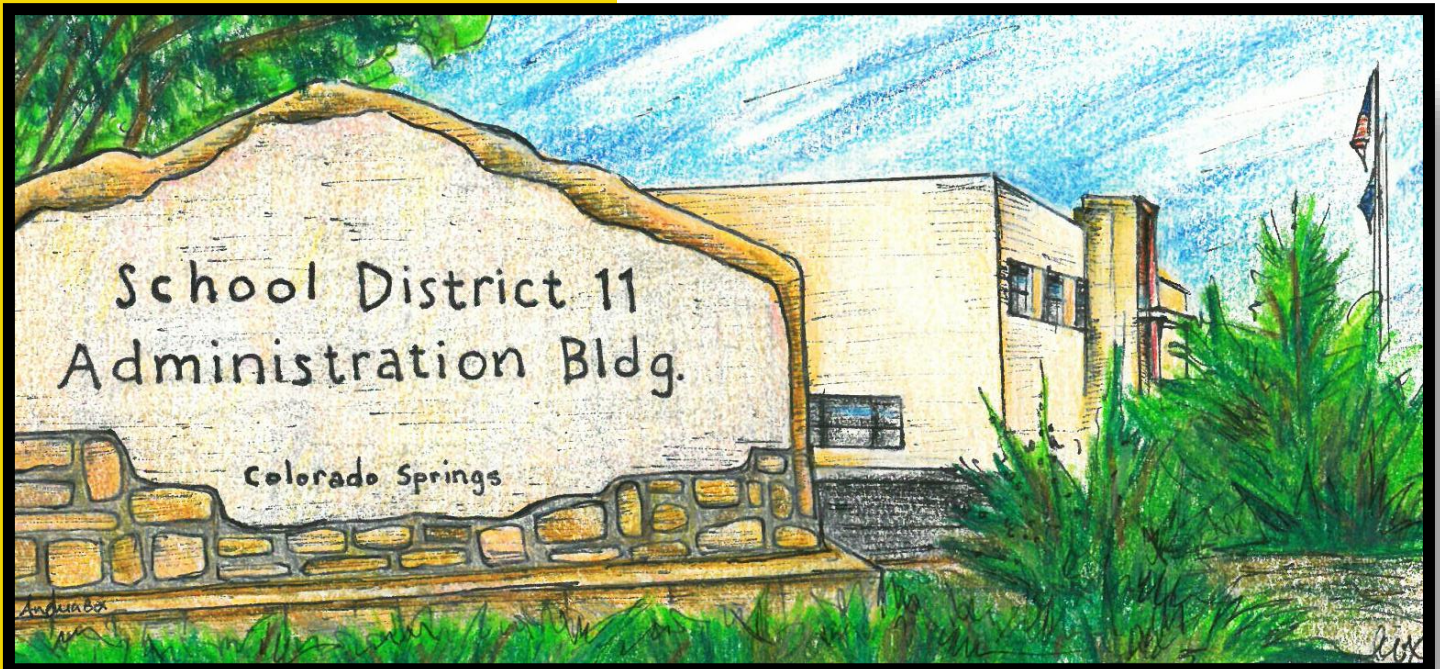


# Colorado Springs

## School District 11

### COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year End June 30, 2016

Colorado Springs, CO

*School District 11 is committed to a policy of nondiscrimination in relation to disability, race, creed, color, sex, sexual orientation, transgender status, gender identity, gender expression, national origin, religion, ancestry, age, and protected activity. Any harassment/discrimination of students and/or staff, based on the aforementioned protected areas, will not be tolerated and must be brought to the immediate attention of the school principal, D11 administrator/supervisor, or D11 nondiscrimination compliance/grievance coordinator. District 11's Nondiscrimination Compliance Coordinator: Alvin N. Brown, Jr., [browna@d11.org](mailto:browna@d11.org), 719-520-2271, Fax: 719-520-2442*

# Colorado Springs School District 11

Colorado Springs, Colorado

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year Ended June 30, 2016**

### BOARD OF EDUCATION

LuAnn Long

*President*

Martin Herrera

*Vice President*

Nora Brown

*Treasurer*

Theresa Null

*Secretary*

Elaine Naleski

*Director*

James Mason

*Director*

Linda Mojer

*Director*

### SUPERINTENDENT

Dr. Nicholas Gledich

### DEPUTY SUPERINTENDENT/CHIEF FINANCIAL OFFICER

Glenn E. Gustafson, CPA

Prepared By:

### DEPARTMENT OF FISCAL SERVICES

Laura Hronik, MBA

*Director*

Nancy Parker

*Accounting/Payroll Manager*

Nichole Imm, MBA

*Senior Internal Accountant*

Al Johnson, MBA

*Senior Accountant*

Mark Capps, MBA

*Accounts Payable Coordinator/Senior Charter*

*School Accountant*

*Artwork: Andrea M. Box*



**BOARD OF EDUCATION**  
Colorado Springs School District 11



**LUANN LONG, President**  
Term: 2013-2017



**MARTIN HERRERA, Vice-President**  
Term: 2015-2019



**THERESA NULL, Secretary**  
Term: 2015-2019



**NORA BROWN, Treasurer**  
Term: 2015-2019



**JIM MASON, Director**  
Term: 2013-2017



**LINDA MOJER, Director**  
Term: 2013-2017



**ELAINE NALESKI, Director**  
Term: 2015-2019



# Colorado Springs School District 11

## COMPREHENSIVE ANNUAL FINANCIAL REPORT For the Fiscal Year Ended June 30, 2016

### Contents

#### INTRODUCTORY SECTION

Letter of Transmittal .....	3
Certificate of Excellence in Financial Reporting (ASBO) .....	7
Business Plan .....	8
Division Organizational Chart .....	10
Superintendent's Cabinet .....	11

#### FINANCIAL SECTION

Independent Auditors' Report .....	14
Management's Discussion and Analysis .....	17

#### BASIC FINANCIAL STATEMENTS

##### ***Government-wide Financial Statements:***

Statement of Net Position .....	29
Statement of Activities .....	30

##### ***Governmental Funds Financial Statements:***

Balance Sheet .....	32
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position .....	33
Statement of Revenues, Expenditures and Changes in Fund Balance .....	34
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities .....	35

##### ***Proprietary Funds Financial Statements:***

Statement of Net Position .....	36
Statement of Revenues, Expenses and Changes in Fund Net Position .....	37
Statement of Cash Flows .....	38

##### ***Fiduciary Funds Financial Statements:***

Statement of Fiduciary Net Position .....	39
Statement of Changes in Fiduciary Net Position .....	39

##### ***Notes to the Basic Financial Statements:***

Note 1: Summary of Accounting Policies .....	40
Note 2: Deposits and Investments .....	46
Note 3: Taxes .....	47
Note 4: Inter-fund Receivables, Payables, and Transfers .....	47
Note 5: Capital Assets .....	48
Note 6: Accrued Compensation/Compensated Absences .....	49
Note 7: Leases .....	50
Note 8: Short-Term Debt .....	51
Note 9: Long-Term Debt .....	52
Note 10: Contingencies and Commitments .....	55
Note 11: Benefit Plans .....	55
Note 12: Post-Employment Health Care Benefits .....	59
Note 13: Risk Related Activities .....	60
Note 14: Tax, Spending, and Debt Limitations .....	62

# Colorado Springs School District 11

## REQUIRED SUPPLEMENTARY INFORMATION

### **General Fund:**

Budgetary Comparison Schedule .....	64
Reconciliation of the Budgetary Basis of Accounting to GAAP Basis of Accounting .....	65

### **Mill Levy Override Special Revenue Fund:**

Budgetary Comparison Schedule .....	66
Reconciliation of the Budgetary Basis of Accounting to GAAP Basis of Accounting .....	67

### **Pension Related Schedules:**

Schedule of the District's Contributions-PERA Last Ten Fiscal Years.....	68
Schedule of District's Proportionate Share of Net Pension Liabilities Last Two Calendar Years.....	70

### **Notes to the Required Supplementary Information:**

Note 1: Budgets.....	71
Note 2: Budgetary Basis of Accounting for the Year Ended June 30, 2016 .....	71
Note 3: Pension Plan Contributions .....	72
Note 4: Pension Plan Provisions .....	73

## COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

### **Major Governmental Funds**

#### **General Fund**

Comparative Balance Sheets .....	78
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual with Comparative Actual Totals for 2016.....	79

#### **Capital Reserve Capital Projects Fund**

Comparative Balance Sheets .....	80
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual with Comparative Actual Totals for 2016.....	81

#### **Mill Levy Override Special Revenue Fund**

Comparative Balance Sheets .....	82
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual with Comparative Actual Totals for 2016.....	83

#### **Bond Redemption Debt Service Fund**

Comparative Balance Sheets .....	84
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual with Comparative Actual Totals for 2016.....	85

### **Non-Major Governmental Funds**

Combining Balance Sheet with Comparative Totals for 2016 .....	88
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance with Comparative Totals for 2016 .....	89

#### **Food Services Fund**

Comparative Balance Sheets .....	90
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual with Comparative Actual Totals for 2016.....	91

#### **Designated Purpose Grants Special Revenue Fund**

Comparative Balance Sheets .....	92
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual with Comparative Actual Totals for 2016.....	93

# Colorado Springs School District 11

## ***Proprietary Funds***

### ***Internal Service Funds***

Combining Schedule of Net Position with Comparative Totals for 2016 .....	96
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position with Comparative Totals for 2016.....	97
Combining Schedule of Cash Flows with Comparative Totals for 2016 .....	98

### ***Production Printing Fund***

Comparative Schedules of Net Position .....	99
Schedule of Revenues, Expenses and Changes in Net Position Budget and Actual with Comparative Actual Totals for 2016 .....	100
Comparative Schedules of Cash Flows .....	101

### ***Risk Related Activities Fund***

Comparative Schedules of Net Position .....	102
Schedule of Revenues, Expenses and Changes in Net Position Budget and Actual with Comparative Actual Totals for 2016 .....	103
Comparative Schedules of Cash Flows .....	104

## ***Fiduciary Funds***

### ***Private Purpose Trust Funds***

Comparative Schedules of Fiduciary Net Position .....	106
Schedule of Changes in Fiduciary Net Position Budget and Actual with Comparative Actual Totals for 2016.....	106

### ***Agency Funds***

Combining Statement of Assets and Liabilities with Comparative Totals for 2016.....	107
Combining Statement of Changes in Assets and Liabilities .....	107
Pupil Activity Agency Fund - Statement of Changes in Assets and Liabilities.....	108
Other Agency Fund - Statement of Changes in Assets and Liabilities .....	108

## STATISTICAL SECTION

Net Position by Component (Unaudited) .....	110
Changes in Net Position (Unaudited) .....	112
Fund Balances, Governmental Funds Last Ten Fiscal Years (Unaudited).....	114
Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years (Unaudited).....	116
Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years (Unaudited) .....	118
Direct and Overlapping Property Tax Rates Last Ten Fiscal Years (Unaudited).....	119
Principal Property Taxpayers Current Year and Nine Years Ago (Unaudited).....	120
Property Tax Levies and Collections Last Ten Calendar Years (Unaudited).....	121
Legal Debt Margin Information Last Ten Fiscal Years (Unaudited) .....	122
Ratio of General Bonded Debt to Estimated Actual Taxable Value and Bonded Debt Per Capita Last Ten Calendar Years (Unaudited).....	124
Ratio of Annual Debt Service Expenditures for General Bonded Debt to General Fund Expenditures Last Ten Fiscal Years (Unaudited) .....	125
Ratios of Outstanding Debt by Type Last Ten Fiscal Years (Unaudited) .....	126
Computation of Direct and Overlapping Debt (Unaudited) .....	127
Demographic and Economic Statistics Last Ten Fiscal Years (Unaudited).....	128
Principal Employers for the Pikes Peak Region Current Year and Nine Years Ago (Unaudited) .....	129
Employees by Program and Function Last Ten Fiscal Years (Unaudited) .....	130
School Building Capacity and Population Last Ten Fiscal Years (Unaudited).....	132
Capital Assets by Function Last Ten Fiscal Years (unaudited) .....	138
Miscellaneous Statistical Data for School Years Ending in May (Unaudited).....	140

## SINGLE AUDIT SECTION



# Colorado Springs School District 11

Schedule of Expenditures of Federal Awards .....	142
Notes to the Schedule of Expenditures of Federal Awards .....	144
Summary Schedule of Prior Audit Findings .....	145
Report on Internal Control over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	146
Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance .....	148
Schedule of Findings and Questioned Costs .....	150
Corrective Action Plan .....	152

## CDE AND TABOR COMPLIANCE SECTION

Independent Auditors' Report on Electronic Financial Data Integrity Check Figures .....	155
Calculation of Spending Pursuant to Article X, Section 20 of the Colorado Constitution (Tabor Compliance) .....	157
Colorado Department of Education Auditors' Integrity Figures (CDE Compliance) .....	158

# Introductory Section





THE WORLD IS CHANGING.  
MEET THE FUTURE.





The world is changing.  
Meet the future.

**Laura Hronik, MBA**  
Director, Fiscal Services  
1115 N. El Paso Street  
Colorado Springs, CO 80903  
Phone: (719) 520-2050 FAX: (719) 633-9347  
E-mail: laura.hronik@d11.org

**Nicholas M. Gledich, Ed.D., Superintendent of Schools**  
**Glenn E. Gustafson, Deputy Superintendent, CFO**

October 27, 2016

To the Citizens and Members of the Board of Education of Colorado Springs School District 11:

It is our pleasure to submit to you the Colorado Springs School District 11 (the District) Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. State law requires that school districts publish within six 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.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement.

Colorado Springs School District 11's financial statements have been audited by *RSM US LLP*, a firm of licensed certified public accountants. The independent audit firm concluded that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for fiscal year 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. The independent audit of the District's financial statements also includes the federally mandated "Single Audit," designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis involving the administration of federal awards. The results of the District's single audit for the period ending June 30, 2016 provided no instances of material weaknesses in internal controls over compliance or material violations of applicable laws, regulations, contracts and grants.

Generally accepted accounting principles 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 the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE DISTRICT**

Colorado Springs School District 11 was established in 1872. The District's boundaries have changed numerous times since its formation. Today, the District is the largest and oldest school district in the Pikes Peak Region and the eighth largest in the State. The District encompasses approximately 70.5 square miles and includes a substantial portion of the City of Colorado Springs and portions of unincorporated El Paso County. According to the 2010 census (latest information available), the District's population was 227,196.

The District provides a full range of school programs and services authorized by Colorado state statute. This includes pre-kindergarten through twelfth grade education in elementary, middle and senior high schools, special education for disabled students, gifted and talented programs, vocational and adult education, alternative education and other educational programs. The District provides services for over 28,000 students and employs just over 3,600 teachers, education support professionals and administrators.

The District is governed by a seven-member Board of Education (the Board) whose members are elected by the registered electors of the District for staggered four-year terms of office. Biennial school district elections are held in November of odd-numbered years. The Board is a policy-making body whose primary functions are to establish policies for the District, provide for the general operation and personnel of the District, and oversee the property, facilities and financial affairs of the District. Members of the Board serve without compensation. The Board holds regular meetings generally scheduled for the second and fourth Wednesday of each month, with special meetings held as needed. The Board elects its officers following each biennial election.

The District includes as discretely presented component units six (6) charter schools; GLOBE, Roosevelt Charter Academy, Community Preparation School, CIVA, Life Skills Center and Academy for Advanced and Creative Learning. Charter schools are public schools approved by the Board and authorized by the State of Colorado to provide alternatives for parents, pupils and teachers. These schools have separate governing boards and are funded by the State of Colorado and local property tax funds, with revenues passing through the District. Though fiscally independent, the District provides many supports and services for these charter schools.

The annual budget serves as the foundation for the District's financial planning and control. A proposed budget is developed based on budget requests of the individual departments of the District. The Administration presents the proposed budget to the Board of Education for review. Public hearings are held on the proposed budget, and a final budget is adopted no later than June 30, the close of the District's fiscal year. The appropriated budget is prepared by fund, function and department. Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the District's Board of Education, in accordance with Board Policy.

## **ECONOMIC CONDITION**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

### ***Local Economy***

The City of Colorado Springs is a Home Rule Municipality; it is the county seat and most populous city in El Paso County. With a population of 416,427 as of the 2010 Census, it is the second most populous city in the state, behind Denver. The city covers 194.7 square miles making it Colorado's largest city by area. The economy is driven primarily by the military, the high-tech industry and tourism.

In 2015, El Paso County had the greatest rate of job growth in the state with an annualized rate of 3.3 percent. This was the county's best job growth in the past 15 years. El Paso County has experienced between 2006 and 2016 a 24 percent hike in the number of resident Millennials, approximately 28, more than 10 years ago. Every month nearly 2,000 high-paid IT job openings, such as software and systems engineers, project managers and system administrators, have been listed in the Colorado Springs market. Tourism numbers keep rising as well, with a 65 percent annual increase in hotel occupancy in 2015 over 2014. The previous year experienced a 21 percent hike in occupancy. Strong performing indicators over the past year include new single family residence permits, new vehicle registrations, consumer sentiment, and Colorado Springs sales and use tax collections. Improvements were also seen in the employment rate and foreclosures

Colorado's economy rose at the fourth-fastest rate of any state on an inflation-adjusted basis for 2015. Colorado had a 3.6 percent increase in "real" state GDP last year, down from the 4.1 percent growth rate measured in 2014 but better than the 2.4 percent increase for all states

Economic activity can be measured two ways: in real or inflation-adjusted terms, and in raw or nominal terms. In 2014, that didn't make much of a difference. Colorado had the third-fastest rate of GDP growth either way.

As 2015 came to the end, agriculture, utilities, mining, transportation, private education and government were detracting from state economic output, according to the real GDP counts.

On the flip side, the northern Front Range's robust real estate market made the strongest contribution to increasing real GDP, followed by information, construction, manufacturing and professional and business services.

At the state level, economic indicators are robust but confusing. State revenues included an increase in general School Finance Act revenues for the 2014/2015 and 2015/2016 school years but the "negative factor" continues to withhold approximately \$1,000 per pupil from the Constitutional Amendment 23 prescribed levels. In addition, pressures on the state budget continue; Health care, transportation and other state agency requirements will continue to outpace state resource availability in its constitutionally constrained budget and TABOR refunds loom ahead for the State budget. The state does not have a proven or consistent on-going revenue source to fund the increase in K-12 funding or to even significantly decrease the negative factor. K-12 represents approximately 45 percent of the state's budget and the state is still working through sizeable budget challenges.

On the local level, the economy is going strong with Colorado Springs recorded one of the fastest increases in rents and housing values in the State. While not all of those indicators affect the school district since there are 17 school districts located in El Paso County, downtown Colorado Springs, located in school district 11 is going through a renaissance significant economic activity.

After nearly a decade of declining enrollment, the district is starting to see a stabilization of enrollment and projections for school year 16-17 appear to be up. This matches the District's long-term demographic study that indicated that the district enrollment would stabilize and then eventually start to grow again, albeit at a gentle rate.

The district is particularly proud of its efforts in re-purposing schools. At this point in time, all closed school facilities have either been sold or re-purposed into viable uses. The school optimization appears to be working as the district enrollment as a percentage of capacity is very close to the target of 85%. The age of some of our schools is of some concern, however, the district continues to work aggressively on maintaining these facilities and addressing structural concerns. The district is proposing a \$235 million bond issue to the voters in November of 2016 in hope of rebuilding and renewing the district's capital infrastructure.

### ***Long-term Financial Planning***

Looking to the future, the State's K-12 funding remains uncertain. Without voter approval of new school finance funds, long-term estimates of state funding of K-12 education will be predicated on a renewal of economic growth within the state that is sufficient to cover inflation and student growth, while at the same time being able to meet other resource demands such as Medicaid, social programs, prisons, roads and higher education. Ultimately, the State will be hard pressed to provide its existing service requirements within its constrained resources.

### ***Financial Policies***

Detailed descriptions of the District's accounting policies are contained in the Notes to the Financial Statements on pages 40 to 60 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 Board. Activities of all funds are included in the annual appropriated budget. Budgetary control is established at the fund level. The District maintains an encumbrance accounting system as one method of accomplishing budgetary control. Unencumbered budgets lapse at the end of the fiscal year, with the exception of school budgets 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***

Looking forward to 2016, the District adopted a budget that almost entirely was weighted towards compensation increases to all employee groups. The increase averaged out to almost 4% with 1% of the increase for ESP and Exec/Pro being a one-time, single amount increase.

The District's capital construction program had as its spotlight project the completion of the \$7 million renovation of the Adams Elementary School. This project is of significance as it provides a state-of-the-art, technological advanced facility in one of the District's lower social-economic areas.

### **AWARDS AND ACKNOWLEDGEMENTS**

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Colorado Springs School District 11 for its comprehensive annual financial report for the year ended June 30, 2015. To receive this honor, a governmental unit must publish an easily readable and efficiently organized CAFR, with content conforming to program standards. Such reports must satisfy generally accepted accounting principles and applicable legal requirements. A certificate of achievement is valid for one year. The District's June 30, 2016 CAFR will also be submitted to ASBO for review.

We express our gratitude to those who assisted in the preparation of this report, which would not have been possible without the dedicated service of District staff. We commend Superintendent Dr. Nicholas Gledich and the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

We thank our independent auditors from the certified public accounting firm of *RSM US LLP*, for their professional approach in the performance of the audit and their careful review of this document. Their assistance was invaluable in finalizing the report.

Finally, we would like to offer special thanks to the accounting and payroll staff, as well as the business managers and administrative assistants, who play a key role in the financial reporting of the District year round.

Respectfully Submitted,



Glenn E Gustafson, CPA  
Deputy Superintendent/Chief Financial Officer



Laura Hronik, MBA  
Director of Fiscal Services



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Colorado Springs School District 11**

**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



# COLORADO SPRINGS SCHOOL DISTRICT 11

## 2015-2016 SUPERINTENDENT'S BUSINESS PLAN

**DISTRICT COMMITMENT:** The staff and school community is committed to the graduate—one who is:

Academically prepared  
Culturally competent  
Highly skilled team member  
Innovative thinker and problem solver  
Effective, efficient user of information technology  
Vital participant in civic responsibility  
Effective communicator

**DISTRICT VISION:** Every student prepared for a world yet to be imagined.

**DISTRICT MISSION:** Provide excellent, distinctive educational experiences that equip students for success today and in the future

**DISTRICT GOALS:** Colorado Springs School District 11 will:

1. Demonstrate improvement of student achievement
2. Demonstrate a high-performing team
3. Embrace a culture of constant innovation
4. Communicate and engage frequently with our customers
5. Provide a safe learning and working environment
6. Demonstrate operational efficiencies
7. Demonstrate fiscal prudence and financial responsibility

**VALUES:** The District and Board of Education value:

- Respect
- Learning Transparency
- Safety
- Collaboration
- Effectiveness
- Efficiency

**BOARD OF EDUCATION'S PURPOSE:** A unified team of elected leaders providing effective governance

**ESSENTIAL BOARD OF EDUCATION GOALS:**

- Guide the District through the Superintendent
- Engage students, families, staff and community
- Ensure alignment of policy, resources and structure
- Measure and celebrate achievement
- Model excellence

**Board of Education Focus Areas:**

- Increase student achievement
- Ensure financial integrity, with transparency
- Enhance effective leadership
- Build strong communities





# COLORADO SPRINGS SCHOOL DISTRICT 11

## 2015-2016 SUPERINTENDENT'S BUSINESS PLAN

### METHOD OF EXECUTION

- ✚ Know the facts.
- ✚ Ask the right questions. Make decisions. Be accountable.
- ✚ Plan the right things.
- ✚ Do the right things.
- ✚ Recognize effort. Reward performance.
- ✚ Build performance.
- ✚ Be informed. Commit to life-long learning.
- ✚ Plan the work, do the work, monitor the work, prevent or mitigate risks and demonstrate the results.
- ✚ Model the behaviors expected from others.

### PRINCIPLES: FOR RELATIONSHIPS THAT LEAD TO SUCCESS

We value and use these principles for accomplishing the *Mission* and our working relationships. We value and use these principles for accomplishing the *District Mission*.

### THINK WIN/WIN -- CREATE THE CONDITION FOR UNDERSTANDING MUTUAL GOALS

- ✚ Work together to understand each other's needs and offer solutions that help each other do a better job.

### LISTEN FIRST, TALK SECOND, MANAGE BY FACTS -- CREATE THE CONDITION FOR MAKING GOOD DECISIONS

- ✚ Admit to the brutal facts and work toward success.
- ✚ Build trust with the truth and work together through the good times and the challenges.

### TRUST BUT VERIFY -- CREATE THE CONDITION FOR VALUING AND ADDRESSING SUCCESS CRITERIA

- ✚ Expect success. Expect high quality deliverables. Demonstrate high standards for performance. Know the result.
- ✚ Celebrate success. Appreciate the conclusion of each event.

### REMEMBER: "A DOLLAR IS A DOLLAR" -- CREATE THE CONDITION FOR SOUND FISCAL MANAGEMENT

- ✚ Work to set realistic expectations for costs and what exactly demonstrates business value.
- ✚ Demonstrate fiscal prudence and financial responsibility with each other's money.

### FIRST DO NO DAMAGE -- CREATE THE CONDITION TO BALANCE INNOVATION WITH MINDING THE STORE

- ✚ Don't turn the business process upside down without a very good reason – but don't leave it broken if it's clearly yours to fix.

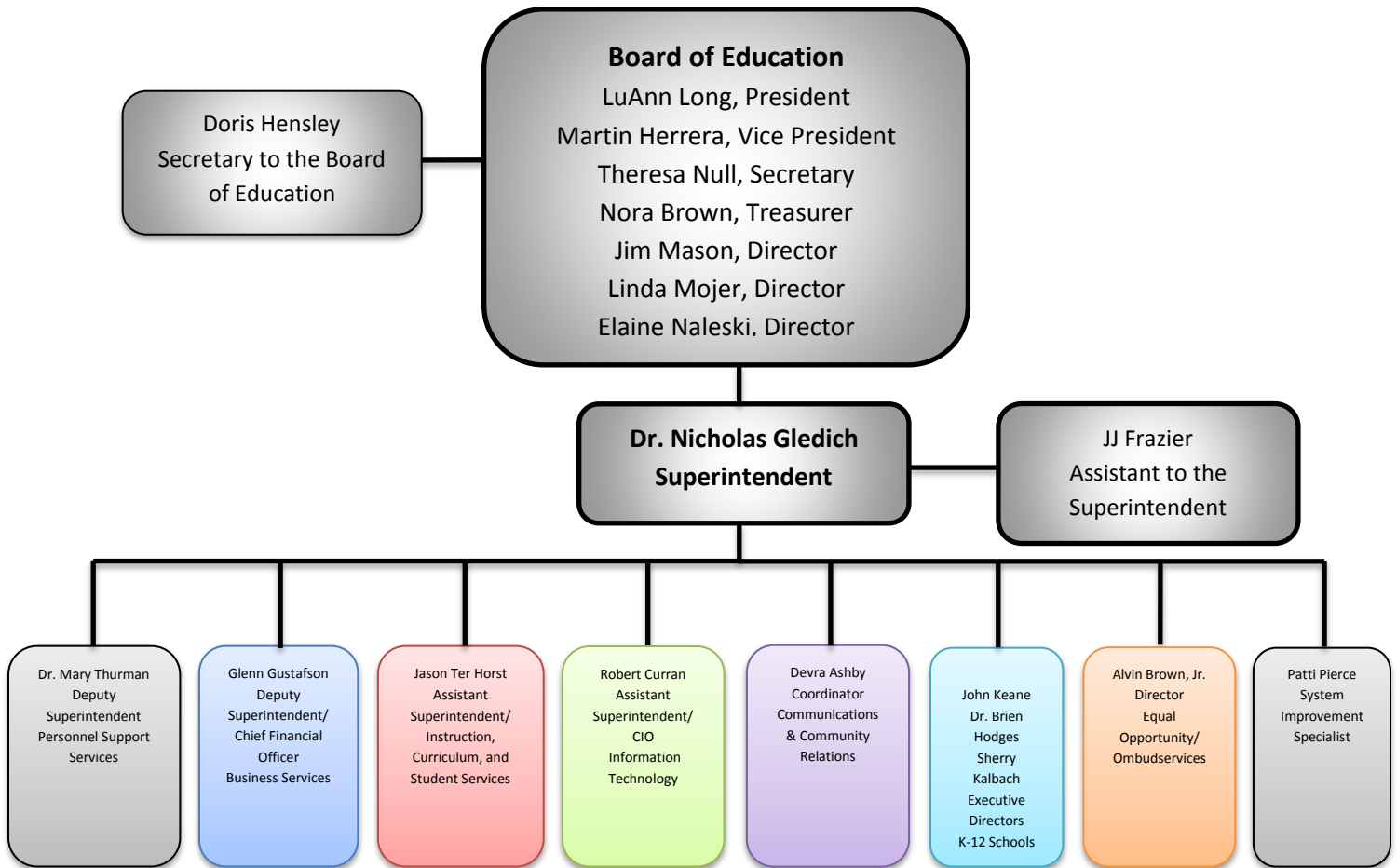
### WHATEVER IT TAKES -- CREATE THE CONDITION WHERE WE EACH BELIEVE NOTHING IS IMPOSSIBLE

- ✚ Never say never. Avoid "can't." Look for ways to say "yes" instead of "no."
- ✚ Work with a sense of urgency to ensure we meet our needs.

# Colorado Springs School District 11

## Division Organizational Chart

### 2015-2016



# Colorado Springs School District 11

## Superintendent's Cabinet

### 2015-2016

Dr. Nicholas M. Gledich  
Superintendent of Schools

Dr. Mary Thurman  
*Deputy Superintendent  
Personnel Support Services*

Glenn E. Gustafson, CPA  
*Deputy Superintendent, Chief Financial Officer  
Business Services*

Robert Curran  
*Assistant Superintendent/CIO  
Information Technology*

Dr. Janeen Demi-Smith  
*Executive Director, AERO*

Devra Ashby  
*Public Information Officer*

Scott Lewis  
*Executive Director, Facilities, Operations,  
Transportation Center (FOTC)*

Jason Ter Horst  
*Assistant Superintendent  
Instruction, Curriculum & Student Services*

Danniella Ewen  
*Executive Director, Human Resources*

Dr. Gerry Olvey  
*Executive Director, Student Support Services*

Kris Odom  
*Executive Director, Procurement and Contracting*

Dr. Alvin N. Brown, Jr.  
*Director, Equal Opportunity Programs  
Ombudservices*

#### **Executive Directors for K-12 Schools**

Brien Hodges  
Sherry Kalbach  
John Keane

#### **Executive Director, Non-traditional and Alternative Education**

David Engstrom

#### **Employee Group Leadership**

Marilyn Eggleston  
*Educational Support Professionals (ESP)*

Tina Koenig  
*Colorado Springs Association of  
School Executives (CSASE)*

Thad Gemski  
*Colorado Springs Education Association (CSEA)*

Nancy Smith  
*Colorado Springs Principals Association (CSPA)*

Kevin Vick  
*Colorado Springs Education Association (CSEA)*



THE WORLD IS CHANGING.  
MEET THE FUTURE.

# Financial Section





## **Independent Auditor's Report**

To the Board of Education  
Colorado Springs School District 11  
Colorado Springs, Colorado

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

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Colorado Springs School District 11 (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 as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the District's Charter Schools, discretely presented component units of the District, which represent all of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the District's Charter Schools, is based solely on the reports of the other auditors. 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. The financial statements of the District's Charter Schools, aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

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

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

### ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 17 through 25, the Budgetary Comparison Information on pages 64 through 67 and the pension schedules on pages 68 through 70 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance, and is not a required part of the basic financial statements.

The combining individual nonmajor fund financial statements and other schedules 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, have 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 them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*RSM US LLP*

Denver, Colorado  
October 26, 2016

# Colorado Springs School District 11

## Management's Discussion and Analysis

### As of and for the fiscal year ended June 30, 2016

As management of Colorado Springs School District 11, 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.

#### FINANCIAL HIGHLIGHTS

- The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of fiscal year 2016 by \$316,324,586. The change in net position was (\$11,784,249), which increased the negative balance from \$304,540,337 at the beginning of the year.
- At the close of the current fiscal year, the District's *governmental funds* reported combined ending fund balances of \$66,635,699 compared to \$63,961,422 at the close of the prior fiscal year.
- Total ending fund balances, for the *governmental funds* at June 30, 2016 included \$29,473,466 for the General Fund; \$14,431,987 for the Capital Reserve Capital Projects Fund; \$630,729 for the Mill Levy Override Fund; \$19,402,714 for the Bond Redemption Fund and \$2,696,803 for non-major governmental funds.
- At June 30, 2016, the *governmental funds* reported total unassigned fund balance of \$14,561,730 in the General Fund.
- At June 30, 2016, the *governmental fund* assigned fund balance was \$20,131,498, including \$1,498,574 for Risk Management; \$523,610 for Preschool; \$1,200,000 for PERA contingency; \$835,041 for District 11 cohort; \$1,000,000 for Emergency contingency; \$8,123,037 for Capital projects; \$2,228,651 for Food Services funds; \$341,560 for IT programs; \$626,000 for Possible teacher positions; \$2,871,784 for instructional supply carry over; and \$883,241 for non-instructional supply carryover.
- At June 30, 2016, the *governmental fund* restricted fund balance was \$31,124,777 including: \$250,000 for multi-year obligations; \$5,133,210 for the emergency contingency required by Article X, Section 20 of the Colorado state constitution; \$25,110,838 for debt service; and \$630,729 for the Mill Levy Override.
- At June 30, 2016, the *governmental fund* nonspendable fund balance was \$817,694, \$12,500 for Risk Management Prepaids and \$805,194 for Inventories.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to Colorado Springs School District 11'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, liabilities and deferred inflows/outflows of resources with the difference 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. Current and previous year information is presented for comparison.

The *statement of activities* presents information reporting how the District's net position changed during fiscal year 2016. All changes in net position are reported 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.

The governmental activities of the District include instruction, pupil activities, instructional support, general and school administration, business and central services, and transportation. Production Printing and Risk Related activities, reported in the Internal Service Funds, are also considered governmental activities in the government-wide financial statements.

The government-wide financial statements for fiscal year 2016 include not only the District itself (known as the *primary government*), but also six charter schools for which the district is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Government-wide financial statements can be found on pages 29-31 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 three categories: governmental funds, proprietary 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 maintained six individual governmental funds for fiscal year 2016. 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, the Capital Reserve Capital Projects Fund, the Mill Levy Override Fund and the Bond Redemption Debt Service Fund, all of which are considered *major funds*. Combined information is presented for the Food Services Fund and the Designated Purpose Grants Fund, which are considered *non-major funds*. The basic governmental fund financial statements can be found on pages 32-35 of this report.

**Proprietary funds.** The District maintains two proprietary funds both of which are *Internal Service funds*. Internal service funds are accounting devices used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its Production Printing and Risk Related activities. Because both of these services predominately benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The two Internal Service funds are combined into a single, aggregated presentation. Individual fund data for the Internal Service funds are provided in the form of *combining and individual statements* as other supplementary information in this report. The basic proprietary fund financial statements can be found on pages 36-38 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefits 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 basic fiduciary fund financial statements can be found on page 39 of this report.

## Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 40-62 of this report.

### Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI) concerning the District. The District adopts an annual appropriated budget for all funds, except Agency funds. A budgetary comparison schedule has been provided for the General Fund, only major special revenue funds reported in the RSI, and the Mill Levy Override Special Revenue Fund, to demonstrate compliance with this budget.

### Other Supplementary Information

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. This section also includes budgetary comparison schedules for the funds not included in the RSI.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

During fiscal year 2015, the District implemented Governmental Accounting Standards Board (GASB) Statement 68, which requires the inclusion of unfunded pension liabilities and other pension related items. Because of this, the net position was significantly reduced and may not serve as a useful indicator of the District's financial position. For the District's primary government, excluding its component units (charter schools), liabilities and deferred inflows exceeded assets and deferred outflows by \$316,324,586 at June 30, 2016.

By far the largest liabilities on the government-wide statements are the net pension liability of \$535,654,577. Other pension related amounts include deferred outflows of resources of \$74,376,415 and deferred inflows of resources of \$18,142,905. More information on the benefit plans and the pension related items can be found in notes 11 and 12 on pages 55-59 of this report.

A portion of the District's net position reflects its \$96,721,208 investment in capital assets net of accumulated depreciation and related debt. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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 net position totaling \$39,366,180 was restricted, with \$25,110,838 restricted for debt service; \$630,729 for mill levy override; \$8,241,403 for claims; \$5,133,210 for the TABOR emergency contingency and \$250,000 and multiple year obligations.

For fiscal year 2016, the District's negative net position was increased by \$11,784,249 resulting from expenses exceeding revenues.



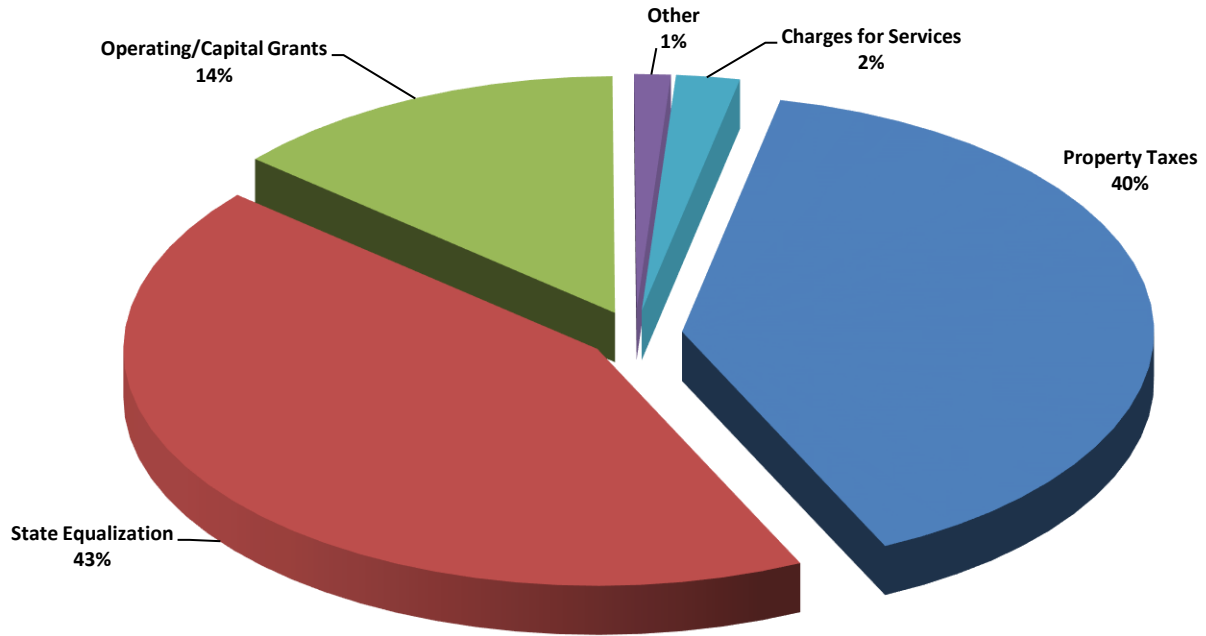
**Colorado Springs School District 11**  
**Condensed Statement of Net Position**  
**For June 30, 2016 and 2015**

	<b>Governmental Activities</b>		<b>Total</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Current & other assets	\$ 115,601,854	\$ 110,171,049	\$ 115,601,854	\$ 110,171,049
Capital assets	258,270,708	262,402,154	258,270,708	262,402,154
Total assets	373,872,562	372,573,203	373,872,562	372,573,203
Deferred outflows of resources	80,876,659	31,571,458	80,876,659	31,571,458
<b>Total assets &amp; deferred outflows of resources</b>	<b>454,749,221</b>	<b>404,144,661</b>	<b>454,749,221</b>	<b>404,144,661</b>
Long-term liabilities outstanding	717,238,982	657,560,060	717,238,982	657,560,060
Other liabilities	34,274,584	32,796,125	34,274,584	32,796,125
Total liabilities	751,513,566	690,356,185	751,513,566	690,356,185
Deferred inflows of resources	19,560,241	18,328,813	19,560,241	18,328,813
<b>Total liabilities &amp; deferred inflows of resources</b>	<b>771,073,807</b>	<b>708,684,998</b>	<b>771,073,807</b>	<b>708,684,998</b>
Net position:				
Net investment in capital assets	96,721,208	88,177,837	96,721,208	88,177,837
Restricted	39,366,180	36,656,819	39,366,180	36,656,819
Unrestricted	(452,411,974)	(429,374,993)	(452,411,974)	(429,374,993)
<b>Total net position</b>	<b>\$ (316,324,586)</b>	<b>\$ (304,540,337)</b>	<b>\$ (316,324,586)</b>	<b>\$ (304,540,337)</b>

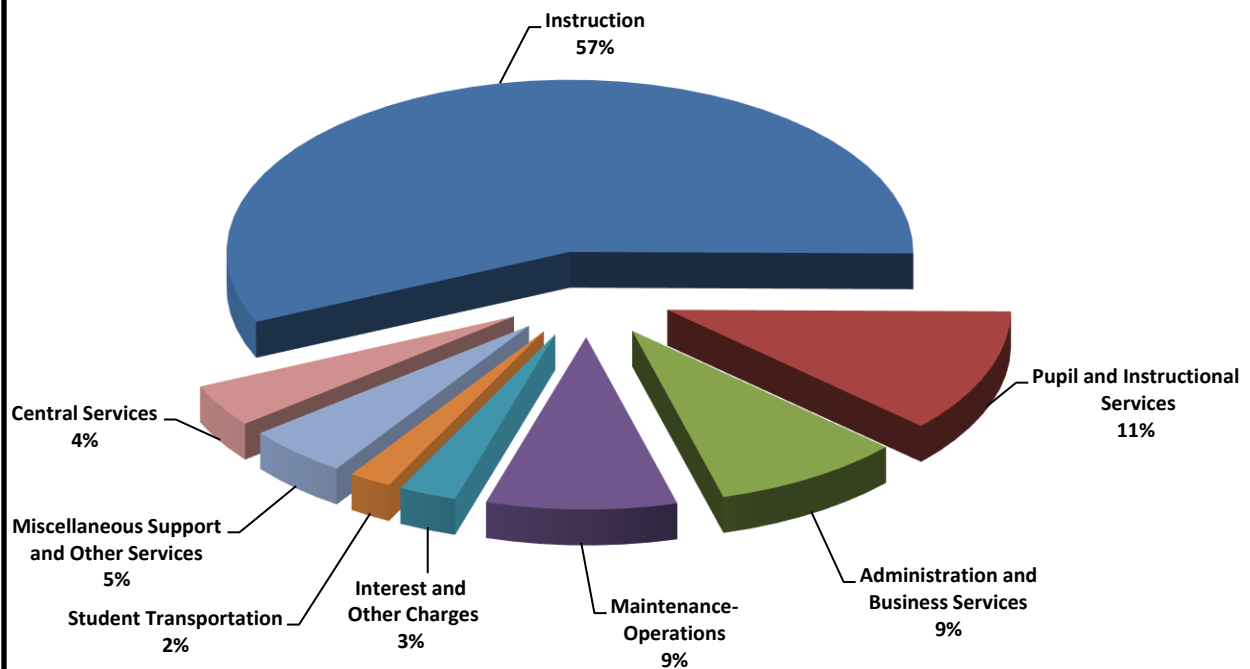
**Colorado Springs School District 11**  
**Condensed Statement of Activities**  
**For June 30, 2016 and 2015**

	<b>Governmental Activities</b>		<b>Total</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
<b>Revenues:</b>				
<b>Program revenues:</b>				
Charges for services	\$ 6,081,071	\$ 6,480,807	\$ 6,081,071	\$ 6,480,807
Operating/capital grants	38,201,500	38,280,632	38,201,500	38,280,632
<b>General revenues:</b>				
Property taxes	110,863,634	110,238,258	110,863,634	110,238,258
State equalization	121,129,681	115,698,059	121,129,681	115,698,059
Other	3,486,827	5,558,481	3,486,827	5,558,481
<b>Total revenues</b>	<b>279,762,713</b>	<b>276,256,237</b>	<b>279,762,713</b>	<b>276,256,237</b>
<b>Expenses:</b>				
Instruction	165,628,261	149,517,993	165,628,261	149,517,993
Pupil & instructional services	33,917,262	29,473,292	33,917,262	29,473,292
Administration and business	26,087,577	23,305,199	26,087,577	23,305,199
Maintenance and operations	26,188,777	24,516,915	26,188,777	24,516,915
Transportation	5,852,482	5,278,914	5,852,482	5,278,914
Central services	11,763,965	11,325,868	11,763,965	11,325,868
Miscellaneous support and other services	14,135,353	15,555,659	14,135,353	15,555,659
Interest and other charges	7,973,285	7,845,570	7,973,285	7,845,570
<b>Total expenses</b>	<b>291,546,962</b>	<b>266,819,410</b>	<b>291,546,962</b>	<b>266,819,410</b>
Increase (decrease) in net position	(11,784,249)	9,436,827	(11,784,249)	9,436,827
<b>Net position - July 1</b>	<b>(304,540,337)</b>	<b>(313,977,164)</b>	<b>(304,540,337)</b>	<b>(313,977,164)</b>
<b>Net position - June 30</b>	<b>\$ (316,324,586)</b>	<b>\$ (304,540,337)</b>	<b>\$ (316,324,586)</b>	<b>\$ (304,540,337)</b>

# **COLORADO SPRINGS SCHOOL DISTRICT 11** **Government-wide Revenues** **Fiscal Year 2016**



# **COLORADO SPRINGS SCHOOL DISTRICT 11** **Government-wide Expenses** **Fiscal Year 2016**



**Governmental Activities.** For fiscal year 2016, governmental activities increased the District's negative net position by \$11,784,249 from \$304,540,337 to \$316,324,586.

- The cost of all governmental activities for the current fiscal year was \$291,546,962.
- Users of some of the District's governmental programs paid \$6,081,071 for services.
- The federal and state governments subsidized certain programs with operating grants and contributions totaling \$38,201,500.
- Most District governmental activities were funded by district and state taxpayers.
- For fiscal year 2016 this portion of governmental activities was funded with \$110,863,634 in property and specific ownership taxes, \$121,129,681 of unrestricted state equalization based on the statewide education aid formula, investment earnings of \$212,023, school land fees of \$246,441, gains on the sale of capital assets of \$798,223 and miscellaneous revenues of \$2,230,140.

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### 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, *unrestricted 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 \$203,454,680 in fiscal year 2016 compared to \$196,394,045 in fiscal year 2015, an increase of 3.60%. The following table reflects the amount of revenue from various sources.

	Fiscal Year 2016	Fiscal Year 2015	Amount of Change	Percentage of Change	
<b><u>Revenues</u></b>					
Property taxes	\$ 57,474,400	\$ 56,386,468	\$ 1,087,932	1.93	%
Specific ownership taxes	10,494,408	10,117,456	376,952	3.73	
State of Colorado					
Equalization	121,129,681	115,698,059	5,431,622	4.69	
State Grants	7,898,808	7,531,589	367,219	4.88	
Federal	2,074,881	1,016,169	1,058,712	104.19	
Other sources					
Investment income	78,516	19,775	58,741	297.05	
Tuition	326,947	451,026	(124,079)	(27.51)	
Services provided to charter schools	828,031	1,009,473	(181,442)	(17.97)	
Miscellaneous	3,149,008	4,164,030	(1,015,022)	(24.38)	
Totals	\$ <u>203,454,680</u>	\$ <u>196,394,045</u>	\$ <u>7,060,635</u>	<u>3.60</u>	%

### Revenues

**Property Taxes.** General Fund property tax revenues were based on a levy of 23.694 mills applied against an assessed valuation of \$2,496,414,440. The 2015 General Fund mill levy was 24.648 mills applied against an assessed valuation of \$2,357,506,580. Property taxes accounted for 40% of the District wide revenue for the current fiscal year.

**Specific Ownership Taxes.** Specific ownership tax is applied to the fair value of vehicles registered in Colorado. Specific ownership tax increased by 3.73% in fiscal year 2016; this is the fourth year in a row the specific ownership tax has increased.

**State Equalization.** State equalization revenue increased by 4.69% in fiscal year 2016 and accounted for 43% of the District wide revenue.

**Other Sources.** Other sources of revenue consist of state grants, federal grants, investment income, tuition, charter school buyback revenues, and a variety of miscellaneous revenue sources.

### **Expenditures**

Overall expenditures for the General Fund increased 6.69% from the previous year. The largest dollar increase was in the area of Instruction. The majority of this was for either additional pay and/or additional teaching positions in the District. Pupil activities increased by 14.79%. Transportation services increased by 9.71%. Instructional Support Services increased by 9.05%. School Administration increased by 7.37%.

<b><u>Expenditures</u></b>	Fiscal Year 2016	Fiscal Year 2015	Amount of Change	Percentage of Change	
Instruction	\$ 134,045,635	\$ 125,208,599	\$ 8,837,036	7.06	%
Supporting services					
Pupil activities	11,743,130	10,230,168	1,512,962	14.79	
Instructional support	14,360,379	13,168,929	1,191,450	9.05	
General administration	2,529,841	2,442,419	87,422	3.58	
School administration	18,879,087	17,583,275	1,295,812	7.37	
Business services	2,324,547	2,177,779	146,768	6.74	
Maintenance and operations	23,980,398	23,161,013	819,385	3.54	
Transportation services	4,100,145	3,737,264	362,881	9.71	
Central services	10,071,869	10,254,738	(182,869)	(1.78)	
Miscellaneous support services	1,624,479	1,674,262	(49,783)	(2.97)	
Totals	\$ <u>223,659,510</u>	\$ <u>209,638,446</u>	\$ <u>14,021,064</u>	<u>6.69</u>	%

### **Other Major Funds**

The Capital Reserve Capital Projects Fund is considered a major fund for the current fiscal year. Total revenues for the Capital Reserve Capital Projects Fund were \$1,759,295, while expenditures totaled \$11,624,259. Other financing sources included transfers of \$6,139,954 from the General Fund, proceeds from the sale of capital assets of \$2,426,293 and proceeds from the sale of Certificates of Participation of \$5,000,000. Primary funding for the Capital Reserve Capital Projects Fund comes from revenues under the Colorado School Finance Act. These revenues are used to acquire land and improvements, new facilities, additions, repairs and renovations to existing facilities, equipment and safety upgrades. As part of the District's ongoing capital planning process, the District updated and published its five-year Capital Needs and Funding Plan in May 2016. This plan addresses the District's capital needs through 2021 with requirements exceeding \$400 million. Of this amount, \$235 million is identified for funding under a pending bond. Additional funding may be available from a pending Mill Levy Override (MLO). The fiscal year 2016 expenditures for capital outlay totaled \$6,512,783.

The Bond Redemption Debt Service Fund is used to account for the requirements of the series 2006B, 2010, 2012 and 2013 general obligation bonds. The primary revenue source for the Bond Redemption Debt Service Fund is a voter approved floating mill levy of 6.900 mills which generated \$15,111,273 (\$100,293 of which is interest income) in revenue. The Bond Redemption Debt Service Fund expenditures primarily reflect principal and interest costs on the District's general obligation debt.

The Mill Levy Override Special Revenue Fund is a special revenue fund used to account for funds from the November 2000 voter-approved mill levy override. This fiscal year total revenues were \$26,877,850 while expenditures totaled \$67,471.

The District's bonded debt limit is set by Colorado statute at 20% of assessed property valuation, or \$499,282,888. The District's total bonded debt at June 30, 2016 is \$136,853,111 compared to \$147,843,111 at June 30, 2015, which represents 5.4% of assessed property valuation.

### Proprietary Funds

The Risk Related Activities Fund provided revenue totaling \$25,915,507 to support expenditures for health, vision, dental, life, employee assistance program and long term disability. Other financing sources included investment income of \$3,782 earned on reserves. Net position at June 30, 2016 was \$8,208,794 compared to \$7,163,142 the previous year reflecting an increase in net position of \$1,045,652.

The Production Printing Fund total revenues equaled \$1,761,127, while total expenses were \$2,160,396. Net position at June 30, 2016 was \$784,408 compared to \$1,080,550 the previous year reflecting a decrease in net position of \$292,142.

### GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted appropriations adopted by the Board of Education for fiscal year 2016 were \$391 million which included General Fund appropriations of \$258.1 million. The adopted budget was modified in December 2015 to reflect changes in funding for a final General Fund budget of \$258.9 million.

The final budget reflected an increase in budgeted expenditures from the original adopted budget. Expenditure items that significantly increased were Instructional Support by \$1.6 million as well as pupil services by \$900,000.

In fiscal year 2016 final budgeted instruction expenditures for the General Fund totaled \$143.9 million while actual expenditures totaled \$134.0 million (\$125.2 million in 2015). Overall General Fund budgeted expenditures totaled \$258.9 million but came in under budget by \$35.2 million.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** The District's investment in capital assets for the primary government as of June 30, 2016 totaled \$258,270,708 (net of accumulated depreciation of \$171,472,634). This investment in capital assets includes land, buildings, improvements, and equipment. *(For more detail see Note 5 on page 48.)*

<b>Capital Assets</b>			Percentage
<b>Governmental Activities:</b>	2016	2015	of Change
Land & improvements	\$ 21,923,495	\$ 22,101,954	0.81 %
Construction in progress	5,350,892	-	N/A
Buildings and improvements	370,919,472	372,891,532	(0.53)
Equipment	31,549,483	32,068,007	(1.62)
Less accumulated depreciation	(171,472,634)	(164,659,339)	4.14
Total Governmental Activities	\$ 258,270,708	262,402,154	(1.57) %

**Long-term Debt.** At the end of the current fiscal year, the District had total long-term debt outstanding of \$717,238,982. Accrued interest payable at June 30, 2016 totaled \$1,969,152, including \$1,910,647 due on the general obligation bonds, \$52,635 due on the 2009 and 2016 certificates of participation and \$5,870 due on capital leases. *(For more detail on capital leases see Note 7 on page 50. More detail on long-term debt can be found in Note 9 on pages 51-54. More information on pension liabilities can be found in Note 11 on pages 55-59.)*

<b>Outstanding Long-Term Debt</b>			Percentage
<b>Governmental Activities:</b>	2016	2015	of Change
Accrued interest payable	\$ 1,969,152	\$ 1,145,955	71.84 %
Net pension liabilities	535,654,577	467,413,789	14.60
Health/Other insurance liabilities	4,806,114	3,907,684	22.99
Certificates of participation payable	19,415,000	16,980,000	14.34
General obligation bonds payable	145,788,984	158,358,478	(7.94)
Qualified Zone Academy Bonds	4,023,111	4,023,111	-
Compensated absences payable	3,574,021	3,566,952	0.20
Capital leases payable	2,008,023	2,164,091	(7.21)
Total	\$ 717,238,982	657,560,060	108.82 %

On December 1, 1996 the District issued \$99,829,000 of General Obligation Bonds (Series 1996) due in varying installments through December 2017, with an average coupon rate of 6.72%, for the purpose of (i) financing the construction of several new school buildings; (ii) paying the cost of enlarging, improving, remodeling, repairing and making additions to certain existing District facilities; (iii) equipping or furnishing certain District facilities, particularly with technological improvements; (iv) payment for the acquisition of land; and (v) payment of bond issuance costs.

On January 19, 2006 the District issued \$127,674,973 of General Obligation Bonds (Series 2006-A) due in varying installments through December 2021, with an average coupon rate of 5.07% for the purpose of financing numerous capital projects within the District. Included in these projects are two new elementary schools and a major addition to Doherty High School.

On September 14, 2006 the District advance refunded and legally defeased \$33,400,000 of the Series 1996 GO Bonds with the issuance of \$38,320,000 General Obligation Refunding Bonds (Series 2006-B), due in varying installments through December 2021, with an average coupon rate of 5.18%. The defeased bonds were deposited with a trustee and invested in U.S. Treasury securities for the purpose of paying the principal and interest of the deposited bonds callable on December 1, 2007. The District advance refunded the portion of the Series 1996 GO Bonds in order to reduce its total debt service over the next 15 years by \$1,324,713 and to obtain an economic gain of \$1,264,357.

On September 21, 2010 the District advance refunded and called for redemption an additional \$16,845,000 of the Series 1996 GO Bonds through the issuance of \$19,775,000 General Obligation Refunding Bonds (Series 2010). The 2010 GO Bonds are due in semi-annual installments of \$335,000 to \$6,045,000 through December 2017. Interest rates vary from 1.50% to 4.00%. The economic gain on the transaction was approximately \$1.1 million.

On May 3, 2012, the District advance refunded and legally defeased \$8,400,000 of the Series 2006-A General Obligation Bonds by the issuance of \$8,400,000 of General Obligation Refunding Bonds (Series 2012), due in varying installments through December 2022, with an average coupon rate of 2.71%. The economic gain on the transaction was approximately \$800,000.

On January 30, 2013, the District advance refunded and legally defeased \$84,085,000 of the Series 2006-A General Obligation Bonds by the issuance of \$84,085,000 of General Obligation Refunding Bonds (Series 2013), due in varying installments through December 2030, with an average coupon rate of 3.935%. The economic gain on the transaction was approximately \$9.7 million.

As of June 30, 2016, in addition to the general obligation bonds, the District has \$19,415,000 of outstanding certificates of participation, a capital lease for the Energy Performance Contract totaling \$1,634,918 and a capital lease for the installation and training of office equipment including, but not limited to, 203 Ricoh copiers totaling \$373,105. Additional information on the District's long-term debt is included in the notes to the financial statements.

## COMPONENT UNITS

Only summary information regarding component units appears in the District's financial statements. The District has six component units, all of which are charter schools. Their financial statement information is presented in a separate column in the Government-wide Statement of Net position and in the Statement of Activities.

## REQUESTS FOR INFORMATION

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

Director of Fiscal Services  
1115 N. El Paso Street  
Colorado Springs, CO 80903





THE WORLD IS CHANGING.  
MEET THE FUTURE.

# 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, Proprietary, and Fiduciary Funds for the year ended.





THE WORLD IS CHANGING.  
MEET THE FUTURE.

# Colorado Springs School District 11

## Statement of Net Position

### June 30, 2016

	<u>Primary Government</u>		<u>Reporting Entity</u>
	<u>Governmental</u>	<u>Component</u>	<u>Total</u>
<b>ASSETS</b>	<b>Activities</b>	<b>Units</b>	<b>2016</b>
Cash and cash equivalents	\$ 16,606,261	\$ 5,433,474	\$ 22,039,735
Accounts receivable	1,465,272	90,833	1,556,105
Investments	54,431,384	-	54,431,384
Property taxes receivable	3,435,044	-	3,435,044
Due from other governments	3,102,999	-	3,102,999
Deposit with insurance pool	10,704,839	-	10,704,839
Inventories and prepaid expenses	1,085,725	13,580	1,099,305
Restricted investments	24,770,330	-	24,770,330
Non-depreciable capital assets:			
Land	21,923,495	-	21,923,495
Construction in progress	5,350,892	-	5,350,892
Depreciable capital assets:			
Buildings and improvements	370,919,472	2,855,680	373,775,152
Equipment	31,549,483	2,354,748	33,904,231
Less: accumulated depreciation	(171,472,634)	(3,341,908)	(174,814,542)
<b>Total assets</b>	<u>373,872,562</u>	<u>7,406,407</u>	<u>381,278,969</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related amounts	74,376,415	3,618,110	77,994,525
Deferred charge on refunding	6,500,244	-	6,500,244
<b>Total deferred outflows of resources</b>	<u>80,876,659</u>	<u>3,618,110</u>	<u>84,494,769</u>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	4,527,557	791,866	5,319,423
Accrued compensation payable	28,969,224	228,172	29,197,396
Unearned revenues	777,803	-	777,803
Long-term liabilities:			
Portion due or payable within one year:			
Accrued interest	651,262	-	651,262
Compensated absences	1,861,179	-	1,861,179
Capital lease payable	651,031	-	651,031
COP's payable	2,690,000	-	2,690,000
GO bonds payable	10,540,000	-	10,540,000
Portion due or payable after one year:			
Net pension liability	535,654,577	22,738,286	558,392,863
Health insurance liabilities	2,585,174	-	2,585,174
Other insurance liabilities	2,220,940	-	2,220,940
Accrued interest	1,317,890	-	1,317,890
Compensated absences	1,712,842	-	1,712,842
Capital lease payable	1,356,992	-	1,356,992
COP's payable	16,725,000	-	16,725,000
GO bonds payable	135,248,984	-	135,248,984
Other bonds payable	4,023,111	-	4,023,111
<b>Total liabilities</b>	<u>751,513,566</u>	<u>23,758,324</u>	<u>775,271,890</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related amounts	18,142,905	339,154	18,482,059
Property taxes levied for subsequent years	1,417,336	-	1,417,336
<b>Total deferred inflows of resources</b>	<u>19,560,241</u>	<u>339,154</u>	<u>19,899,395</u>
<b>NET POSITION</b>			
Net investment in capital assets	96,721,208	1,868,520	98,589,728
Restricted for:			
Constitutional amendment	250,000	462,334	712,334
3% statutory reserve - TABOR	5,133,210	-	5,133,210
Debt service	25,110,838	-	25,110,838
Mill levy override	630,729	-	630,729
Contingencies	-	48,102	48,102
Claims	8,241,403	-	8,241,403
Unrestricted (deficit)	(452,411,974)	(15,451,917)	(467,863,891)
<b>Total net position (deficit)</b>	<u>\$ (316,324,586)</u>	<u>\$ (13,072,961)</u>	<u>\$ (329,397,547)</u>

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

# Colorado Springs School District 11

## Statement of Activities

### For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
Instruction	\$ 165,628,261	\$ 1,157,528	\$ 22,774,232	\$ -
Pupil activities	12,879,517	-	-	-
Instructional support	21,037,745	74,520	5,656,591	-
General administration	3,056,593	-	-	-
School administration	20,459,489	249,915	-	-
Business services	2,571,495	-	-	-
Maintenance and operations	26,188,777	284,702	-	-
Transportation	5,852,482	124,746	-	-
Central services	11,763,965	179,711	-	-
Miscellaneous support services	11,086,174	509,519	-	-
Community and other services	3,049,179	3,500,430	9,770,677	-
Interest on long term debt	7,973,285	-	-	-
<b>Total primary government</b>	<u>291,546,962</u>	<u>6,081,071</u>	<u>38,201,500</u>	<u></u>
<b>Component Unit Activities:</b>				
Charter Schools	\$ <u>16,489,001</u>	\$ <u>186,148</u>	\$ <u>1,744,668</u>	\$ <u>303,689</u>

**General revenues:**

Property taxes  
State equalization (unrestricted)  
Investment earnings  
School land fees  
Gain on sale of capital assets  
Miscellaneous revenues  
Total general revenues

Change in net position

Net position (deficit)—beginning

Net position (deficit)—ending

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

**Net (Expense) Revenue and  
Changes in Net Position**

<b>Governmental Activities</b>		<b>Component Units</b>	<b>Reporting Entity Total 2016</b>
\$	(141,696,501)	\$ -	\$ (141,696,501)
	(12,879,517)	-	(12,879,517)
	(15,306,634)	-	(15,306,634)
	(3,056,593)	-	(3,056,593)
	(20,209,574)	-	(20,209,574)
	(2,571,495)	-	(2,571,495)
	(25,904,075)	-	(25,904,075)
	(5,727,736)	-	(5,727,736)
	(11,584,254)	-	(11,584,254)
	(10,576,655)	-	(10,576,655)
	10,221,928	-	10,221,928
	(7,973,285)	-	(7,973,285)
	<u>(247,264,391)</u>		<u>(247,264,391)</u>
		<u>(14,254,496)</u>	<u>(14,254,496)</u>
	110,863,634	712,051	111,575,685
	121,129,681	13,493,600	134,623,281
	212,023	-	212,023
	246,441	-	246,441
	798,223	-	798,223
	<u>2,230,140</u>	<u>19,261</u>	<u>2,249,401</u>
	<u>235,480,142</u>	<u>14,224,912</u>	<u>249,705,054</u>
	(11,784,249)	(29,584)	(11,813,833)
	<u>(304,540,337)</u>	<u>(13,043,377)</u>	<u>(317,583,714)</u>
\$	<u>(316,324,586)</u>	\$ <u>(13,072,961)</u>	\$ <u>(329,397,547)</u>



**Colorado Springs School District 11**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2016**

	2016					
	General Fund	Capital Reserve Fund	Mill Levy Override Fund	Bond Redemption Fund	Non-major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 16,601,470	\$ -	\$ -	\$ -	\$ 4,791	\$ 16,606,261
Investments - unrestricted	52,605,420	1,825,964	-	-	-	54,431,384
Investments - restricted	-	5,708,124	-	19,062,206	-	24,770,330
Receivables						
Accounts receivable	126,083	-	-	-	43,423	169,506
Property taxes current	1,994,310	-	924,160	516,574	-	3,435,044
Taxes with county treasurer	1,047,051	83,833	87,971	49,231	-	1,268,086
Due from other governments	-	-	-	-	3,102,999	3,102,999
Inventories and other assets	349,542	-	-	-	468,152	817,694
Due from other funds	-	8,675,234	-	-	2,665,758	11,340,992
Total assets	<u>72,723,876</u>	<u>16,293,155</u>	<u>1,012,131</u>	<u>19,628,011</u>	<u>6,285,123</u>	<u>115,942,296</u>
<b>LIABILITIES</b>						
Accounts payable	2,167,970	1,835,648	-	12,400	172,800	4,188,818
Accrued compensation	26,927,829	25,520	-	-	1,929,117	28,882,466
Due to other funds	11,460,878	-	-	-	726,085	12,186,963
Unearned revenue	17,485	-	-	-	760,318	777,803
Compensated absences	1,853,211	-	-	-	-	1,853,211
Total liabilities	<u>42,427,373</u>	<u>1,861,168</u>	<u>-</u>	<u>12,400</u>	<u>3,588,320</u>	<u>47,889,261</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue-property taxes	823,037	-	381,402	212,897	-	1,417,336
Total deferred inflows of resources	<u>823,037</u>	<u>-</u>	<u>381,402</u>	<u>212,897</u>	<u>-</u>	<u>1,417,336</u>
<b>FUND BALANCES</b>						
Nonspendable						
Inventories	337,042	-	-	-	468,152	805,194
Prepays- risk management	12,500	-	-	-	-	12,500
Restricted						
Constitutional amendment	250,000	-	-	-	-	250,000
3% statutory reserve - TABOR	5,133,210	-	-	-	-	5,133,210
Debt service	-	5,708,124	-	19,402,714	-	25,110,838
Mill levy override	-	-	630,729	-	-	630,729
Assigned						
Risk management	1,498,574	-	-	-	-	1,498,574
Preschool	523,610	-	-	-	-	523,610
PERA contingency	1,200,000	-	-	-	-	1,200,000
District 11 Cohort	835,041	-	-	-	-	835,041
Emergency contingency	-	1,000,000	-	-	-	1,000,000
Capital projects	399,174	7,723,863	-	-	-	8,123,037
Food Services	-	-	-	-	2,228,651	2,228,651
IT programs	341,560	-	-	-	-	341,560
Possible teacher positions	626,000	-	-	-	-	626,000
Instructional supply carryover	2,871,784	-	-	-	-	2,871,784
Non-instructional supply carryover	883,241	-	-	-	-	883,241
Unassigned	14,561,730	-	-	-	-	14,561,730
Total fund balances	<u>29,473,466</u>	<u>14,431,987</u>	<u>630,729</u>	<u>19,402,714</u>	<u>2,696,803</u>	<u>66,635,699</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 72,723,876</u>	<u>\$ 16,293,155</u>	<u>\$ 1,012,131</u>	<u>\$ 19,628,011</u>	<u>\$ 6,285,123</u>	<u>\$ 115,942,296</u>

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

# Colorado Springs School District 11

## Reconciliation of the Governmental Funds

### Balance Sheet to the Statement of Net Position

#### June 30, 2016

**Total fund balances - governmental funds** \$ 66,635,699

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

Prepaid items, operating leases, used in governmental activities may be expensed in the period paid and, therefore, are not reported as assets in governmental funds. 172,456

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 \$428,626,478 and the accumulated depreciation is \$171,074,597. 257,551,881

Internal service funds are used by the District's management to charge the costs of production printing and the costs of health insurance to the individual funds. The assets and liabilities of the internal service funds are included with governmental activities. 8,993,202

Bond Premiums, discounts and deferred loss on refundings are recognized as other financing sources/uses when issued and are deferred and amortized in the statement of activities. The net unamortized portion of these long-term debt related items is included in the governmental activities statement of net position. (6,458,740)

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	\$ 132,830,000	
Accrued interest on bonds	1,910,647	
COP's payable	19,415,000	
Accrued interest on COP's	52,635	
Qualified Zone Academy Bonds payable	4,023,111	
Capital leases payable	1,634,918	
Accrued interest on capital leases	3,824	
Compensated absences	1,706,942	
Net pension liabilities	535,654,577	
Deferred inflows of resources, pension related amounts	18,142,905	
Deferred outflows of resources, pension related amounts	(74,376,415)	
Claim liabilities	2,220,940	
	(643,219,084)	(643,219,084)

**Total net position (deficit) - governmental activities** \$ (316,324,586)

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

**Colorado Springs School District 11**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Year Ended June 30, 2016**

		2016					
		General Fund	Capital Reserve Fund	Mill Levy Override Fund	Bond Redemption Fund	Non-major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Taxes	\$	67,968,808	\$ 1,005,996	\$ 26,877,850	\$ 15,010,980	\$ -	\$ 110,863,634
Intergovernmental		131,103,370	-	-	-	28,227,811	159,331,181
Interest on investments		78,516	25,886	-	100,293	2,435	207,130
Tuition		326,947	-	-	-	-	326,947
Services provided to charter schools		828,031	216,354	-	-	-	1,044,385
Charges for services		-	-	-	-	1,915,808	1,915,808
Miscellaneous		3,149,008	511,059	-	-	30,951	3,691,018
Total revenues		203,454,680	1,759,295	26,877,850	15,111,273	30,177,005	277,380,103
<b>EXPENDITURES</b>							
Current							
Instruction		134,045,635	21,888	-	-	12,800,543	146,868,066
Pupil activities		11,743,130	-	-	-	-	11,743,130
Instructional support		14,360,379	-	-	-	5,656,591	20,016,970
General administration		2,529,841	-	-	-	-	2,529,841
School administration		18,879,087	4,362	-	-	-	18,883,449
Business services		2,324,547	57,782	-	-	-	2,382,329
Maintenance and operations		23,980,398	329,573	-	-	-	24,309,971
Transportation		4,100,145	816,039	-	-	-	4,916,184
Central services		10,071,869	56,144	-	-	-	10,128,013
Food service operations		-	-	-	-	10,514,144	10,514,144
Community and other services		1,624,479	2,731	67,471	-	1,197,370	2,892,051
Capital outlay projects		-	6,512,783	-	-	-	6,512,783
Debt service							
Principal retirement		-	3,094,173	-	10,990,000	-	14,084,173
Interest and fiscal charges		-	728,784	-	5,622,231	-	6,351,015
Total expenditures		223,659,510	11,624,259	67,471	16,612,231	30,168,648	282,132,119
Excess (deficiency) of revenues over expenditures		(20,204,830)	(9,864,964)	26,810,379	(1,500,958)	8,357	(4,752,016)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in		26,707,976	6,139,954	-	-	366,080	33,214,010
Transfers out		(6,416,034)	-	(26,797,976)	-	-	(33,214,010)
Proceeds from sale of capital assets		-	2,426,293	-	-	-	2,426,293
Proceeds from certificates issued		-	5,000,000	-	-	-	5,000,000
Total other financing sources (uses)		20,291,942	13,566,247	(26,797,976)	-	366,080	7,426,293
Net change in fund balances		87,112	3,701,283	12,403	(1,500,958)	374,437	2,674,277
Fund balance, beginning of year		29,386,354	10,730,704	618,326	20,903,672	2,322,366	63,961,422
Fund balance, end of year	\$	29,473,466	\$ 14,431,987	\$ 630,729	\$ 19,402,714	\$ 2,696,803	\$ 66,635,699

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

# Colorado Springs School District 11

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

### For the Year Ended June 30, 2016

**Total net change in fund balances - governmental funds** \$ 2,674,277

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

Expenditures for insurance and similar services extending over more than one accounting period may be accounted for as expenditures of the period of acquisition. (147,739)

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Depreciation of \$10,592,268 exceeded Capital outlays of \$8,121,179 in the current period. (2,471,089)

The effect of miscellaneous transactions involving capital assets.

Gain on sale of capital assets	696,207	
Proceeds from sale of capital assets	<u>(2,426,293)</u>	(1,730,086)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

New debt	(5,000,000)	
Payment of capital leases	529,173	
Retirement of COP's	2,565,000	
Retirement of GO bonds	10,990,000	
Amortization of premiums and deferred amounts	778,375	
Interest Expense	<u>(821,151)</u>	9,041,397

In the statement of activities, certain operating expenses - compensated absences (vacation and sick leave), special termination benefits (early retirement), liability claims and pension expense - are measured *by the amounts earned* during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used or due (essentially, the amounts actually paid). This amount represents the net effect of compensated absences, claims payable and pension-related amounts on the statement of activities.

Compensated absences	49,755	
Claims payable	375,482	
Pension expense	<u>19,475,282</u>	(19,900,519)

Internal service funds are used by the District's management to charge the costs of production printing and the costs of health insurance to the individual funds.

The net income of these funds is reported with governmental activities. 749,510

**Change in net position of governmental activities** \$ (11,784,249)

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

**Colorado Springs School District 11**  
**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2016**

	<u>Governmental Activities</u>
	<u>Internal Service</u>
	<u>Funds</u>
<b>ASSETS</b>	
Current assets	
Deposit with insurance pool	\$ 10,704,839
Accounts receivable	27,680
Due from other funds	845,971
Inventories	95,575
Total current assets	<u>11,674,065</u>
Noncurrent assets	
Capital assets	
Building	590,059
Equipment	526,805
Accumulated depreciation	<u>(398,037)</u>
Total capital assets, net	<u>718,827</u>
Total assets	<u>12,392,892</u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	338,739
Accrued compensation	86,758
Accrued compensated absences (current portion)	7,968
Accrued interest payable	2,046
Capital lease payable (current portion)	80,472
Total current liabilities	<u>515,983</u>
Noncurrent liabilities	
Health insurance claims	2,585,174
Compensated absences payable (less: current portion)	5,900
Capital lease (less: current portion)	<u>292,633</u>
Total noncurrent liabilities	<u>2,883,707</u>
Total liabilities	<u>3,399,690</u>
<b>NET POSITION</b>	
Investment in capital assets	718,827
Restricted for insurance	8,241,403
Unrestricted	<u>32,972</u>
Total net position	<u>\$ 8,993,202</u>

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

**Colorado Springs School District 11**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in**  
**Fund Net Position**  
**For the Year Ended June 30, 2016**

	<u>Governmental Activities</u>
	<u>Internal Service</u>
	<u>Funds</u>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 1,761,127
Employer premium contributions	18,290,833
Employee premium contributions	7,621,904
Collections and subrogations	2,770
	<hr/>
Total operating revenues	27,676,634
	<hr/>
<b>OPERATING EXPENSES</b>	
Cost of printing services and administration	2,008,225
Health insurance	21,787,239
Dental insurance	1,864,168
Life insurance	730,825
LTD insurance	240,656
Vision Insurance	250,749
Depreciation	49,630
Utilities and indirect costs	102,541
	<hr/>
Total operating expenses	27,034,033
	<hr/>
Operating income	642,601
	<hr/>
<b>NONOPERATING REVENUES</b>	
Interest on investments	4,893
Gain on sale of capital assets	102,016
	<hr/>
Total non-operating revenues	106,909
	<hr/>
Change in net position	749,510
	<hr/>
Net position, beginning of year	8,243,692
	<hr/>
Net position, end of year	\$ 8,993,202
	<hr/>

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

**Colorado Springs School District 11**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2016**

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 27,676,438
Payments to suppliers	(1,228,775)
Payments for insurance claims	(25,724,401)
Payments to employees	(981,362)
Payments for interfund services used	(102,555)
Net cash used in operating activities	(360,655)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Net cash from capital leases	373,105
Purchases of equipment	(119,359)
Proceeds from sale of capital assets	102,016
Net cash provided by capital and related financing activities	355,762
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	4,893
Net cash provided by investing activities	4,893
Net increase in cash and cash equivalents	-
Cash and cash equivalents, beginning of year	-
Cash and cash equivalents, end of year	\$ -
<b>Reconciliation of operating income (loss) to net cash used in operating activities</b>	
Operating Income	\$ 642,601
Adjustments to reconcile operating income to net cash used in operating activities	
Depreciation	49,630
Changes in assets and liabilities	
Deposit with insurance pool	(1,722,972)
Accounts receivable	(196)
Inventories	32,436
Due from other funds	(102,555)
Accounts payable	204,437
Accrued compensation	6,887
Accrued compensated absences	3,068
Noncurrent compensated absences	1,015
Accrued interest payable	2,046
Health insurance claims	522,948
Total adjustments	(1,003,256)
Net cash used in operating activities	\$ (360,655)

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



**Colorado Springs School District 11**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2016**

	<b>Private Purpose Trusts</b>	<b>Agency Funds</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 50,108	\$ 2,104,374
Total assets	<u>50,108</u>	<u>2,104,374</u>
<b>LIABILITIES</b>		
Accounts payable	-	2,101,264
Accrued compensation	-	3,110
Total liabilities	<u>-</u>	<u>2,104,374</u>
<b>NET POSITION</b>		
Held in trust for individuals	<u>50,108</u>	<u>-</u>
Total net position	<u>\$ 50,108</u>	<u>\$ -</u>

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

**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2016**

	<b>Private Purpose Trusts</b>
<b>ADDITIONS</b>	
Interest	\$ 115
Total additions	<u>115</u>
<b>DEDUCTIONS</b>	
Scholarships awarded	<u>-</u>
Total deductions	-
Change in net position	115
Net position, beginning of year	<u>49,993</u>
Net position, end of year	<u>\$ 50,108</u>

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

# Colorado Springs School District 11

## Notes to the Basic Financial Statements

### For the Year Ended June 30, 2016

#### NOTE 1: *SUMMARY OF ACCOUNTING POLICIES*

The financial statements of Colorado Springs School District 11, Colorado Springs, Colorado (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

#### ***The Financial Reporting Entity***

The inclusion or exclusion of component units is based on a determination of the elected officials' financial accountability to their constituents, and whether the financial reporting entity follows the same accountability. Furthermore, the financial statements of the reporting entity should enable the reader to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. The criteria used for determining whether an entity should be included, either blended or discretely presented, includes but is not limited to fiscal dependency, imposition of will, legal standing, and the primary recipient of services.

The District's Board of Education authorized six charter schools for operation during fiscal year 2016, those schools are: GLOBE, Roosevelt, Community Preparation School, CIVA, Life Skills Center, and Academy for Advanced and Creative Learning. These are shown as discretely presented component units. Charter schools are deemed to be fiscally dependent upon the District, since the District provides the majority of support in the form of per-pupil operating revenue and the potential exists that their exclusion from the District's financial reporting entity would result in misleading financial reporting. The members of each of the six charter schools' governing boards are appointed separately from the District. Financial statements for the charter schools, reported under GASB standards, may be obtained by writing to the respective charter schools.

#### ***Government-wide and Fund Financial Statement Presentation***

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Exceptions are charges for inter-fund services provided and used. Elimination of these charges would distort the direct costs and program revenues reported for the various functions. Governmental activities are supported by taxes and intergovernmental revenues. The *primary government* is reported separately from certain legally separate *component units*, for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. *Program revenues* include: (1) fees and charges to customers or applicants 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. Revenues that are not classified as program revenues, including all taxes, are reported as *general revenues*.

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

### ***Measurement Focus and Basis of Accounting***

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. On an accrual basis, property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental Funds are used to account for the District's general government activities. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the District considers property tax revenues to be available if they are collected within 60 days, and all other revenue 90 days, of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt and capital leases are reported as other financing sources.

Those revenues subject to accrual are property taxes, interest revenue and charges for services. Specific ownership taxes collected and held by the county at year end, on behalf of the District, are also recognized as revenue. Other revenues, such as transportation, vocational and special education, are not subject to accrual because, generally, they are not measurable until received in cash. Entitlements and shared revenues are recorded at the time of receipt, or earlier if the accrual criteria are met.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity, with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained by the District is consistent with legal and managerial requirements. The District reports the following funds:

#### ***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 ***Capital Reserve Capital Projects Fund*** is used to account for resources to be used for ongoing capital needs, such as site acquisition, building additions and equipment purchases.

The ***Mill Levy Override Fund*** is a special revenue fund used to account for funds from the November 2000 voter approved mill levy override.

The ***Bond Redemption Fund*** is a debt service fund, which accounts for the servicing of long-term debt, not financed by the Capital Reserve Capital Projects Fund or other funds.

#### ***Non-major Governmental Funds***

The ***Food Services Fund*** is a special revenue fund used to record financial transactions related to food service operations.

The ***Designated Purpose Grants Fund*** is a special revenue fund used to maintain separate accounting for federal, state and local grant funded programs, which normally have a different fiscal period than that of the District.

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

**Internal Service Funds** account for operations that provide services to other funds within the District. Such services include printing services, employee benefits, and insurance programs. These services are provided to other funds, or to other governments, on a cost-reimbursement basis.

**Fiduciary Funds** account for assets held by the government in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the District under the terms of a formal trust agreement.

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.

The **Agency Funds** are custodial in nature and do not present results of operations or a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

#### ***Assets, Liabilities, Deferred Inflows/Outflows of Resources and Fund Balances/Net Position***

##### ***Cash and Investments***

The pooled cash concept is used whereby cash balances of each of the District's funds are pooled and invested in certain investments. Investment income is allocated to all funds except the Designated Purpose Grants, Mill Levy Override, Bond Redemption, Agency and the Student Activities funds based on each fund's month-end balance. For the statement of cash flows, the following are considered to be cash and cash equivalents: cash on hand; cash in the bank; and highly liquid investments which have a maturity of three months or less when purchased or which are subject to withdrawal.

As of June 30, 2016, the District's investments consist of money market funds, external investment pools and a government agency security. The money market funds are reported at amortized cost. The external investment pool (COLOTRUST) is not SEC-registered and is regulated by the State of Colorado, Department of Regulatory Agencies, Division of Securities. This external investment pool is reported at amortized costs pursuant to the criteria set forth in GASB Statement No. 79. The government agency security is reported at amortized cost, which approximates fair value, because it had a maturity of one year or less at the time of purchase.

##### ***Restricted Investments***

Restricted investments consist of \$5,708,124 in the Capital Reserve Capital Projects Fund, and \$19,026,206 in the Bond Redemption Fund. Each amount is restricted by debt indentures or trust documents.

##### ***Cash Held in Trust***

As of June 30, 2016 the District had \$1,268,086 held in trust by the County Treasurer, which is included as a receivable on the balance sheet and statement of net position. El Paso County collects the property taxes for the school district and holds the funds in trust until sent to the District monthly.

### ***Receivables and Payables***

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. In the fund financial statements, these receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

### ***Inventories***

Inventories are stated at cost on the first-in, first-out (FIFO) basis. When individual inventory items are purchased, they are recorded as assets. When they are consumed, they are recorded as expenditures in governmental funds or as expenses in proprietary funds. Although classified as current assets, fund balance is considered nonspendable for inventory balances.

Inventories purchased by the Food Service Fund are stated at cost as determined by the first-in, first-out method. Commodity inventories are stated at USDA's assigned values, which approximate the acquisition value at the date of receipt. Expenditures 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 recorded as revenue when received. Because the commodities qualify as an inventory of supplies, they are recognized using the consumption method (initially recognize an asset and then recognize expenditures as supplies are consumed).

### ***Capital Assets***

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-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. Effective July 1, 2001, the capital asset threshold for equipment was increased to maintain a balance between the accountability of assets and managing the cost of recording and tracking these assets. The capitalization level for equipment is \$5,000. Donated capital assets are valued at their estimated acquisition value on the date received. Major outlays for buildings and improvements are capitalized for all projects with a total cost greater than \$25,000.

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

Buildings, improvements and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	100
Building improvements	30
Equipment – vehicles	10/15
Equipment – other	5/10
Equipment – technology	5

### ***Compensated Absences***

Under the District's policies, employees earn vacation leave and sick leave based on longevity of service or position. Accrued sick leave is payable only as part of the early retirement program for employees meeting the seniority rules for their respective employee organizations. Accrued 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. Employees are limited in the number of unused vacation hours they may carry forward at year-end.

Accrued sick leave payable to recent retirees meeting the seniority rules of the District is recorded as short-term debt in the respective governmental and proprietary funds. The District estimates the amount of accrued sick leave payable in future periods based on historical data. This liability is recorded as long-term in the proprietary funds. The long-term, unpaid liability for these compensated absences for the governmental funds is recorded in the government-wide financial statements as long-term debt.

### ***Long-term Obligations***

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using a method which approximates the effective interest method. COP's and bonds payable are reported net of the applicable premium or discount. Issuance costs are recognized as an expense in the period incurred. Deferred amounts on debt refundings are reported as deferred inflows/outflows of resources and are amortized over the life of the old debt or new debt whichever is shorter.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. The employer portions of contributions made to the SCHDTF are reported as benefit expenditures in the current period.

### ***Pensions***

The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability (NPL), 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.

### ***Unearned Revenue***

Unearned revenue in the statement of net position and fund financial statements consists of unearned grant proceeds and unused federal commodities at year end.

### ***Workers Compensation Claims and IBNR***

The District is self-insured for workers compensation claims and accounts for the related activity in the Risk Management Fund which is a sub-fund of the General Fund. The administrators of the fund manage the claims and maintain in-house records of claims and judgments.

The funding for the liabilities in the Risk Management Fund is determined each year on the basis of past experience and future projections. The District uses a claims reporting program called STARS to track all risk management liabilities. The District computes its risk liabilities from the STARS program based on actual claims filed and estimated incurred but not reported (IBNR) claims. The District purchases stop-loss insurance policies for payment of claims in excess of the self-insurance retention limit.

### ***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category.

The first is the deferred charge on refundings reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The second is shown as pension related amounts and includes items related to the District's portion of the Colorado Public Employees Retirement Association (PERA) benefit plans. This includes the difference between expected and actual experience, any changes of assumptions or other inputs, and the net difference between projected and actual investment earnings on pension plan investments. More information on pension related items is included in Note 11.

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

The item, *property taxes levied for subsequent years*, is reported as a deferred inflow of resources in both the government-wide and the governmental fund financial statements. These amounts will become an inflow of resources in the year for which they become available and are budgeted for use.

The other item included in this category is the pension related deferred inflows of resources. These deferred inflows result from the difference between expected and actual experience, the changes of assumptions of other inputs, and the net difference between projected and actual investment earnings on pension plan investments. More information on pension related items is included in Note 11.

### ***Fund Balances***

In accordance with the GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances are classified in one of five categories: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance represents assets that will never be converted to cash. Restricted fund balances reflect resources that are subject to externally enforceable legal restrictions. Committed fund balance is the portion that is limited in use by the Board of Education. Formal Board action is required to remove or adjust this limitation.

Assigned fund balance displays the Districts intended use of these resources. Board policy DA – Fiscal Management – Fund Balance authorizes the Superintendent, the Chief Financial Officer, the Director of Budget and Planning or the Director of Fiscal Services to assign fund balances. Unassigned fund balance for the general fund represents the net resources in excess of the prior classifications. It is the District's policy to maintain a positive unassigned fund balance in the General Fund. When multiple categories of fund balance are available for expenditure, balances will be used from the restricted classification first, and then committed, assigned and unassigned fund balances sequentially.

### ***Net Position***

Net position represents the difference between the assets and deferred outflows of resources and liabilities and deferred inflows of resources in the proprietary and government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in financial statements when there are limitations imposed on their use through external restrictions by creditors, grantors, or laws or regulations of other governments. Net position restricted by enabling legislation consists of \$5,133,210 for constitutional amendment – TABOR, \$250,000 for multi-year obligations, and \$630,729 for mill levy override. An additional \$25,110,838 is restricted for debt service per covenants and \$8,241,403 is restricted for insurance claims.

### ***Net Position Flow Assumption***

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's practice to consider restricted-net position to have been depleted before unrestricted – net position is applied.



### ***Inter-fund Transactions***

Inter-fund transactions are accounted for as expenditures/expenses when they constitute reimbursements from one fund to another. These transactions are recorded as expenditures/expenses in the reimbursing fund and are recorded as reductions of expenditures/expenses in the fund receiving the reimbursement. All other inter-fund transactions are reported as transfers.

### ***Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## **NOTE 2: DEPOSITS AND INVESTMENTS**

***Custodial Credit Risk*** – For deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. However, there is no custodial credit risk for public deposits because they are collateralized under the Colorado Public Deposit Protection Act (PDPA). The PDPA requires that deposits of all units of local governments be held at eligible public depositories, whose eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. 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.

With the signing into law of the Dodd-Frank Wall Street Reform and Consumer Protection Act on July 21, 2010, FDIC insurance coverage was permanently increased to \$250,000 per qualified account. Cash deposits of the District totaled \$18,500,970 at fiscal year-end including \$2,104,374 of agency fund deposits. Federal insurance coverage totaled \$1,172,334. The balance of \$17,328,636 falls under the provisions of the Colorado Public Deposit Protection Act. Cash deposits of the component units of the District consisted of \$4,578,432. Federal insurance coverage totaled \$1,500,000. The balance of \$3,078,432 falls under the provisions of the Colorado Public Deposit Protection Act.

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District and its component units will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's safekeeping bank must meet the following requirements under District policy: the purchase and sale of securities and repurchase agreements shall be settled on a delivery versus payment basis. Ownership of all securities shall be perfected in the name of the District.

Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices. As of June 30, 2016, none of the Districts investments were exposed to custodial credit risk as they were all insured or registered in the District's name held by the counterparty or the counterparty's trust department. The districts investment in the external investment pool and the money market funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

***Interest Rate Risk*** – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To manage exposure to this risk, the Districts board approved investment policy limits investment maturities to five years or less. The Colorado revised statute 24-75-601 also limits investment maturities to five years or less.

***Credit Risk*** – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Credit risk in the portfolio is minimized by investing the majority of assets in US Treasury and Instrumentalities which have the support of the US government and failure to receive maturing funds is remote.

The District is also compliant with state laws that limit investments for school districts to U.S. treasury issues, other federally backed notes and credits, and other agency offerings. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to ones of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds to those institutions with over \$1 billion in assets or the highest credit rating from one or more nationally recognized rating agencies.

COLOTRUST assets are approximately \$4 billion, rated AAAM by Standard and Poors, and maintains a constant net asset value of \$1 per share. COLOTRUST is regulated by the State of Colorado, Department of Regulatory Agencies, Division of Securities, which establishes policies for and reviews the operation of local government investment pools in the state. Local government investment pools in Colorado must be organized under Colorado Revised Statutes, and are therefore subject to oversight by the Colorado Securities Commission, with quarterly reporting and annual audits required.

**Concentration of Credit Risk** – The District’s investment policy seeks diversification to reduce overall portfolio risk while attaining market rates of return to enable the District to meet its anticipated cash requirements. The District’s policy requires that at least 50% of the portfolio will be invested in some combination of U.S. Treasury securities, Federal Instrumentality securities, Repurchase Agreements or Eligible Local Governmental Investment Pools.

The 50% requirement in this combination of safe investments assures that the District's credit risk is spread across a variety of securities and that imprudent concentrations will not occur in slightly more aggressive securities. None of the District’s investments is any one issuer, as of June 30, 2016, excluding money market funds and the external investment pool, represent five percent or more of total investments.

As of June 30, 2016 the District had the following investments. These investments are internally pooled to maximize investment safety, liquidity, and interest yield.

<u>Investments</u>	<u>Maturities</u>	<u>Amortized cost</u>	<u>Standard &amp; Poors Rating</u>
<b>Money Market Funds</b>			
Wells Fargo - money market fund (MMF)	Less than 1 year	2,895,567	A-1
UMB SEI Daily Inc Treas MMF	Less than 1 year	16,134,220	A-1
<b>Government Agency Securities</b>			
UMB QZAB - Federal Home Loan Bank Discount Notes	Less than 1 year	2,642,702	A-1
US Bank TABOR MYO - First American Government Obligation Fund	Less than 1 year	663,229	A-1
<b>External Investment Pool</b>			
Local government investment pool-ColoTrust	Less than 1 year	54,053,439	AAAM
UMB COP - Local government investment pool-ColoTrust	Less than 1 year	2,812,269	AAAM
Total investments		<u>\$ 79,201,426</u>	

### NOTE 3: TAXES

#### **Property Taxes**

Property taxes for a calendar year are certified in arrears to the county on December 10 and attached as a lien on property the following January 1. For example, property taxes owed in 2016 are certified to the county in December 2015 and are available for collection on the lien date, January 1, 2016. Property taxes are payable in full by April 30 or in two equal installments due February 28 and June 15. The county bills 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**

Specific ownership taxes are collected by the county for motor vehicle and other personal property registered in the District's assessment area. The tax receipts collected by the county are remitted to the District in the subsequent month. Specific ownership taxes are recorded as revenue when collected by the county.

### NOTE 4: 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 following schedule reflects the District's inter-fund receivables and payables as of June 30, 2016:

	<b>Governmental Activities</b>	
	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
<b>Governmental Funds:</b>		
General fund	\$ -	\$ 11,460,878
Capital reserve fund	8,675,234	-
Non-major governmental funds	2,665,758	726,085
<b>Internal Service Funds</b>	845,971	-
Total receivables/payables	<u>\$ 12,186,963</u>	<u>\$ 12,186,963</u>

At year-end the General Fund reports a substantial inter-fund payable to other funds due to temporary borrowings of cash, salary and benefit expenditures in the General Fund, which will be replenished with a transfer from the District's investments accounts subsequent to year-end. The payable balance in the non-major governmental funds is associated with temporary borrowing to cover expenditures for reimbursement based grants.

### **Transfers**

The District transfers amounts from the General Fund to other funds to meet their operational needs and legal requirements. The District uses a separate accounting fund to act as a conduit for all mill levy plan items in order to maintain a high degree of accountability by tightly restricting tax proceeds, separately accounting for tax revenues and transfers and preventing the co-mingling of revenues and expenditures in the general fund. MLO covered expenditures are segregated by account string identification within the general fund and then subsequently reimbursed by an operating transfer from the MLO Fund. At June 30, 2016 the detail for these transfers is as follows:

	<b>Transfers Out</b>		
	Mill Levy Override		
<b>Transfers In</b>	General Fund	Fund	Total
<b>Governmental Funds:</b>			
General fund	\$ -	\$ 26,707,976	\$ 26,707,976
Capital reserve fund	6,139,954	-	6,139,954
Non-major governmental funds	276,080	90,000	366,080
Internal service funds	-	-	-
<b>Total transfers in / out</b>	<u>\$ 6,416,034</u>	<u>\$ 26,797,976</u>	<u>\$ 33,214,010</u>

### **NOTE 5: CAPITAL ASSETS**

Capital asset activity and depreciation expense for the year ended June 30, 2016 were as follows:

	<b>Primary Government</b>			
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>
<b>Governmental Activities:</b>				
Non-depreciable assets:				
Land	\$ 22,101,954	\$ -	\$ (178,459)	\$ 21,923,495
Construction in progress	-	5,350,892	-	5,350,892
Total non-depreciable assets	<u>22,101,954</u>	<u>5,350,892</u>	<u>(178,459)</u>	<u>27,274,387</u>
Depreciable assets:				
Buildings and improvements	372,891,532	1,626,024	(3,598,084)	370,919,472
Equipment	32,068,007	1,265,181	(1,783,705)	31,549,483
Total depreciable assets	<u>404,959,539</u>	<u>2,891,205</u>	<u>(5,381,789)</u>	<u>402,468,955</u>
Total gross assets- governmental activities	<u>427,061,493</u>	<u>8,242,097</u>	<u>(5,560,248)</u>	<u>429,743,342</u>
Less accumulated depreciation for:				
Buildings and improvements	(142,490,182)	(8,847,216)	2,046,747	(149,290,651)
Equipment	(22,169,157)	(1,794,682)	1,781,856	(22,181,983)
Total accumulated depreciation	<u>(164,659,339)</u>	<u>(10,641,898)</u>	<u>3,828,603</u>	<u>(171,472,634)</u>
Net capital assets-governmental activities	<u>\$ 262,402,154</u>	<u>\$ (2,399,801)</u>	<u>\$ (1,731,645)</u>	<u>\$ 258,270,708</u>

**Depreciation Expense:**  
**Governmental activities:**

Instruction	\$	7,993,413
Instructional support		14,508
General administration		159,756
Business services		16,923
Maintenance and operations		750,294
Transportation		786,565
Central services		713,681
Miscellaneous support services		157,128
		<u>10,592,268</u>
Internal service funds		49,630
	\$	<u><u>10,641,898</u></u>

**Component Units**

Charter school capital asset activity for the year ended June 30, 2016 was as follows:

<b>Component Units</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>
Depreciable assets:				
Buildings and improvements	\$ 2,844,165	\$ 11,515	\$ -	\$ 2,855,680
Equipment	<u>2,354,748</u>	<u>-</u>	<u>-</u>	<u>2,354,748</u>
Total depreciable assets	5,198,913	11,515	-	5,210,428
Less accumulated depreciation:				
Buildings and improvements	(982,093)	(48,587)	-	(1,030,680)
Equipment	<u>(2,262,987)</u>	<u>(48,241)</u>	<u>-</u>	<u>(2,311,228)</u>
Total accumulated depreciation	<u>(3,245,080)</u>	<u>(96,828)</u>	<u>-</u>	<u>(3,341,908)</u>
Net capital assets-component units	\$ <u>1,953,833</u>	\$ <u>(85,313)</u>	\$ <u>-</u>	\$ <u>1,868,520</u>

**NOTE 6: ACCRUED COMPENSATION/COMPENSATED ABSENCES**

Salaries and related benefits of certain school-based 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 are:

**Accrued Compensation**

**Governmental Activities:**

General Fund	\$	26,927,829
Capital Reserve Capital Projects Fund		25,520
Non-major Governmental Funds		<u>1,929,117</u>
Total Governmental Funds		28,882,466
Internal Service Funds		86,758
Total	\$	<u><u>28,969,224</u></u>

The District accrues compensated absences to provide an accurate reporting of liabilities associated with vacation, sick leave, and post-retirement insurances. These benefits, earned, but unpaid, as of June 30, 2016 are:

**Accrued Compensated Absences**

**Governmental Activities:**

General Fund	\$	<u>1,853,211</u>
Total Governmental Funds		1,853,211
Internal Service Funds		13,868
Sick leave and sick leave bank		<u>1,706,942</u>
Total Compensated Absences	\$	<u><u>3,574,021</u></u>

The General Fund compensated absences are pending payouts of unused sick leave owed to employees separated from active service as of June 30, 2016.

The accrued portion of these absences by employee group for all funds at June 30, 2016, is as follows:

<b>Compensated Absences</b>	Educational					Total
	Teachers	Support Professionals	Executive Professionals	Sick Leave Bank		
Insurance Benefits	\$ 698,610	\$ 201,692	\$ -	\$ -		\$ 900,301
Short-term vacation	-	176,715	135,783	-		312,498
Short-term sick leave (RSL)	839,228	138,591	311,878	-		1,289,697
Long-term sick leave	474,919	172,031	194,005	-		840,955
Long-term sick bank	-	-	-	230,570		230,570
Totals	<u>\$ 2,012,757</u>	<u>\$ 689,029</u>	<u>\$ 641,666</u>	<u>\$ 230,570</u>		<u>\$ 3,574,021</u>

Changes in compensated absences for the year are as follows:

	Balance at June 30, 2015			Balance at June 30, 2016		Due Within One Year
		Additions	Deletions			
Governmental Activities	\$ 3,566,952	\$ 1,343,536	\$ (1,336,467)	\$ 3,574,021	\$ 1,861,179	
Totals	<u>\$ 3,566,952</u>	<u>\$ 1,343,536</u>	<u>\$ (1,336,467)</u>	<u>\$ 3,574,021</u>	<u>\$ 1,861,179</u>	

Internal service funds predominantly service the governmental funds. Accordingly, long-term liabilities for the funds are included as part of the above totals for governmental activities. For governmental activities, claims and judgments are liquidated by the Risk Related Activities Fund, and compensated absences are liquidated by the General Fund.

### ***Early Retirement Program***

Early retirement program obligations of the District are recorded as accrued liabilities at June 30, 2016. The District's total cost for early retirement obligations in fiscal year 2016 was \$1,289,697. The District anticipates a savings as a result of these early retirements in excess of any incentive payments made to retirees. These savings will be reflected in lower salary and fringe benefit totals within the budget in future years.

### **NOTE 7: LEASES**

#### ***Operating Leases***

The District leases fiber optic cable from Colorado Springs Utilities. This is a 10 year agreement, which started April 5, 2007 with the option to extend the lease for up to two additional 5 year terms. This agreement allows the District to use capacity on an existing fiber optic cable network for telecommunication services. Payment in the amount of \$847,392 was made in fiscal year 2008 with no future payment requirements.

A usage agreement was entered into on July 1, 2012 with the Colorado Springs World Arena. This agreement provides usage of the World Arena facilities for graduations, hockey practice and games through June 30, 2022. An initial payment of \$315,000 was made in fiscal year 2013 as base rent through fiscal year 2017; the first five years of the agreement. An additional payment of \$375,000 is due on July 1, 2017 for base rent for years 6 through 10 of the agreement.

In the governmental funds, operating lease payments are recognized as expenditures in the year in which they are paid. In the government-wide statements, operating lease payments are recorded as prepaid expenses and are recognized as expenses equally over the life of the lease. The balance of the prepaid leases on the statement of net position as of June 30, 2016 is \$172,456.

The District leases ten networked black & white digital printers, and one networked color digital printer from Konica Minolta Premier Finance through a competitive piggyback agreement with the State of Colorado. This is a 5 year agreement which began September 1, 2012. This operating lease agreement provides equipment, supplies, and maintenance based upon actual usage, affording the Production Printing Department cutting-edge technology from which to serve its customers. The operating lease payment totals \$4,647 each month for the entire term with no escalation. The total operating lease expense incurred during fiscal year 2016 was \$55,767.

Future minimum lease payments for these leases are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2017	55,767
2018	9,295
Total	<u>\$ 65,062</u>

#### ***Capital Leases – Governmental Activities***

On March 10, 2005, the District entered into a capital lease for the installation and construction of equipment including, but not limited to, automated controls for the HVAC systems, ventilation and water efficiency systems, and upgrades to swimming pool covers and boilers. The cost of the equipment is expected to be offset by savings in future energy costs. The effective interest rate is 4.20%, with total payments of \$6,813,828, which is inclusive of interest of \$1,676,849. The final payment of \$183,222 is due on December 10, 2018. The final phases of the equipment installation for the energy performance contract were completed in fiscal year 2010.

Equipment (energy performance contract)	\$ 5,334,938
Less: accumulated depreciation	<u>4,470,745</u>
Total	<u>\$ 864,193</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016, are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Payment</b>
2017	570,559	59,901	630,460
2018	613,999	35,201	649,200
2019	450,360	6,648	457,008
Total	<u>\$ 1,634,918</u>	<u>101,750</u>	<u>1,736,668</u>

On July 9, 2015, the District entered into a capital lease for the installation and training of office equipment including, but not limited to, 203 Ricoh copiers at a unit cost less than the District capitalization threshold. The effective interest rate is 6.58%, with total payments of \$512,605, which is inclusive of interest of \$76,739. The final payment of \$8,552 is due on August 1, 2020. The final phases of the equipment installation for the Ricoh copier contract were completed in fiscal year 2016.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016, are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Payment</b>
2017	80,472	22,152	102,624
2018	85,930	16,694	102,624
2019	91,758	10,867	102,625
2020	97,981	4,643	102,624
2021	16,964	140	17,104
Total	<u>\$ 373,105</u>	<u>54,496</u>	<u>427,601</u>

#### **NOTE 8: *SHORT-TERM DEBT***

Short-term borrowing is necessary during some years due to the timing of property tax receipts. Starting with fiscal year 2005, the District became eligible to participate in the Colorado State Treasurer's Interest Free Loan Program. During the fiscal year 2016, the District maintained enough cash that short term borrowing was not necessary.

With the proposed budget for fiscal year 2017, it is anticipated that the District will again need short-term access to cash, therefore, on June 8, 2016, the Board of Education duly adopted a resolution authorizing the eleventh year of the District's participation in the State Treasurer's interest free loan program. An aggregate amount up to, but not exceeding the principal amount of \$15,000,000 was approved for fiscal year 2017.

Draw requests are made to fund the General Fund cash flow periodic deficits. Authorized officers of the District certify to the State Treasurer the amount of actual cash flow deficit with respect to each requested draw from the loan.

#### NOTE 9: *LONG-TERM DEBT*

##### ***General Obligation Bonds Payable***

The District issues general obligation bonds for the purpose of (i) financing the construction of new school buildings; (ii) paying the cost of enlarging, improving, remodeling, repairing and making additions to existing District facilities; (iii) equipping or furnishing District facilities, particularly with technological improvements; (iv) payment for the acquisition of land; and (v) payment of bond issuance costs.

General Obligation bonds payable at June 30, 2016, are as follows:

<b><u>Description, Interest Rates and Maturity Dates</u></b>	<b><u>Principal Balance June 30, 2016</u></b>
Series 2006-B General Obligation Refunding Bonds in the original amount of \$38,320,000 issued on September 14, 2006 due in varying installments through December 1, 2021, with an average coupon rate of 5.18%	30,605,000
Series 2010 General Obligation Refunding Bonds in the original amount of \$19,775,000 issued on September 21, 2010 due in varying installments through December 1, 2017, with an average coupon rate of 3.16%	11,915,000
Series 2012 General Obligation Refunding Bonds in the original amount of \$8,400,000 issued on May 3, 2012 due in varying installments through December 1, 2022, with an average coupon rate of 2.71%	7,880,000
Series 2013 General Obligation Refunding Bonds in the original amount of \$84,085,000 issued on January 30, 2013 due in varying installments through December 1, 2030, with an average coupon rate of 3.94%	82,430,000
	<u>\$ 132,830,000</u>

The bonds are secured by the District's covenant to certify a rate of levy sufficient to meet the principal and interest payments with respect to the bonds. Payment of principal and interest for general obligation bonds is made from the Bond Redemption Fund. In compliance with state legislation, the District established a Custodial Agreement with UMB Bank, Kansas City, Missouri governing the administration of the District's Bond Redemption Fund.

The Custodial Agreement provided for the establishment of a custodial account with the Custodian and requires the District to direct the County Treasurer to transfer to the Custodian all revenues from the property tax levied by the District for the payment of debt service. The Custodial Agreement restricts the transfer of funds out of the custodial account solely for the scheduled payment of principal and interest on the bonds, and upon written direction of the District, to pay Registrar and Paying Agent fees, custodian fees and arbitrage rebate compliance costs associated with the bonds. At June 30, 2016 the balance of restricted assets held by the Custodian was \$16,134,220.

##### ***Qualified Zone Academy Bonds Payable***

On March 11, 2005, the District received authority from the Colorado Department of Education to issue \$4,023,111 in Qualified Zone Academy Bonds (QZAB). In May 2005, the District's school board approved the appropriation of funds to reestablish the Building Fund to account for capital projects funded with the bonds. Funds were spent on major repairs, renovations and safety upgrades approved in the District's Capital Plan. The maturity date is May 31, 2020. The QZAB's are general obligation bonds and repayment will be made from the Bond Redemption Fund. At June 30, 2016, the District had restricted assets of \$2,642,702 for repayment of these bonds.

### ***Certificates of Participation***

Certificates of Participation represent long-term lease purchase agreements for the acquisition of capital items. Certificates of Participation are not considered bonded debt of the District due to the structure of the lease and annual appropriation clause. The Certificates of Participation are not considered a general obligation or other indebtedness of the District within the meaning of any constitutional or statutory debt limitations.

Certificates of Participation payable at June 30, 2016, are as follows:

<b>Description, Interest Rates and Maturity Dates</b>	<b>Principal Balance June 30, 2016</b>
Refunding Certificates of Participation, Series 2009, in the original amount of \$28,175,000 due in annual installments through 2020, with an average coupon rate of 4.02%	\$ 14,415,000
Refunding Certificates of Participation, Series 2016, in the original amount of \$5,000,000 due in annual installments through 2026, with an average coupon rate of 1.802%	5,000,000
	<u>\$ 19,415,000</u>

The COP's will be repaid from funds in the Capital Projects Capital Reserve Fund using revenues provided by a transfer from the General Fund. Total revenues in the current year were \$6,139,954; total principal and interest paid was \$3,161,138. There is \$5,708,124 in restricted fund balance for this purpose at June 30, 2016. Total principal and interest to be paid on the bonds is \$40.9 million.

### ***Changes in Long-Term Debt***

Changes in governmental activities long-term debt for the year ended June 30, 2016, are as follows:

<b>Long-Term Debt</b>	<b>Balance at June 30, 2015</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance at June 30, 2016</b>	<b>Due Within One Year</b>
<b>Bonds Payable</b>					
General Obligation Bonds	\$ 143,820,000	\$ -	\$ 10,990,000	\$ 132,830,000	\$ 10,540,000
GO Bond Premiums	14,538,478	-	1,579,494	12,958,984	-
Total Bonds Payable	<u>158,358,478</u>	<u>-</u>	<u>12,569,494</u>	<u>145,788,984</u>	<u>10,540,000</u>
Certificates of Participation	16,980,000	5,000,000	2,565,000	19,415,000	2,690,000
QZAB Bonds	4,023,111	-	-	4,023,111	-
Capital Leases	2,164,091	435,866	591,934	2,008,023	651,031
	<u>\$ 181,525,680</u>	<u>\$ 5,435,866</u>	<u>\$ 15,726,428</u>	<u>\$ 171,235,118</u>	<u>\$ 13,881,031</u>

### ***Debt Service Requirements***

The following schedule reflects the debt service requirements to maturity of the District's governmental activities long-term debt payable as of June 30, 2016:

<b>Fiscal Year</b>	<b>2006B General Obligation Bonds</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	425,000	1,590,625	2,015,625
2018	445,000	1,570,547	2,015,547
2019	6,885,000	1,380,356	8,265,356
2020	7,240,000	1,009,576	8,249,576
2021	7,610,000	619,763	8,229,763
2022	8,000,000	210,000	8,210,000
Total	<u>\$ 30,605,000</u>	<u>\$ 6,380,867</u>	<u>\$ 36,985,867</u>



<b>2010 General Obligation Bonds</b>			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	5,870,000	331,250	6,201,250
2018	6,045,000	120,900	6,165,900
Total	\$ <u>11,915,000</u>	\$ <u>452,150</u>	\$ <u>12,367,150</u>

<b>2012 General Obligation Bonds</b>			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	110,000	230,250	340,250
2018	115,000	228,000	343,000
2019	115,000	225,700	340,700
2020	120,000	222,750	342,750
2021	530,000	1,358,825	1,888,825
2022-2023	6,890,000	208,050	7,098,050
Total	\$ <u>7,880,000</u>	\$ <u>2,473,575</u>	\$ <u>10,353,575</u>

<b>2013 General Obligation Bonds</b>			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	4,135,000	3,953,944	8,088,944
2018	5,095,000	2,987,450	8,082,450
2019	5,215,000	2,822,500	8,037,500
2020	5,425,000	2,609,700	8,034,700
2021	60,000	2,500,600	2,560,600
2022-2026	24,385,000	10,573,900	34,958,900
2027-2031	38,115,000	3,930,300	42,045,300
Total	\$ <u>82,430,000</u>	\$ <u>29,378,394</u>	\$ <u>111,808,394</u>

<b>2009 Certificates of Participation (COP)</b>			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	2,690,000	489,981	3,179,981
2018	2,775,000	399,388	3,174,388
2019	2,870,000	297,013	3,167,013
2020	2,980,000	183,600	3,163,600
2021	3,100,000	62,000	3,162,000
Total	\$ <u>14,415,000</u>	\$ <u>1,431,982</u>	\$ <u>15,846,982</u>

<b>2016 Certificates of Participation (COP)</b>			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	240,000	92,693	332,693
2018	440,000	81,811	521,811
2019	445,000	73,837	518,837
2020	455,000	65,728	520,728
2021	465,000	57,439	522,439
2022-2026	2,440,000	157,855	2,597,855
2027	515,000	4,640	519,640
Total	\$ <u>5,000,000</u>	\$ <u>534,003</u>	\$ <u>5,534,003</u>

<b>Qualified Zone Academy Bonds</b>			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 4,023,111	\$ -	\$ 4,023,111
Total	\$ <u>4,023,111</u>	\$ <u>-</u>	\$ <u>4,023,111</u>

### ***Computation of Legal Debt Margin***

Assessed valuation	\$ 2,496,414,440	
Debt limitation - 20% of assessed valuation		\$ 499,282,888
Total general obligation debt		<u>136,853,111</u>
Legal debt margin available		<u><u>\$ 362,429,777</u></u>

### ***NOTE 10: CONTINGENCIES AND COMMITMENTS***

#### ***Grants***

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

#### ***Litigation***

The District is involved in pending or threatened lawsuits and claims. The District estimates that the potential claims not covered by insurance or accrued for, resulting from such litigation, would not materially affect the financial statements of the District.

### ***NOTE 11: BENEFIT PLANS***

#### ***Defined Benefit Pension Plan***

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 the Public Employees' Retirement Association of Colorado (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 includes financial statements and required supplementary information for the SCHDTF. That report may be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports), or by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA's InfoLine at 1-800-759-PERA (7372).

#### ***Summary of Significant Accounting Policies for the SCHDTF***

The District contributes to the School Division Trust Fund (SCHDTF) administered by 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.

#### ***Benefits Provided***

The SCHDTF provides retirement, disability, and survivor benefits for members. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefits structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year.

Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve for the SCHDTF.

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

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

### ***Contributions***

Eligible employees and the District are required to contribute to the SCHTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. The contribution rate for members is 8.0% of their PERA-includible salary. The District's contribution requirements are summarized in the table below:

	For the Year Ended December 31, 2015	For Year Ended December 31, 2016
Employer Contribution Rate <sup>1,2</sup>	10.15%	10.15%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	4.20%	4.5%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	4.00%	4.5%
Total Employer Contribution Rate to the SCHDTF <sup>1</sup>	18.35%	19.15%

<sup>1</sup>Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

<sup>2</sup>Amount of Employer Contribution includes 1.02% apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f). (See Note 12)

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 \$ 29,219,636 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 \$ 535,654,577 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 3.5023164622 percent, which was an increase of 0.055 percent from its proportion measured as of December 31, 2014.

For the year ended June 30, 2016, the District recognized net pension expense of \$ 41,373,075. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	7,073,380	16,036
Net difference between expected and actual earnings on pension plan investments	45,420,308	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	5,271,104	10,557,119
Contributions subsequent to the measurement date	16,611,622	-
Changes of assumptions or other inputs	-	7,569,749
Total	74,376,414	18,142,904

The \$ 16,611,622 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date of December 31, 2015, will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Deferred inflows of resources, except for differences between expected and actual investment earnings, are being amortized over a closed period equal to the average of the expected service lives of all participants as of the beginning of the measurement period. The deferred inflows related to the difference between expected and actual investment earnings is being amortized over a closed 5-year period beginning in the current year.

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:	Change in proportionate share	Differences in expected vs actual investment earnings	Difference between expected and actual experience	Change in assumptions	Effect of deferred inflows/outflows on pension expense
2017	(4,213,440)	12,026,889	2,669,878	(2,867,329)	7,615,998
2018	(2,350,419)	12,026,889	2,672,708	(2,867,329)	9,481,849
2019	1,277,844	12,026,889	1,714,758	(1,835,091)	13,184,400
2020		9,339,641			9,339,641
Total	(5,286,015)	45,420,308	7,057,344	(7,569,749)	

Internal service funds predominantly service the governmental funds. Accordingly, pension liabilities and other pension related balances are included as part of the above totals and reported on the government-wide statements with the governmental activities. For governmental activities, pension related balances are liquidated by the General Fund.

#### ***Actuarial Assumptions***

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

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

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.

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

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

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

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

### ***Discount Rate***

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Based on those assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

### ***Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate***

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-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	694,365	535,655	403,637

### ***Pension plan fiduciary net position***

Detailed information about the SCHDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports), by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA's InfoLine at 1-800-759-PERA (7372).

### **Deferred Compensation Plans**

The SDTF members of the District may voluntarily contribute to the Voluntary Investment Program (VIP), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the VIP provisions to the State Legislature.

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the Colorado Revised Statutes, as amended. No employer contributions are required; the District does not currently match voluntary member contributions.

In addition to the existing 401(k) and 403(b) deferred compensation plans offered to employees of the District, beginning October 1, 2004, the District offered employees the option to participate in the Deferred Compensation Plan of the State of Colorado. The Deferred Compensation Plan is governed by the requirements of Internal Revenue Code Section 457. In addition, the Governmental Accounting Standards Board (GASB) Statement No. 32, Accounting and Financial Reporting for IRS Section 457 Deferred Compensation Plans, establishes accounting and reporting standards for the Plan.

## **NOTE 12: POST-EMPLOYMENT HEALTH CARE BENEFITS**

### ***Plan Description***

The District contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer post-employment health care plan administered by PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF and sets forth a framework that grants authority to the PERA Board to contract self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports), by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA's InfoLine at 1-800-759-PERA (7372).

## ***Funding Policy***

The District is required to contribute at a rate of 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the Health Care Trust Fund is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The School District's contributions to HCTF for the years ended June 30, 2016, 2015, and 2014 were \$1,565,390, \$1,489,343, and \$1,492,998 respectively, equal to their required contributions for each year.

## **NOTE 13: *RISK RELATED ACTIVITIES***

### ***Employee Benefits***

The District is exposed to various claims and losses. As an employer that partially self-funds its health plan expenses, the District takes on the role of the insurance company and assumes most of the financial risk of providing health coverage for its members.

#### **BEST Health Plan**

The District joined The Colorado Boards of Education Self-Funded Trust (BEST) in 2004. This partially self-funded trust was established in 2004 to offer a stable, long term, statewide medical program designed to meet the business objectives and challenges of school districts. Medical coverage for District employees is purchased through the trust. The trust is audited each year by a local independent Colorado accounting firm, Ryan, Gunsauls, and O'Donnell, P.C.

The District pays a monthly premium to BEST to provide health insurance coverage and services for its plan members.

Employees are responsible for paying a deductible amount before the plan begins to pay. The individual deductible amount for fiscal year 2016 was \$1,150 and the family amount was \$2,300. There is no lifetime maximum benefit for plan members.

Because there is the potential to incur high cost medical claims, BEST purchases stop-loss coverage to cover claims that exceed its deductible limit, which is currently \$250,000. Each year, the deductible limit is reviewed based on actuarial analysis to determine if paying an additional premium would increase or reduce the ultimate cost of risk to the District.

As a member of the BEST Health Plan, the District also purchases prescription coverage through the pool.

Since the District retains some risk of loss, through BEST Health, it uses an active claim management system and actuarial analysis conducted by Leif and Associates for estimating claims and Incurred But Not Reported (IBNR) liabilities. The District also has on deposit with BEST an additional reserve for unexpected claim fluctuations otherwise referred to as a Claim Fluctuation Reserve (CFR). All claims liabilities are carried at current cost with no discounting. IBNR and CFR reserves for medical are at BEST.

The District participates in the BEST Health Plan under a contractual arrangement that requires the District be responsible for maintaining adequate IBNR and CFR. This has been confirmed as adequate by the Trust actuary as of June 30, 2016. The District does not retain any liability for the other school district members of the BEST Health Plan.

In accordance with GASB Statement No. 10, the District's participation in the pool does not represent a transfer of risk to the pool or pooling of risk with other pool participants, therefore, it recognizes and measures its claims liabilities and related expenditures/expenses when a liability is probable and can reasonably be estimated. Payments to the pool should be reported either as deposits or as reductions of the claim liability, as appropriate.

### ***Risk Management***

The District is exposed to various claims and losses. In Risk Management, the exposures include workers' compensation claims from employee injuries; loss, destruction or damage of property; and liability, including professional (errors and omissions) and general liability.

Each year the deductibles for the insurance coverage's are reviewed based on actuarial analysis to determine if paying an additional premium would increase or reduce the ultimate cost of risk to the District.

Since the District retains some risk of loss, the District uses an active claim management system and actuarial analysis methods for estimating claims and Incurred But Not Reported (IBNR) liabilities. All claims liabilities are carried at current cost with no discounting.

Premiums are contributed into the Risk Related Activities Fund and the Risk Management subaccount of the General Fund by other funds in order to pay claims, insurance and administrative costs of the program. It is anticipated that inter-fund premiums will approximately equal risk expenses over a period of time.

On the government wide financial statements, liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim reserves for liabilities are based on the estimated ultimate cost of closing claims and include an amount for claims that have been incurred but not reported (IBNRs). Trend analysis includes frequency of claims and amount of payouts, legal implications and estimated recoveries on unsettled claims, such as salvage or subrogation. In the governmental funds, the liability is recorded when due.

Balances of claim liabilities and IBNR totals as of June 30, 2016 are:

	Fiscal Year 2014	Fiscal Year 2015			Fiscal Year 2016		
	Balance June 30, 2014	Claims & Changes in Estimates	Actual Claim Payments	Balance June 30, 2015	Claims & Changes in Estimates	Actual Claim Payments	Balance June 30, 2016
Workers Comp	\$ 1,534,076	\$ 456,903	\$ (594,287)	\$ 1,396,692	\$ 1,074,533	\$ (927,093)	\$ 1,544,132
General Liability	41,405	253,329	(20,913)	273,821	751,314	(548,287)	476,848
Other Insurance	166,463	201,638	(217,451)	150,650	194,639	(274,062)	71,227
Errors/Omissions	-	555,368	(531,073)	24,295	96,468	7,970	128,733
Health Insurance	3,322,333	21,713,511	(22,973,618)	2,062,226	24,913,257	(24,390,309)	2,585,174
Total Liability	<u>\$ 5,064,277</u>	<u>\$ 23,180,749</u>	<u>\$ (24,337,342)</u>	<u>\$ 3,907,684</u>	<u>\$ 27,030,211</u>	<u>\$ (26,131,781)</u>	<u>\$ 4,806,114</u>

#### Excess-of-Loss Self-Insurance Pool

The District participates with two other school districts in an insurance pool for general liability, errors and omissions, and auto liability. Additionally, the District purchases cyber liability coverage through the pool. Each member's initial contribution and subsequent contributions are based on a number of factors approved by the Colorado Insurance Commissioner. This pool is audited each year by Clifton Larson Allen LLP, 370 Interlocken Boulevard, Suite 500, Broomfield, CO 80021, an independent certified public accounting firm.

The pool participants' respective shares, based (in part) upon total enrollment, are:

Colorado Springs School District 11	33.0%
Aurora Public Schools	48.0%
Littleton Public Schools	19.0%
	<u>100.0%</u>

An unaudited summary of the pool's financial information as of June 30, 2016 follows:

	Total	District's Share
Total Assets	<u>\$ 442,799</u>	<u>\$ 146,124</u>
Liabilities	14,400	4,752
Equity	428,399	141,372
Total Liabilities and Equity	<u>442,799</u>	<u>146,124</u>
Total Revenues	802,157	264,712
Total Expenditures	(804,347)	(265,435)
Net Income (loss)	<u>\$ (2,190)</u>	<u>\$ (723)</u>

There was no long-term debt associated with the pool.



The insurance described above provides the following types of coverage, self-insured retention and reinsurance attachment points:

Coverage	Amount	Self-Insured Retention	Attachment Point
General Liability	\$5,000,000	\$150,000	\$150,000
Error and Omissions	\$5,000,000	\$150,000	\$150,000
Auto Liability	\$1,000,000	\$200,000	\$200,000
Cyber Liability	\$2,000,000	\$150,000	\$150,000

In the event the District exceeds policy limits on any of the above insurances, it would first use any available contingency in the risk related activity fund. If risk related contingencies were insufficient, the District would use general fund contingency.

#### NOTE 14: TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments.

The District's financial activity provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and local growth. Spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

The amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. Excluded from the provisions of the Amendment are District enterprises that are defined as government-owned businesses (i) authorized to issue revenue bonds and (ii) receiving less than 10% annual revenue from state and local government grants.

The District levied 23.694 and 24.648 mills for property taxes to be collected in the General Fund for calendar year 2016 and 2015, respectively.

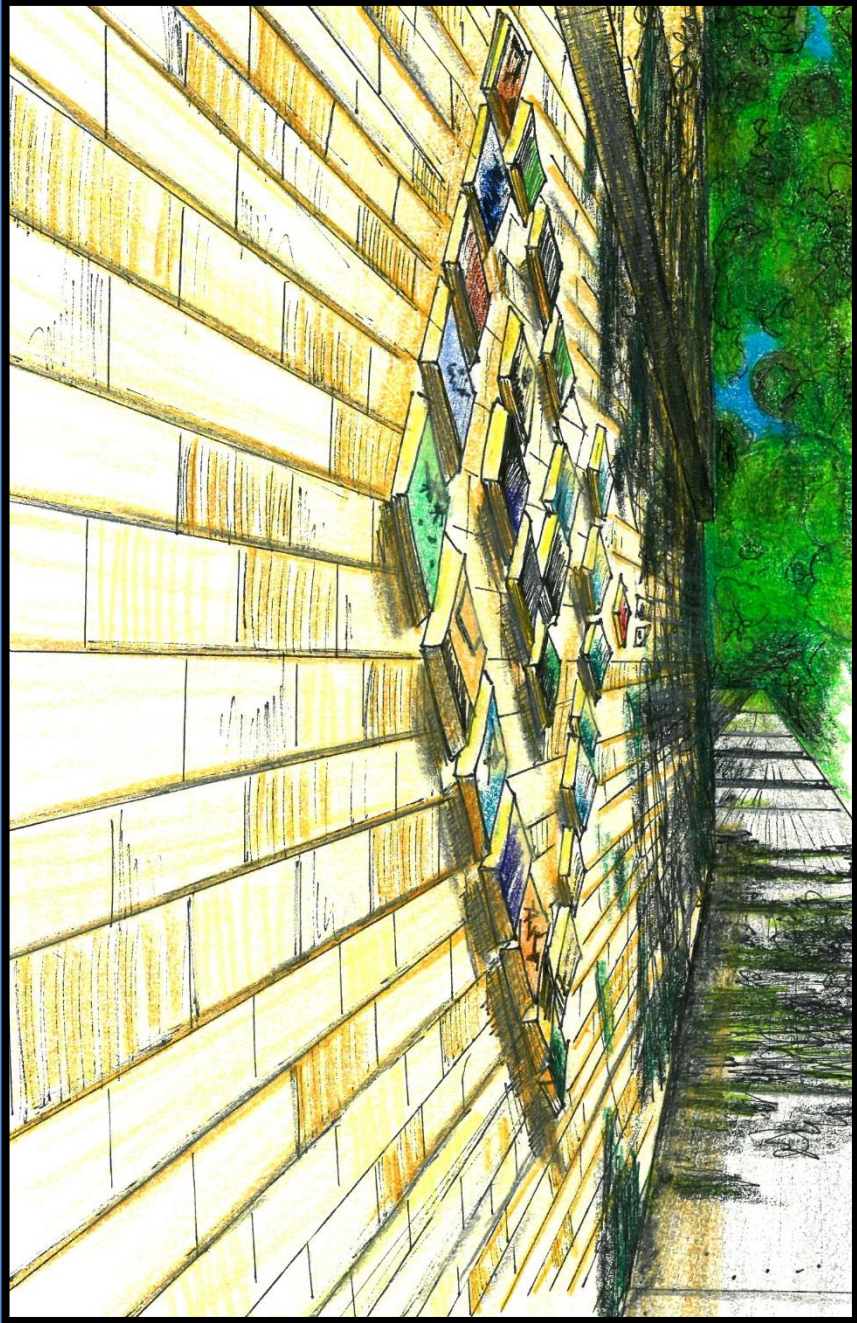
The District has calculated its spending beginning with the accrual basis of accounting for proprietary and fiduciary funds and the modified accrual basis of accounting for governmental funds, adding reserve increases and subtracting allowable spending exclusions. The District has estimated its fiscal year 2016 spending limit as \$171,106,987.

Except for bond refinances at lower interest rates or adding employees to existing pension plans, the amendment may be construed as prohibiting the creation of multiple-fiscal year debt or other financial obligations without voter approval or the irrevocable pledging of present cash reserves for all future payments.

The amendment requires emergency reserves be established. These reserves must be at least 3% of fiscal year spending. The District is prohibited from using these emergency reserves to compensate for economic conditions, revenue shortfalls or salary and benefit increases. There is a \$5,133,210 restriction of fund balance in the General Fund for the amendment.

The amendment is complex and subject to numerous interpretational ambiguities. The District believes it is in compliance with the requirements of the amendment. However, the District has made certain interpretations which the District believes are reasonable and prudent interpretations of the amendment's language in order to determine its compliance.

# Required Supplementary Information



# Colorado Springs School District 11

## General Fund

### Budgetary Comparison Schedule

#### For the Year Ended June 30, 2016

	Budget					
	Original	Final		Actual		Variance with Final Budget
Resources (inflows)						
Fund balance, beginning of year	\$ 37,165,775	\$ 37,316,783	\$	37,702,354	\$	385,571
Property taxes	56,742,790	56,556,345		57,474,400		918,055
Specific ownership taxes	10,199,917	10,399,917		10,494,408		94,491
Intergovernmental						
Federal grant revenues	516,100	1,488,962		2,074,881		585,919
State and other grant revenues						
State equalization	120,538,830	120,490,190		121,129,681		639,491
State grants	6,750,871	7,204,753		7,898,808		694,055
Interest on investments	18,737	20,756		78,516		57,760
Tuition	350,677	365,677		326,947		(38,730)
Services provided to charter schools	818,890	834,694		828,031		(6,663)
Miscellaneous income	3,609,303	3,337,251		3,149,008		(188,243)
Net transfers	21,355,125	20,863,025		20,291,942		(571,083)
Resources available for appropriation	258,067,015	258,878,353		261,448,976		2,570,623
Appropriations (outflows)						
Current						
Instruction	142,799,803	143,858,079		134,045,635		9,812,444
Pupil activities	11,545,761	12,931,033		11,743,130		1,187,903
Instructional support	15,301,501	16,890,884		14,360,379		2,530,505
General administration	3,005,560	3,120,687		2,529,841		590,846
School administration	19,620,740	20,639,601		18,879,087		1,760,514
Business services	2,358,807	2,451,158		2,324,547		126,611
Maintenance and operations	24,924,590	26,463,347		23,980,398		2,482,949
Transportation	5,030,813	5,102,222		4,100,145		1,002,077
Central services	11,794,313	12,032,139		10,071,869		1,960,270
Community and other services	2,103,305	1,897,071		1,624,479		272,592
Contingency	19,581,822	13,492,132		-		13,492,132
Total appropriations of expenditures	258,067,015	258,878,353		223,659,510		35,218,843
Fund balance, unadjusted end of year*	\$ -	\$ -		37,789,466	\$	37,789,466
Fund balance, unadjusted, beginning of year**				(37,702,354)		
Excess of resources over charges to appropriations			\$	87,112		

\*Unadjusted ending fund balance (budgetary basis of accounting) of \$37,789,466 less \$8,316,000 unfunded accrued salaries and benefits = GAAP adjusted ending fund balance of \$29,473,466

\*\*Unadjusted beginning fund balance (budgetary basis of accounting) of \$37,702,354 less \$8,316,000 unfunded accrued salaries and benefits = GAAP beginning fund balance of \$29,386,354

See notes to required supplementary information.

# Colorado Springs School District 11

## General Fund

### Reconciliation of the Budgetary Basis of Accounting To GAAP Basis of Accounting For the Year Ended June 30, 2016

#### **BUDGETARY BASIS**

#### **Explanation of differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures**

##### **Sources/Inflows of resources**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 261,448,976
--	----------------

##### Differences - budget to GAAP:

Beginning fund balance is an inflow of budgetary resources but is not revenue for reporting purposes.	(37,702,354)
---	--------------

Net transfers from other funds are inflows of budgetary resources but are not revenues for reporting purposes.	(20,291,942)
--	--------------

<b>GAAP BASIS, Revenues</b>	<u><u>\$ 203,454,680</u></u>
-----------------------------	------------------------------

#### **BUDGETARY BASIS**

##### **Uses/Outflows of resources**

Actual amounts (budgetary basis) "total appropriations of expenditures" from the budgetary comparison schedule.	<u>\$ 223,659,510</u>
---	-----------------------

<b>GAAP BASIS, Expenditures</b>	<u><u>\$ 223,659,510</u></u>
---------------------------------	------------------------------

**Note:** Contingency reserves are appropriated as part of the budget adoption process, and because of this reserve budget amounts are shown for budgetary comparison only.

See notes to required supplementary information.

**Colorado Springs School District 11**  
**Mill Levy Override Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2016**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Resources (inflows)</b>				
Fund balance, beginning of year	\$ 178,100	\$ 618,326	\$ 618,326	\$ -
Taxes				
Local property taxes	<u>26,788,822</u>	<u>26,852,853</u>	<u>26,877,850</u>	<u>24,997</u>
<b>Resources available for appropriation</b>	<u>26,966,922</u>	<u>27,471,179</u>	<u>27,496,176</u>	<u>24,997</u>
<b>Appropriations (outflows)</b>				
Current				
Treasurer collection fees	68,100	68,100	67,471	629
Other financing uses:				
Transfers out	<u>26,898,822</u>	<u>27,403,079</u>	<u>26,797,976</u>	<u>605,103</u>
<b>Total appropriations of expenditures</b>	<u>26,966,922</u>	<u>27,471,179</u>	<u>26,865,447</u>	<u>605,732</u>
<b>Fund balance, end of year</b>	\$ <u>-</u>	\$ <u>-</u>	630,729	\$ <u>630,729</u>
<b>Fund balance, beginning of year</b>			<u>(618,326)</u>	
<b>Excess of resources over charges to appropriations</b>			\$ <u>12,403</u>	

See notes to required supplementary information.

# Colorado Springs School District 11

## Mill Levy Override Special Revenue Fund

### Reconciliation of the Budgetary Basis of Accounting To GAAP Basis of Accounting For the Year Ended June 30, 2016

#### **BUDGETARY BASIS**

##### **Explanation of differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures**

#### **Sources/Inflows of resources**

Actual resources available for appropriation from the budgetary comparison schedule.	\$	27,496,176
--	----	------------

#### **Differences - budget to GAAP:**

Beginning fund balance is an inflow of budgetary resources but is not revenue for reporting purposes.		(618,326)
---	--	-----------

<b>GAAP BASIS, Revenues</b>	\$	26,877,850
-----------------------------	----	------------

#### **BUDGETARY BASIS**

#### **Uses/Outflows of resources**

Actual appropriations of expenditures from the budgetary comparison schedule.	\$	26,865,447
---	----	------------

#### **Differences - budget to GAAP:**

Transfers to other funds are outflows of budgetary resources but are not expenditures for reporting purposes.		(26,797,976)
---	--	--------------

<b>GAAP BASIS, Expenditures</b>	\$	67,471
---------------------------------	----	--------

**Note:** Contingency reserves are appropriated as part of the budget adoption process, and because of this reserve budget amounts are shown for budgetary comparison only.

See notes to required supplementary information.

**Colorado Springs School District 11**  
**Schedule of the District's Contributions - PERA**  
**Last Ten Fiscal Years**

	<b>Fiscal Year</b>			
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Contractually required contribution	\$ 15,928,892	\$ 17,529,128	\$ 19,704,926	\$ 20,979,694
Contributions in relation to the contractually required contribution	<u>(15,928,892)</u>	<u>(17,529,128)</u>	<u>(19,704,926)</u>	<u>(20,979,694)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 146,951,475	\$ 152,042,848	\$ 158,509,456	\$ 157,396,866
Contributions as a percentage of covered-employee payroll	10.90%	11.60%	12.50%	13.40%

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 22,094,473	\$ 22,851,885	\$ 23,331,457	\$ 24,770,573	\$ 26,040,446	\$ 30,904,126
(22,094,473)	(22,851,885)	(23,331,457)	(24,770,573)	(26,040,446)	(30,904,126)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 155,300,290	\$ 151,082,432	\$ 145,863,620	\$ 146,372,323	\$ 152,135,135	\$ 165,146,039
14.30%	15.20%	16.10%	17.00%	17.90%	18.71%



**Colorado Springs School District 11**  
**Schedule of the District's Proportionate**  
**Share of Net Pension Liabilities**  
**Last Three Calendar Years**

	<u>2013</u>	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	3.63%	3.45%	3.50%
District's proportionate share of the net pension liability (asset)	\$ 462,857,165	\$ 467,413,789	\$ 535,654,577
District's covered-employee payroll	\$ 146,531,301	\$ 143,943,662	\$ 152,135,135
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	315.88%	324.72%	352.09%
Plan fiduciary net position as a percentage of the total pension liability	64.10%	62.84%	59.20%

\* The amounts presented for each year were determined as of 12/31, the measurement date used by the district.  
Years prior to 2013 are not available.

# Notes to the Required Supplementary Information

## For the Year Ended June 30, 2016

### NOTE 1: *BUDGETS*

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements. By state law, budgets are required for all funds. Annual appropriated budgets are adopted for all funds. At least thirty days prior to July 1, the Superintendent submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and means of financing them.

Public hearings are conducted by the Board of Education to obtain taxpayer comments. On or before June 30, the budget is adopted by formal resolution. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budget amounts between functions within any fund and the reallocation of budget line items within any department in the General Fund rests with the function manager and is reviewed by the Budget Office. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Board of Education throughout the fiscal year 2016. All original and supplemental appropriations for all funds lapse at the end of the fiscal year. Budgeted amounts in each fund follow a governmental GAAP approach, which ignores the budgeting of beginning of year fund balances. The deficiency of revenues and other financing sources over expenditures and other financing uses reflects the budgeting of reserve and contingency accounts as expenses/expenditures without the corresponding fund equity resource carryover. In actuality, total resources equal total obligations in the District's adopted budget each year as the District complies with the balanced budget requirement. The District is not required to budget for discretely presented component units.

For fiscal year 2016, the board adopted a resolution approving initial appropriations of \$391,373,224. The appropriation was amended at mid-year by \$9,264,788 bringing final appropriations to \$400,638,012.

### *Encumbrances*

Appropriations in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. Encumbrances are recorded as an assignment of fund balance in the General Fund as of June 30, 2016. Encumbrances do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent fiscal year. The discretely presented component units do not record outstanding encumbrances as an assignment of fund balance at year-end.

### NOTE 2: *BUDGETARY BASIS OF ACCOUNTING FOR THE YEAR ENDED JUNE 30, 2016*

Colorado statutes require that boards of education of school districts adopt a budget and appropriation resolution each fiscal year. When using GAAP-basis accounting for budgeting, school districts budget for all accrued salaries and related benefits earned but unpaid at June 30. GAAP-basis accounting requires that expenditure of salaries and related benefits be recorded in the fiscal year *earned*.

Under Colorado statutes, school districts are not required to budget or appropriate for salaries and related benefits earned but not paid at June 30. The budgetary basis of accounting is used when no, or only a partial amount of, accrued salaries and benefits are budgeted. Under the budgetary basis of accounting, salaries and related benefits are recorded as expenditures in the fiscal year *earned and paid*.

Teachers and other school-year employees work over a period of nine to ten months but are paid over a twelve-month period. On November 18, 1998, the Board of Education approved a resolution allowing the reduction, or unfunding, of the salary accrual by \$3,888,000 for fiscal year 1999. On February 24, 1999, the Board approved an additional \$4,428,000 unfunding of the salary accrual for fiscal year 2000. This unfunding is recorded as an \$8,316,000 adjustment to fund balance for the difference between budgetary and GAAP basis of accounting and is reported in the General Fund column of the Statement of Revenues, Expenditures, and Changes in Fund Balance for the governmental funds.

### NOTE 3: PENSION PLAN CONTRIBUTIONS

The District is required to contribute to PERA as provided under senate bill 10-001. The Districts required contribution rates are as follows:

Start Date	Statutory Employer Contribution	AED	SAED*	Total Contribution % for Year
Jan 2010	10.15%	2.20%	1.50%	13.85%
Jan 2011	10.15%	2.60%	2.00%	14.75%
Jan 2012	10.15%	3.00%	2.50%	15.65%
Jan 2013	10.15%	3.40%	3.00%	16.55%
Jan 2014	10.15%	3.80%	3.50%	17.45%
Jan 2015	10.15%	4.20%	4.00%	18.35%
Jan 2016	10.15%	4.50%	4.50%	19.15%
Jan 2017	10.15%	4.50%	5.00%	19.65%
Jan 2018	10.15%	4.50%	5.50%	20.15%

In 2004 and 2006, legislation was passed that required employers to remit additional contributions to PERA. These additional contributions are the Amortization Equalization Disbursement (AED) and Supplemental Amortization Equalization Disbursement (SAED). The AED is an additional amount contributed by PERA employers that has gradual increases. The SAED is also an amount contributed by employers and is, to the extent permitted by law, to be funded by moneys otherwise available for employee wage increases. The SAED also has gradual increases. These additional employer contributions, based on the total payroll of PERA members and employees who can elect either PERA or another plan (regardless of the plan elected), are designed to reduce PERA's unfunded liability and amortization period.

For the School Division, the AED increased by 0.4 percent per year from 2013 through 2015 and by 0.3 percent in 2016 for a total rate of 4.5 percent. In addition, the SAED will continue to increase by 0.5 percent per year to a total rate of 5.5 percent by 2018. Also the 0.4 percent increase in the statutory employer contribution rate in 2013 was eliminated. However, if the funding ratio reaches 103 percent, the AED and SAED will be reduced by 0.5 percent of pay each.

The actuarially determined contribution (ADC) rates, as a percentage of pensionable payroll, used to determine the ADC amounts in the Schedule of District Contributions are calculated as of December 31, two years prior to the end of the year in which ADC amounts are reported. The following actuarial methods and assumptions (from the December 31, 2013, actuarial valuation) were used to determine contribution rates reported in that schedule for the year ending December 31, 2015:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Amortization period	30 years, open
Asset valuation method	4-year smoothed market
Price inflation	2.80 percent
Real wage growth	1.10 percent
Wage inflation	3.90 percent
Salary increases, including wage inflation	3.90 to 10.10 percent
Long-term investment rate of return, net of pension plan investment expense, including price inflation	7.5 percent
Future post-retirement benefit increases	
PERA benefit structure hired prior to 1/1/07	2.00 percent
PERA benefit structure hired after 12/31/06	0.00 percent, as financed by the annual increase reserve

#### NOTE 4: *PENSION PLAN PROVISIONS*

For benefit recipients of the PERA benefit structure based upon a membership date before January 1, 2007, future Post-Retirement Benefits Increases (Increase) are set at an amount equal to 2 percent (the lesser of that or the annual Consumer Price Index for Urban Wage Earners and Clerical Workers [CPI-W] increase for 2010). However, if the investment return for the prior year is negative, then the Increase is an amount equal to the annual CPI-W increase with a cap of 2 percent. The 2 percent cap may be adjusted based upon the year-end funded status, with increases mandated when the funded status reaches 103 percent and decreases mandated when the funded status subsequently falls below 90 percent. The cap will not be reduced below 2 percent. In addition, the Increase is first paid on the July 1<sup>st</sup> that is at least 12 months after retirement for those members who retire on or after January 1, 2011. Members not eligible to retire as of January 1, 2011, who retire with a reduced service retirement allowance must reach age 60 or the age and service requirements for unreduced service retirement to be eligible for the Post-Retirement Benefit Increases.

Effective January 1, 2011, other than in the Judicial Division, for all active members, who are not eligible for retirement on January 1, 2011, the annual salary increase cap in determination of Highest Average Salary (HAS) was lowered from 15 percent to 8 percent for PERA benefit structure members and for DPS benefit structure members, a change from the average of salaries of the highest 36 months of earned service to the PERA benefit structure method with an annual salary cap of 8 percent.

Effective January 1, 2011, a new requirement was added that PERA benefit structure members must have five years of earned service credit in order to receive a 50 percent match on a refund.

Effective January 1, 2011, the reduction factors for a reduced service retirement benefit for members not eligible to retire as of January 1, 2011, were changed to an actuarial equivalent basis.

Effective January 1, 2011, a modified Rule of 85 for service retirement eligibility was implemented for members with less than 5 years of service credit as of January 1, 2011.

Effective January 1, 2011, a modified Rule of 88 with a minimum age of 58 for service retirement eligibility was implemented for members hired on or after January 1, 2011, but before January 1, 2017.

Effective January 1, 2011, a modified Rule of 90 with a minimum age of 60 for service retirement eligibility was implemented for members hired on or after January 1, 2017.

The following changes were made to the Plan's provisions as a result of the passage of SB 06-235:

The Annual Increase Reserve (AIR) was established January 1, 2007, and will be used to provide post-retirement benefit increases for members hired on or after that date. The AIR is financed by an allocation from the employer statutory contributions, made on behalf of members hired on or after January 1, 2007, equal to 1.00 percent of pensionable payroll and through an allocation of purchase of service dollars.

The Service Retirement Eligibility for those members hired after January 1, 2007, was changed at age 55 by increasing the age and service requirement from 80 years to 85 years.

Other Plan provisions and assumptions include the following:

The investment return assumption is 7.50 percent, which is net of investment expenses to better represent the investment consultant's assumptions and predictions and also to better align with GASB accounting and reporting requirements. An ongoing estimated administrative expense of 0.35 percent of pensionable payroll was added to the normal cost beginning with the December 31, 2012 actuarial valuation.

The post-retirement mortality tables used are the RP-2000 Combined Mortality tables projected with a Scale AA to 2020, set back one year for males and two years for females.

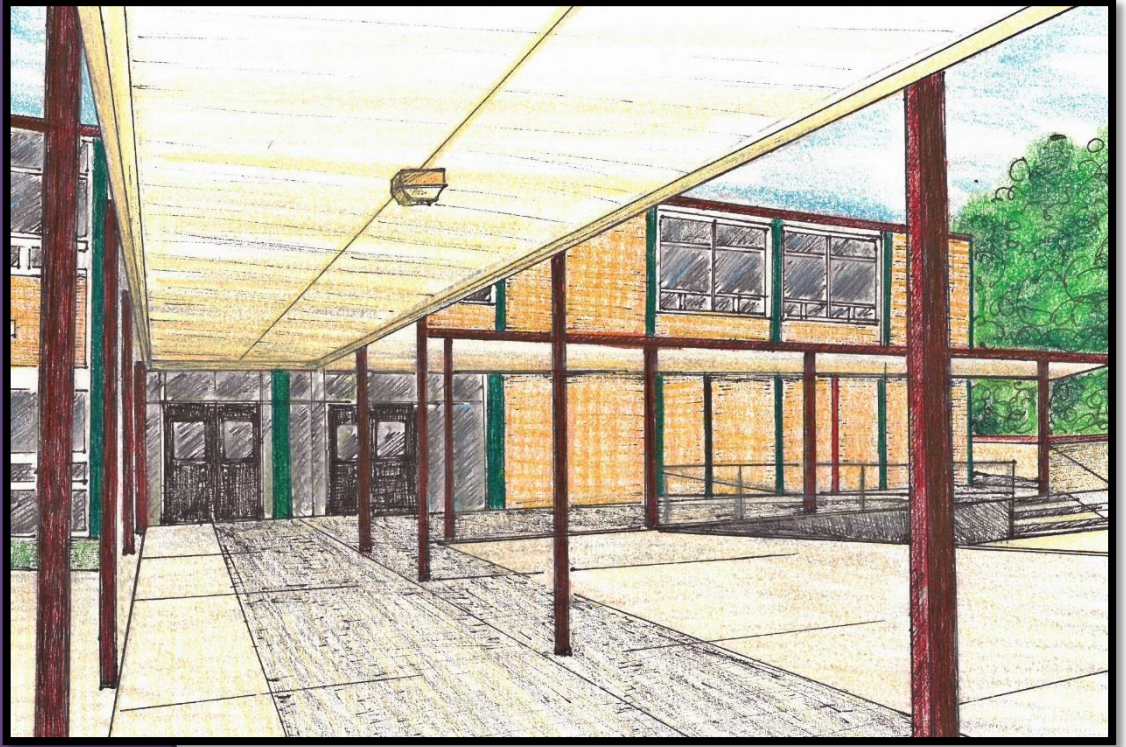
The assumed interest rate credited on member contribution accounts is 3 percent.

For the AIR established on January 1, 2007, the AIR balance is excluded from both assets and liabilities in the determination of the ADC rate as a percentage of pensionable payroll.



THE WORLD IS CHANGING.  
MEET THE FUTURE.

# Combining and Individual Fund Financial Statement and Schedules





THE WORLD IS CHANGING.  
MEET THE FUTURE.

# Major Governmental Funds

## **General Fund**

The General Fund is used to account for all transactions of the District not required legally or by sound financial management to be accounted for in another fund. This fund accounts for the District's ordinary operations financed primarily from property taxes and state aid. It is the most significant fund in relation to the District's overall operations. Two sub-funds exist within the General Fund: The *Risk Management Fund* and the *Preschool Fund*.

### **Risk-Management Fund**

This fund allows separate reporting specific to risk management including worker's compensation, general liability, errors and omissions, vehicle and property insurance.

### **Preschool Fund**

Moneys allocated pursuant to section 22-54-105(4) of the Colorado Revised Statutes are deposited in this fund. In addition, any other moneys of the District may be used to pay the costs of providing preschool services directly to children enrolled in the preschool program.

## **Capital Reserve Capital Projects Fund**

This fund is used to account for acquisition of sites, buildings, equipment and vehicles. Its purpose and limitations are specified by section 22-45-103(1)(d) of the Colorado Revised Statutes.

## **Mill Levy Override Fund**

This fund accounts for the use of funds from the November 2000 voter-approved mill levy override.

## **Bond Redemption Fund**

The Bond Redemption Fund is a debt service fund that was created to account for a bond redemption mill levy approved by the voters on November 5, 1996. This fund accounts for the restricted general obligation property tax used to finance principal and interest payments on the 2006, 2010, 2012 and 2013 bonds.



# Colorado Springs School District 11

## General Fund

### Comparative Balance Sheets

#### June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 16,601,470	\$ 26,011,942
Investments, unrestricted at fair value	52,605,420	40,976,314
Accounts receivable	126,083	244,294
Property taxes		
Current	1,994,310	1,940,047
County treasurer	1,047,051	1,155,586
Inventories and other assets	349,542	397,533
Total assets	<u>72,723,876</u>	<u>70,725,716</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	2,167,970	2,659,676
Accrued compensation and benefits	26,927,829	25,753,492
Due to other funds	11,460,878	10,138,203
Unearned revenue	17,485	16,225
Accrued compensated absences	1,853,211	1,899,980
Total liabilities	<u>42,427,373</u>	<u>40,467,576</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue-property taxes	823,037	871,786
Total deferred inflows of resources	<u>823,037</u>	<u>871,786</u>
<b>FUND BALANCE</b>		
Nonspendable		
Inventories	337,042	385,033
Prepays - risk management	12,500	12,500
Restricted		
Constitutional amendment - multi-year obligations	250,000	250,000
3% statutory reserve - TABOR	5,133,210	4,949,125
Assigned		
Risk management	1,498,574	1,853,454
Preschool	523,610	426,287
Public Employees' Retirement System	1,200,000	2,200,000
Board of education	-	100,000
District 11 Cohort	835,041	-
Miscellaneous projects	399,174	-
IT programs	341,560	437,838
BOE assigned TAP	-	774,300
Possible teacher positions	626,000	626,000
Instructional supply carryover	2,871,784	2,125,961
Non-instructional supply carryover	883,241	885,073
Unassigned	14,561,730	14,360,783
Total fund balance	<u>29,473,466</u>	<u>29,386,354</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 72,723,876</u>	<u>\$ 70,725,716</u>

**Colorado Springs School District 11**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	2016			2015
	Final Budget	Actual	Variance with Final Budget	Actual
<b>REVENUES</b>				
Taxes				
Local property taxes				
Current	\$ 56,918,345	\$ 57,574,892	\$ 656,547	\$ 56,757,090
Delinquent, net of abatements	(362,000)	(100,492)	261,508	(370,622)
Specific ownership taxes	10,399,917	10,494,408	94,491	10,117,456
Total taxes	<u>66,956,262</u>	<u>67,968,808</u>	<u>1,012,546</u>	<u>66,503,924</u>
Intergovernmental				
Federal grant revenues	1,488,962	2,074,881	585,919	1,016,169
State and other grant revenues				
State equalization (net)	120,490,190	121,129,681	639,491	115,698,059
State grants	7,204,753	7,898,808	694,055	7,531,589
Total intergovernmental	<u>129,183,905</u>	<u>131,103,370</u>	<u>1,919,465</u>	<u>124,245,817</u>
Interest on investments	20,756	78,516	57,760	19,775
Other				
Tuition	365,677	326,947	(38,730)	451,026
Services provided to charter schools	834,694	828,031	(6,663)	1,009,473
Miscellaneous	3,337,251	3,149,008	(188,243)	4,164,030
Total other	<u>4,537,622</u>	<u>4,303,986</u>	<u>(233,636)</u>	<u>5,624,529</u>
Total revenues	<u>200,698,545</u>	<u>203,454,680</u>	<u>2,756,135</u>	<u>196,394,045</u>
<b>EXPENDITURES</b>				
Current				
Instruction	143,858,079	134,045,635	9,812,444	125,208,599
Pupil activities	12,931,033	11,743,130	1,187,903	10,230,168
Instructional support	16,890,884	14,360,379	2,530,505	13,168,929
General administration	3,120,687	2,529,841	590,846	2,442,419
School administration	20,639,601	18,879,087	1,760,514	17,583,275
Business services	2,451,158	2,324,547	126,611	2,177,779
Maintenance and operations	26,463,347	23,980,398	2,482,949	23,161,013
Transportation	5,102,222	4,100,145	1,002,077	3,737,264
Central services	12,032,139	10,071,869	1,960,270	10,254,738
Community and other services	1,897,071	1,624,479	272,592	1,674,262
Reserves	13,492,132	-	13,492,132	-
Total expenditures	<u>258,878,353</u>	<u>223,659,510</u>	<u>35,218,843</u>	<u>209,638,446</u>
Excess (deficiency) of revenues over expenditures	(58,179,808)	(20,204,830)	37,974,978	(13,244,401)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	27,313,079	26,707,976	(605,103)	26,768,451
Transfers out	(6,450,054)	(6,416,034)	34,020	(7,212,429)
Total other financing sources (uses)	<u>20,863,025</u>	<u>20,291,942</u>	<u>(571,083)</u>	<u>19,556,022</u>
Net change in fund balance	\$ <u>(37,316,783)</u>	87,112	\$ <u>37,403,895</u>	6,311,621
Fund balance, beginning of year		37,702,354		31,390,733
Fund balance, end of year		37,789,466		37,702,354
Adjustment for budgetary basis (Note 2)		(8,316,000)		(8,316,000)
Fund balance (GAAP basis), end of year		\$ <u>29,473,466</u>		\$ <u>29,386,354</u>

**Colorado Springs School District 11**  
**Capital Reserve Capital Projects Fund**  
**Comparative Balance Sheets**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Investments - unrestricted	\$ 1,825,964	\$ 819,968
Investments - restricted	5,708,124	2,895,567
Accounts receivable	-	1,306
Property taxes, county treasurer	83,833	83,833
Due from other funds	<u>8,675,234</u>	<u>7,476,409</u>
Total assets	<u><u>16,293,155</u></u>	<u><u>11,277,083</u></u>
 <b>LIABILITIES</b>		
Accounts payable	1,835,648	520,825
Accrued compensation	<u>25,520</u>	<u>25,554</u>
Total liabilities	<u>1,861,168</u>	<u>546,379</u>
 <b>FUND BALANCES</b>		
Restricted		
Debt service	5,708,124	2,895,567
Assigned		
Emergency contingency	1,000,000	1,000,000
Capital projects	<u>7,723,863</u>	<u>6,835,137</u>
Total fund balances	<u>14,431,987</u>	<u>10,730,704</u>
Total liabilities and fund balances	<u><u>\$ 16,293,155</u></u>	<u><u>\$ 11,277,083</u></u>

**Colorado Springs School District 11**  
**Capital Reserve Capital Projects Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	<b>2016</b>			<b>2015</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>				
Taxes				
Specific ownership taxes	\$ 1,006,000	\$ 1,005,996	\$ (4)	\$ 1,005,996
Intergovernmental				
State sources	485,557	-	(485,557)	876,805
Interest on investments	6,000	25,886	19,886	6,359
Other				
School land fees	90,000	246,441	156,441	170,723
Services provided to charter schools	229,299	216,354	(12,945)	246,365
Miscellaneous	257,015	264,618	7,603	211,933
Total revenues	<u>2,073,871</u>	<u>1,759,295</u>	<u>(314,576)</u>	<u>2,518,181</u>
<b>EXPENDITURES</b>				
Current				
Instruction	26,923	21,888	5,035	27,854
School administration	264,362	4,362	260,000	-
Business services	58,000	57,782	218	-
Maintenance and operations	327,859	329,573	(1,714)	319,303
Transportation	816,039	816,039	-	863,056
Central services	55,713	56,144	(431)	55,370
Other support services	20,000	2,731	17,269	-
Contingency	5,508,236	-	5,508,236	-
Capital outlay				
Site acquisition and improvements	2,538,814	935,709	1,603,105	959,464
Building improvement services	11,729,694	5,577,074	6,152,620	1,960,988
Debt service				
Principal retirement	4,194,174	3,094,173	1,100,001	2,930,128
Interest and fiscal charges	779,715	728,784	50,931	826,220
Total expenditures	<u>26,319,529</u>	<u>11,624,259</u>	<u>14,695,270</u>	<u>7,942,383</u>
Excess (deficiency) of revenues over expenditures	(24,245,658)	(9,864,964)	(14,380,694)	(5,424,202)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	6,139,954	6,139,954	-	5,327,429
Proceeds from sale of capital assets	2,375,000	2,426,293	51,293	40,502
Proceeds from certificates issued	5,000,000	5,000,000	-	-
Total other financing sources (uses)	<u>13,514,954</u>	<u>13,566,247</u>	<u>-</u>	<u>5,367,931</u>
Net change in fund balance	\$ <u>(10,730,704)</u>	3,701,283	\$ <u>(14,431,987)</u>	(56,271)
Fund balance, beginning of year		10,730,704		10,786,975
Fund Balance, end of year		\$ <u>14,431,987</u>		\$ <u>10,730,704</u>

**Colorado Springs School District 11**  
**Mill Levy Override Special Revenue Fund**  
**Comparative Balance Sheets**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Property taxes		
Current	\$ 924,160	\$ 910,335
County treasurer	<u>87,971</u>	<u>118,878</u>
Total assets	<u><u>1,012,131</u></u>	<u><u>1,029,213</u></u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue-property taxes	<u>381,402</u>	<u>410,887</u>
Total deferred inflows of resources	<u>381,402</u>	<u>410,887</u>
 <b>FUND BALANCES</b>		
Restricted for mill levy override	<u>630,729</u>	<u>618,326</u>
Total fund balances	<u>630,729</u>	<u>618,326</u>
Total deferred inflows of resources and fund balance \$	<u><u>1,012,131</u></u>	<u><u>\$ 1,029,213</u></u>

**Colorado Springs School District 11**  
**Mill Levy Override Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	<b>2016</b>			<b>2015</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>				
Taxes				
Local property taxes	\$ 26,852,853	\$ 26,877,850	\$ 24,997	\$ 26,794,571
Total revenues	<u>26,852,853</u>	<u>26,877,850</u>	<u>24,997</u>	<u>26,794,571</u>
<b>EXPENDITURES</b>				
Current				
Treasurer collection fees	<u>68,100</u>	<u>67,471</u>	<u>629</u>	<u>67,612</u>
Total expenditures	<u>68,100</u>	<u>67,471</u>	<u>629</u>	<u>67,612</u>
Excess of revenues over expenditures	26,784,753	26,810,379	25,626	26,726,959
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	<u>(27,403,079)</u>	<u>(26,797,976)</u>	<u>605,103</u>	<u>(26,858,451)</u>
Net change in fund balances	\$ <u>(618,326)</u>	12,403	\$ <u>630,729</u>	(131,492)
Fund balance, beginning of year		<u>618,326</u>		<u>749,818</u>
Fund balance, end of year		\$ <u><u>630,729</u></u>		\$ <u><u>618,326</u></u>

**Colorado Springs School District 11**  
**Bond Redemption Debt Service Fund**  
**Comparative Balance Sheets**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Investments, restricted	\$ 19,062,206	\$ 20,535,503
Property taxes		
Current	516,574	541,285
County treasurer	<u>49,231</u>	<u>70,933</u>
Total assets	<u>19,628,011</u>	<u>21,147,721</u>
 <b>LIABILITIES</b>		
Accounts payable	<u>12,400</u>	<u>-</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for subsequent years	<u>212,897</u>	<u>244,049</u>
 <b>FUND BALANCE</b>		
Restricted for debt service	<u>19,402,714</u>	<u>20,903,672</u>
 Total liabilities, deferred inflows of resources and fund balances	\$ <u>19,628,011</u>	\$ <u>21,147,721</u>

**Colorado Springs School District 11**  
**Bond Redemption Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	<b>2016</b>			<b>2015</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>				
Local property taxes				
Current	\$ 15,070,075	\$ 15,042,830	\$ (27,245)	\$ 16,057,806
Delinquent, net of abatements	(150,000)	(31,850)	118,150	(124,039)
Interest on investments	65,000	100,293	35,293	67,654
	<u>14,985,075</u>	<u>15,111,273</u>	<u>126,198</u>	<u>16,001,421</u>
Total revenues				
<b>EXPENDITURES</b>				
Debt service				
Principal	10,990,000	10,990,000	-	10,420,000
Interest and fiscal charges	5,626,144	5,622,231	3,913	6,063,279
Reserves	19,272,603	-	19,272,603	-
	<u>35,888,747</u>	<u>16,612,231</u>	<u>19,276,516</u>	<u>16,483,279</u>
Total expenditures				
Net change in fund balance	\$ <u>(20,903,672)</u>	(1,500,958)	\$ <u>(19,150,318)</u>	(481,858)
Fund balance, beginning of year		<u>20,903,672</u>		<u>21,385,530</u>
Fund balance, end of year		\$ <u><u>19,402,714</u></u>		\$ <u><u>20,903,672</u></u>





THE WORLD IS CHANGING.  
MEET THE FUTURE.

# Non-major Governmental Funds

## **Special Revenue Funds**

These funds are used to account for *and report* the proceeds of special revenue sources that are restricted *or* committed to expenditure for specified purposes *other than debt service or capital projects*. A separate fund may be used for each restricted source. The following revenue funds are designed for use by school districts.

### **Food Service Fund**

The food service fund is used to record financial transactions related to food service operations. Because the district receives USDA school breakfast/lunch money, this fund is required.

### **Governmental Designated-Purpose Grants Fund**

This fund is used to record financial transactions for grants received for designated programs funded by federal, state or local sources which normally have a different fiscal period than that of the District.

**Colorado Springs School District 11**  
**Non-Major Governmental Funds**  
**Combining Balance Sheet with Comparative Totals for 2015**  
**June 30, 2016**

	Special Revenue		2016	2015
	Food Services Fund	Designated Purpose Grants Fund	Non-major Governmental Funds Total	Non-major Governmental Funds Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,791	\$ -	\$ 4,791	\$ 4,801
Accounts receivable	43,423	-	43,423	59,439
Due from other governments	140,471	2,962,528	3,102,999	3,478,097
Due from other funds	2,665,758	-	2,665,758	2,176,482
Commodities and inventories	468,152	-	468,152	467,831
Total Assets	<u>3,322,595</u>	<u>2,962,528</u>	<u>6,285,123</u>	<u>6,186,650</u>
<b>LIABILITIES</b>				
Accounts payable	26,352	146,448	172,800	199,924
Accrued compensation	234,796	1,694,321	1,929,117	2,332,142
Due to other funds	-	726,085	726,085	258,104
Unearned revenue	364,644	395,674	760,318	1,074,114
Total liabilities	<u>625,792</u>	<u>2,962,528</u>	<u>3,588,320</u>	<u>3,864,284</u>
<b>FUND BALANCES</b>				
Nonspendable inventories	468,152	-	468,152	467,831
Assigned				
Food services	<u>2,228,651</u>	<u>-</u>	<u>2,228,651</u>	<u>1,854,535</u>
Total fund balances	<u>2,696,803</u>	<u>-</u>	<u>2,696,803</u>	<u>2,322,366</u>
Total liabilities and fund balances	<u>\$ 3,322,595</u>	<u>\$ 2,962,528</u>	<u>\$ 6,285,123</u>	<u>\$ 6,186,650</u>

**Colorado Springs School District 11**  
**Non-Major Governmental Funds**  
**Combining Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balances with Comparative Totals for 2015**  
**For the Year Ended June 30, 2016**

	Special Revenue		2016	2015
	Food Services Fund	Designated Purpose Grants Fund	Non-major Governmental Funds Total	Non-major Governmental Funds Total
<b>REVENUES</b>				
Intergovernmental				
Federal sources	\$ 8,528,362	\$ 16,947,256	\$ 25,475,618	\$ 27,790,180
State and local sources	195,925	2,556,268	2,752,193	1,065,889
Charges for services	1,915,808	-	1,915,808	2,350,046
Interest on investments	2,435	-	2,435	336
Miscellaneous	30,951	-	30,951	31,007
Total revenues	10,673,481	19,503,524	30,177,005	31,237,458
<b>EXPENDITURES</b>				
Current				
Instruction	-	12,800,543	12,800,543	12,404,842
Instructional support	-	5,656,591	5,656,591	5,355,793
Food service operations	10,514,144	-	10,514,144	10,032,567
Miscellaneous support services	-	1,197,370	1,197,370	3,278,112
Total expenditures	10,514,144	19,654,504	30,168,648	31,071,314
Excess of revenues over (under) expenditures	159,337	(150,980)	8,357	166,144
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	215,100	150,980	366,080	975,000
Net change in fund balances	374,437	-	374,437	1,141,144
Fund balance, beginning of year	2,322,366	-	2,322,366	1,181,222
Fund balance, end of year	\$ 2,696,803	\$ -	\$ 2,696,803	\$ 2,322,366

**Colorado Springs School District 11**  
**Food Services Fund**  
**Comparative Balance Sheets**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,791	\$ 4,801
Accounts receivable	43,423	59,439
Due from other governments	140,471	148,792
Due from other funds	2,665,758	2,176,482
Commodities and inventories	<u>468,152</u>	<u>467,831</u>
Total assets	<u><u>3,322,595</u></u>	<u><u>2,857,345</u></u>
 <b>LIABILITIES</b>		
Accounts payable	26,352	23,472
Accrued compensation	234,796	226,668
Unearned revenue	<u>364,644</u>	<u>284,839</u>
Total liabilities	<u>625,792</u>	<u>534,979</u>
 <b>FUND BALANCES</b>		
Nonspendable inventories	468,152	467,831
Assigned for food services	<u>2,228,651</u>	<u>1,854,535</u>
Total fund balances	<u>2,696,803</u>	<u>2,322,366</u>
Total liabilities and fund balances	<u><u>\$ 3,322,595</u></u>	<u><u>\$ 2,857,345</u></u>

**Colorado Springs School District 11**  
**Food Services Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	2016			2015
	Final Budget	Actual	Variance with Final Budget	Actual
<b>REVENUES</b>				
Intergovernmental				
Federal sources	\$ 8,080,633	\$ 8,528,362	\$ 447,729	\$ 7,824,155
State and local sources	186,281	195,925	9,644	178,167
Charges for services	2,107,008	1,915,808	(191,200)	2,350,046
Interest on investments	-	2,435	2,435	336
Miscellaneous	5,000	30,951	25,951	31,007
Total revenues	10,378,922	10,673,481	294,559	10,383,711
<b>EXPENDITURES</b>				
Current				
Food purchases	4,200,252	3,886,854	313,398	4,062,550
Salaries	3,768,903	3,714,657	54,246	3,402,934
Employee benefits	1,049,721	1,029,074	20,647	912,050
Commodity items	658,076	648,627	9,449	503,408
Purchased services	280,710	251,020	29,690	798,537
Supplies and other charges	1,004,785	983,912	20,873	353,088
Contingency	1,169,704	-	1,169,704	-
Total expenditures	12,132,151	10,514,144	1,618,007	10,032,567
Excess (deficiency) of revenues over expenditures	(1,753,229)	159,337	1,912,566	351,144
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	215,100	215,100	-	790,000
Net change in fund balances	\$ (1,538,129)	374,437	\$ 1,912,566	1,141,144
Fund balance, beginning of year		2,322,366		1,181,222
Fund balance, end of year		\$ 2,696,803		\$ 2,322,366

**Colorado Springs School District 11**  
**Designated Purpose Grants Special Revenue Fund**  
**Comparative Balance Sheets**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Due from other governments	\$ 2,962,528	\$ 3,329,305
Total assets	<u>2,962,528</u>	<u>3,329,305</u>
<b>LIABILITIES</b>		
Accounts payable	146,448	176,452
Accrued compensation	1,694,321	2,105,474
Due to other funds	726,085	258,104
Unearned revenue	<u>395,674</u>	<u>789,275</u>
Total liabilities	<u>2,962,528</u>	<u>3,329,305</u>
<b>FUND BALANCE</b>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	\$ <u>2,962,528</u>	\$ <u>3,329,305</u>

**Colorado Springs School District 11**  
**Designated Purpose Grants Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	2016			2015
	Final Budget	Actual	Variance with Final Budget	Actual
<b>REVENUES</b>				
Intergovernmental				
Federal sources	\$ 20,454,928	\$ 16,947,256	\$ (3,507,672)	\$ 19,966,025
State and local sources	1,750,188	2,556,268	806,080	887,722
Total revenues	22,205,116	19,503,524	(2,701,592)	20,853,747
<b>EXPENDITURES</b>				
Current				
Instruction	13,855,478	12,800,543	1,054,935	12,404,842
Instructional Support	6,406,451	5,656,591	749,860	5,355,793
Miscellaneous Support Services	2,128,187	1,197,370	930,817	3,278,112
Total expenditures	22,390,116	19,654,504	2,735,612	21,038,747
Excess (deficiency) of revenues over expenditures	(185,000)	(150,980)	34,020	(185,000)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	185,000	150,980	(34,020)	185,000
Net change in fund balances	\$ -	-	\$ -	-
Fund balance, beginning of year		-		-
Fund balance, end of year		\$ -		\$ -





THE WORLD IS CHANGING.  
MEET THE FUTURE.

# Proprietary Funds

**Proprietary Funds account for operations that are organized to be self-supporting through user charges. The District's Proprietary Funds consist of two Internal Service Funds.**

## **Internal Service Funds**

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the District and to other government units on a cost reimbursement basis.

### **Production Printing Fund**

This fund accounts for all financial activities associated with the District's printing services.

### **Risk Related Activities Fund**

This fund is used to account for the financial transactions of all health and wellness programs. This includes employee benefits such as health, vision and dental insurance.

**Colorado Springs School District 11**  
**Internal Service Funds**  
**Combining Schedule of Net Position with Comparative Totals for 2015**  
**June 30, 2016**

	Production Printing Fund	Risk Related Activities Fund	Totals	
			June 30, 2016	June 30, 2015
<b>ASSETS</b>				
Current assets				
Deposit with insurance pool	\$ -	\$ 10,704,839	\$ 10,704,839	\$ 8,981,867
Accounts receivable	27,680	-	27,680	27,484
Due from other funds	628,433	217,538	845,971	743,416
Inventories	95,575	-	95,575	128,011
Total current assets	751,688	10,922,377	11,674,065	9,880,778
Noncurrent assets				
Capital assets				
Building	590,059	-	590,059	590,059
Equipment	508,127	18,678	526,805	1,539,699
Accumulated depreciation	(379,359)	(18,678)	(398,037)	(1,480,660)
Total capital assets, net	718,827	-	718,827	649,098
Total assets	1,470,515	10,922,377	12,392,892	10,529,876
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	237,911	100,828	338,739	134,302
Accrued compensation	64,618	22,140	86,758	79,871
Accrued compensated absences (current portion)	5,066	2,902	7,968	4,900
Accrued interest payable	2,046	-	2,046	-
Capital lease payable (current portion)	80,472	-	80,472	-
Total current liabilities	390,113	125,870	515,983	219,073
Noncurrent liabilities				
Health insurance claims	-	2,585,174	2,585,174	2,062,226
Compensated absences (less: current portion)	3,361	2,539	5,900	4,885
Capital lease (less: current portion)	292,633	-	292,633	-
Total noncurrent liabilities	295,994	2,587,713	2,883,707	2,067,111
Total liabilities	686,107	2,713,583	3,399,690	2,286,184
<b>NET POSITION</b>				
Investment in capital assets	718,827	-	718,827	649,098
Restricted net position	-	8,241,403	8,241,403	7,040,129
Unrestricted net position	65,581	(32,609)	32,972	554,465
Total net position	\$ 784,408	\$ 8,208,794	\$ 8,993,202	\$ 8,243,692

**Colorado Springs School District 11**  
**Internal Service Funds**  
**Combining Schedule of Revenues, Expenses, and Changes in**  
**Fund Net Position with Comparative Totals for 2015**  
**For the Year Ended June 30, 2016**

	<b>Production Printing Fund</b>	<b>Risk Related Activities Fund</b>	<b>Totals</b>	
			<b>June 30, 2016</b>	<b>June 30, 2015</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,761,127	\$ -	\$ 1,761,127	\$ 1,603,544
Employer premium contributions	-	18,290,833	18,290,833	17,580,817
Employee premium contributions	-	7,621,904	7,621,904	7,280,585
Collections and subrogations	-	2,770	2,770	5,778
	<u>1,761,127</u>	<u>25,915,507</u>	<u>27,676,634</u>	<u>26,470,724</u>
Total operating revenues				
<b>OPERATING EXPENSES</b>				
Cost of printing services and administration	2,008,225	-	2,008,225	1,328,093
Health insurance	-	21,787,239	21,787,239	20,516,482
Dental insurance	-	1,864,168	1,864,168	1,853,589
Life insurance	-	730,825	730,825	620,339
LTD insurance	-	240,656	240,656	228,556
Vision Insurance	-	250,749	250,749	228,809
Depreciation	49,630	-	49,630	39,447
Utilities and indirect costs	102,541	-	102,541	97,532
	<u>2,160,396</u>	<u>24,873,637</u>	<u>27,034,033</u>	<u>24,912,847</u>
Total operating expenses				
Operating income (loss)	(399,269)	1,041,870	642,601	1,557,877
<b>NONOPERATING REVENUES</b>				
Interest on investments	1,111	3,782	4,893	1,591,430
Gain on sale of capital assets	102,016	-	102,016	505
	<u>103,127</u>	<u>3,782</u>	<u>106,909</u>	<u>1,591,935</u>
Total non-operating revenues				
Income (loss) before transfers	(296,142)	1,045,652	749,510	3,149,812
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	1,000,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Total other financing sources (uses)				
Change in net position	(296,142)	1,045,652	749,510	4,149,812
Net position, beginning of year	<u>1,080,550</u>	<u>7,163,142</u>	<u>8,243,692</u>	<u>4,093,880</u>
Net position, end of year	<u>\$ 784,408</u>	<u>\$ 8,208,794</u>	<u>\$ 8,993,202</u>	<u>\$ 8,243,692</u>

**Colorado Springs School District 11**  
**Internal Service Funds**  
**Combining Schedule of Cash Flows with Comparative Totals for 2015**  
**For the Year Ended June 30, 2016**

	<b>Production Printing Fund</b>	<b>Risk Related Activities Fund</b>	<b>Totals</b>	
			<b>June 30, 2016</b>	<b>June 30, 2015</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 1,760,931	\$ 25,915,507	\$ 27,676,438	\$ 26,513,255
Payments to suppliers	(1,228,775)	-	(1,228,775)	(844,765)
Payments for insurance claims	-	(25,724,401)	(25,724,401)	(26,148,927)
Payments to employees	(666,125)	(315,237)	(981,362)	(844,703)
Receipts (payments) for interfund services used	(222,904)	120,349	(102,555)	(1,247,722)
Net cash used in operating activities	(356,873)	(3,782)	(360,655)	(2,572,862)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in (out)	-	-	-	1,000,000
Net cash provided by noncapital financing activities	-	-	-	1,000,000
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Net cash from capital leases	373,105	-	373,105	-
Purchases of equipment	(119,359)	-	(119,359)	(19,073)
Proceeds from sale of capital assets	102,016	-	102,016	505
Net cash provided by capital and related financing activities	355,762	-	355,762	(18,568)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest income	1,111	3,782	4,893	1,591,430
Net cash provided by investing activities	1,111	3,782	4,893	1,591,430
Net increase in cash and cash equivalents	-	-	-	-
Cash and cash equivalents, beginning of year	-	-	-	-
Cash and cash equivalents, end of year	\$ -	\$ -	\$ -	\$ -
<b>Reconciliation of operating loss to net cash used in operating activities</b>				
Operating income (loss)	\$ (399,269)	\$ 1,041,870	\$ 642,601	\$ 1,557,877
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	49,630	-	49,630	39,447
Change in assets and liabilities				
Deposit with insurance pool	-	(1,722,972)	(1,722,972)	(1,653,426)
Accounts receivable	(196)	-	(196)	42,531
Inventories	32,436	-	32,436	(65,327)
Due from other funds	(222,904)	120,349	(102,555)	(1,247,722)
Accounts payable	169,824	34,613	204,437	16,559
Accrued compensation	9,466	(2,579)	6,887	775
Accrued compensated absences	1,643	1,425	3,068	(2,790)
Noncurrent compensated absences	451	564	1,015	(679)
Accrued interest payable	2,046	-	2,046	-
Health insurance claims	-	522,948	522,948	(1,260,107)
Total adjustments	42,396	(1,045,652)	(1,003,256)	(4,130,739)
Net cash used in operating activities	\$ (356,873)	\$ (3,782)	\$ (360,655)	\$ (2,572,862)

# Colorado Springs School District 11

## Production Printing Fund

### Comparative Schedules of Net Position

#### June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Current assets		
Accounts receivable	\$ 27,680	\$ 27,484
Due from other funds	628,433	405,529
Inventories	<u>95,575</u>	<u>128,011</u>
Total current assets	<u>751,688</u>	<u>561,024</u>
Noncurrent assets		
Capital assets		
Building	590,059	590,059
Equipment	508,127	1,521,021
Accumulated depreciation	<u>(379,359)</u>	<u>(1,461,982)</u>
Total capital assets	<u>718,827</u>	<u>649,098</u>
Total assets	<u>1,470,515</u>	<u>1,210,122</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	237,911	68,087
Accrued compensation	64,618	55,152
Accrued compensated absences (current portion)	5,066	3,423
Accrued interest payable	2,046	-
Capital lease payable (current portion)	<u>80,472</u>	<u>-</u>
Total current liabilities	<u>390,113</u>	<u>126,662</u>
Noncurrent liabilities		
Accrued compensated absences (less: current portion)	3,361	2,910
Capital lease payable (less: current portion)	<u>292,633</u>	<u>-</u>
Total noncurrent liabilities	<u>295,994</u>	<u>2,910</u>
Total liabilities	<u>686,107</u>	<u>129,572</u>
<b>NET POSITION</b>		
Investment in capital assets	718,827	649,098
Unrestricted	<u>65,581</u>	<u>431,452</u>
Total net position	<u>\$ 784,408</u>	<u>\$ 1,080,550</u>

**Colorado Springs School District 11**  
**Production Printing Fund**  
**Schedule of Revenues, Expenses, and Changes in Net Position**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	<b>2016</b>			<b>2015</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,944,908	\$ 1,761,127	\$ (183,781)	\$ 1,603,544
Total operating revenues	1,944,908	1,761,127	(183,781)	1,603,544
<b>OPERATING EXPENSES</b>				
Cost of sales and services	1,946,227	1,938,217	8,010	1,244,870
Administration costs	101,513	70,008	31,505	83,223
Depreciation	49,630	49,630	-	39,447
Utilities and indirect costs	102,541	102,541	-	97,532
Total operating expenses	2,199,911	2,160,396	39,515	1,465,072
Operating income (loss)	(255,003)	(399,269)	(144,266)	138,472
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest on investments	-	1,111	1,111	239
Gain on sale of capital assets	-	102,016	102,016	505
Total non-operating revenues	-	103,127	103,127	744
Change in net position	\$ (255,003)	(296,142)	\$ (41,139)	139,216
Net position, beginning of year		1,080,550		941,334
Net position, end of year		\$ 784,408		\$ 1,080,550

**Colorado Springs School District 11**  
**Production Printing Fund**  
**Comparative Schedules of Cash Flows**  
**For the Years Ended June 30, 2016 and 2015**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2016</b>	<b>2015</b>
Receipts from customers and users	\$ 1,760,931	\$ 1,616,367
Payments to suppliers	(1,228,775)	(844,765)
Payments to employees	(666,125)	(612,337)
Payments for interfund services used	(222,904)	(140,936)
Net cash provided by (used in) operating activities	(356,873)	18,329
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Net cash from capital lease	373,105	-
Purchases of equipment	(119,359)	(19,073)
Proceeds from sale of capital assets	102,016	505
Net cash provided by (used in) capital and related financing activities	355,762	(18,568)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	1,111	239
Net cash provided by investing activities	1,111	239
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	\$ -	\$ -
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income (loss)	\$ (399,269)	\$ 138,472
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	49,630	39,447
Change in assets and liabilities:		
Accounts receivable	(196)	12,823
Inventories	32,436	(65,327)
Due from other funds	(222,904)	(140,936)
Accounts payable	169,824	39,297
Accrued compensation	9,466	(3,463)
Accrued compensated absences	1,643	(1,196)
Noncurrent compensated absences	451	(788)
Accrued interest payable	2,046	-
Total adjustments	42,396	(120,143)
Net cash provided by operating activities	\$ (356,873)	\$ 18,329



**Colorado Springs School District 11**  
**Risk Related Activities Fund**  
**Comparative Schedules of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Current assets		
Deposit with insurance pool	\$ 10,704,839	\$ 8,981,867
Due from other funds	<u>217,538</u>	<u>337,887</u>
Total current assets	<u>10,922,377</u>	<u>9,319,754</u>
Noncurrent assets		
Capital assets		
Equipment	18,678	18,678
Accumulated depreciation	<u>(18,678)</u>	<u>(18,678)</u>
Total capital assets, net	<u>-</u>	<u>-</u>
Total assets	<u>10,922,377</u>	<u>9,319,754</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	100,828	66,215
Accrued compensation	22,140	24,719
Accrued compensated absences (current portion)	<u>2,902</u>	<u>1,477</u>
Total current liabilities	<u>125,870</u>	<u>92,411</u>
Noncurrent liabilities		
Health insurance claims	2,585,174	2,062,226
Accrued compensated absences (less: current portion)	<u>2,539</u>	<u>1,975</u>
Total noncurrent liabilities	<u>2,587,713</u>	<u>2,064,201</u>
Total liabilities	<u>2,713,583</u>	<u>2,156,612</u>
<b>NET POSITION</b>		
Restricted net position	8,241,403	7,040,129
Unrestricted net position	<u>(32,609)</u>	<u>123,013</u>
Total net position	<u>\$ 8,208,794</u>	<u>\$ 7,163,142</u>

**Colorado Springs School District 11**  
**Risk Related Activities Fund**  
**Schedule of Revenues, Expenses, and Changes in Net Position**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	<b>2016</b>			<b>2015</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>				
Employer premium contributions	\$ 18,723,536	\$ 18,290,833	\$ (432,703)	\$ 17,580,817
Employee premium contributions	9,423,426	7,621,904	(1,801,522)	7,280,585
Collections and subrogation's	-	2,770	2,770	5,778
Total operating revenues	28,146,962	25,915,507	(2,231,455)	24,867,180
<b>OPERATING EXPENSES</b>				
Health insurance	31,502,030	21,787,239	9,714,791	20,516,482
Dental insurance	2,493,905	1,864,168	629,737	1,853,589
Life insurance	735,037	730,825	4,212	620,339
LTD insurance	261,236	240,656	20,580	228,556
Vision insurance	318,897	250,749	68,148	228,809
Total operating expenses	35,311,105	24,873,637	10,437,468	23,447,775
Operating income (loss)	(7,164,143)	1,041,870	8,206,013	1,419,405
<b>NONOPERATING REVENUES</b>				
Interest on investments	1,000	3,782	2,782	1,591,191
Income (loss) before transfers	(7,163,143)	1,045,652	8,208,795	3,010,596
<b>TRANSFERS IN</b>	-	-	-	1,000,000
Change in net position	\$ (7,163,143)	1,045,652	\$ 8,208,795	4,010,596
Net position, beginning of year		7,163,142		3,152,546
Net position, end of year		\$ 8,208,794		\$ 7,163,142

# Colorado Springs School District 11

## Risk Related Activities Fund

### Comparative Schedules of Cash Flows

#### For the Years Ended June 30, 2016 and 2015

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2016</b>	<b>2015</b>
Receipts from customers and users	\$ 25,915,507	\$ 24,896,888
Payments for insurance claims	(25,724,401)	(26,148,927)
Payments to employees	(315,237)	(232,366)
Receipts (payments) for interfund services used	120,349	(1,106,786)
Net cash used in operating activities	(3,782)	(2,591,191)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers in	-	1,000,000
Net cash provided by noncapital financing activities	-	1,000,000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	3,782	1,591,191
Net cash provided by investing activities	3,782	1,591,191
Net decrease in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	\$ -	\$ -
<b>Reconciliation of operating income (loss) to net cash used in operating activities</b>		
Operating income	\$ 1,041,870	\$ 1,419,405
Adjustments to reconcile operating income to net cash provided by operating activities:		
Change in assets and liabilities:		
Deposit with insurance pool	(1,722,972)	(1,653,426)
Accounts receivable	-	29,708
Due from other funds	120,349	(1,106,786)
Accounts payable	34,613	(22,738)
Accrued compensation	(2,579)	4,238
Accrued compensated absences	1,425	(1,594)
Noncurrent compensated absences	564	109
Health insurance claims	522,948	(1,260,107)
Total adjustments	(1,045,652)	(4,010,596)
Net cash used in operating activities	\$ (3,782)	\$ (2,591,191)

# Fiduciary Funds

**Fiduciary Funds are used to account for assets held by the government in a public trustee capacity. Fiduciary Funds are segregated as follows:**

## **Private Purpose Trust Fund**

This fund was created to act as a custodian for funds, such as scholarships, held for the benefit of private individuals and organizations. These funds are not used for the benefit of the District.

## **Agency Fund**

This fund was created to act as a custodian for other funds, governmental units or private entities. Pupil activities along with other agency activities are accounted for in this fund.

**Colorado Springs School District 11**  
**Private Purpose Trust Funds**  
**Comparative Schedules of Fiduciary Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ <u>50,108</u>	\$ <u>49,993</u>
Total assets	<u>50,108</u>	<u>49,993</u>
<b>NET POSITION</b>		
Held in trust for individuals	<u>50,108</u>	<u>49,993</u>
Total net position	\$ <u>50,108</u>	\$ <u>49,993</u>

**Private Purpose Trust Funds**  
**Schedule of Changes in Fiduciary Net Position**  
**Budget and Actual with Comparative Actual Totals for 2015**  
**For the Year Ended June 30, 2016**

	<u>2016</u>			<u>2015</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
<b>ADDITIONS</b>				
Interest on investments	\$ <u>347</u>	\$ <u>115</u>	\$ <u>(232)</u>	\$ <u>36</u>
Total additions	<u>347</u>	<u>115</u>	<u>(232)</u>	<u>36</u>
<b>DEDUCTIONS</b>				
Scholarships awarded	<u>220</u>	<u>-</u>	<u>220</u>	<u>-</u>
Total deductions	<u>220</u>	<u>-</u>	<u>220</u>	<u>-</u>
Change in net position	\$ <u>127</u>	115	\$ <u>(12)</u>	36
Net position, beginning of year		<u>49,993</u>		<u>49,957</u>
Net position, end of year		\$ <u>50,108</u>		\$ <u>49,993</u>

**Colorado Springs School District 11**  
**Agency Funds**  
**Combining Statement of Assets and Liabilities**  
**With Comparative Totals for 2015**  
**June 30, 2016**

	<b>Pupil Activity Agency Fund</b>	<b>Other Agency Fund</b>	<b>Totals</b>	
			<b>June 30, 2016</b>	<b>June 30, 2015</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,034,344	\$ 70,030	\$ 2,104,374	\$ 1,940,677
Accounts receivable	-	-	-	1,042
<b>Total assets</b>	<b>2,034,344</b>	<b>70,030</b>	<b>2,104,374</b>	<b>1,941,719</b>
<b>LIABILITIES</b>				
Accounts payable	2,031,234	70,030	2,101,264	1,937,790
Accrued compensation	3,110	-	3,110	3,929
<b>Total liabilities</b>	<b>\$ 2,034,344</b>	<b>\$ 70,030</b>	<b>\$ 2,104,374</b>	<b>\$ 1,941,719</b>

**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the year ended June 30, 2016**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,940,677	\$ 6,431,390	\$ 6,267,693	\$ 2,104,374
Accounts receivable	1,042	-	1,042	-
<b>Total assets</b>	<b>1,941,719</b>	<b>6,431,390</b>	<b>6,268,735</b>	<b>2,104,374</b>
<b>LIABILITIES</b>				
Accounts payable	1,937,790	7,274,452	7,110,978	2,101,264
Accrued compensation	3,929	3,110	3,929	3,110
<b>Total liabilities</b>	<b>\$ 1,941,719</b>	<b>\$ 7,277,562</b>	<b>\$ 7,114,907</b>	<b>\$ 2,104,374</b>

**Colorado Springs School District 11**  
**Pupil Activity Agency Fund**  
**Statement of Changes in Assets and Liabilities**  
**For the year ended June 30, 2016**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,848,491	\$ 6,392,636	\$ 6,206,783	\$ 2,034,344
Total assets	<u>1,848,491</u>	<u>6,392,636</u>	<u>6,206,783</u>	<u>2,034,344</u>
<b>LIABILITIES</b>				
Accounts payable	1,844,562	7,183,293	6,996,621	2,031,234
Accrued compensation	<u>3,929</u>	<u>3,110</u>	<u>3,929</u>	<u>3,110</u>
Total liabilities	\$ <u>1,848,491</u>	\$ <u>7,186,403</u>	\$ <u>7,000,550</u>	\$ <u>2,034,344</u>

**Other Agency Fund**  
**Statement of Changes in Assets and Liabilities**  
**For the year ended June 30, 2016**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 92,186	\$ 38,754	\$ 60,910	\$ 70,030
Accounts receivable	<u>1,042</u>	<u>-</u>	<u>1,042</u>	<u>-</u>
Total assets	<u>93,228</u>	<u>38,754</u>	<u>61,952</u>	<u>70,030</u>
<b>LIABILITIES</b>				
Accounts payable	<u>93,228</u>	<u>91,159</u>	<u>114,357</u>	<u>70,030</u>
Total liabilities	\$ <u>93,228</u>	\$ <u>91,159</u>	\$ <u>114,357</u>	\$ <u>70,030</u>

# Statistical Section

This part of the Colorado Springs School District 11 Comprehensive Annual Financial Report presents detailed data as a context for understanding the information in the financial statements, note disclosures, and required supplementary information.

## **Financial Trends**

The schedules on *pages 110-117* contain trend information to help the reader understand how the District's financial performance and wellbeing have changed over time.

## **Revenue Capacity**

*Pages 118-121* contain information to help the reader assess the District's most significant local revenue source, the property tax.

## **Debt Capacity**

*Pages 122-127* present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

## **Demographic and Economic Information**

*Pages 128-129* offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

## **Operating Information**

*Pages 130-140* contain service data to help the reader understand how the information in the Districts' financial report relates to the services the District provides and the activities it performs.

Note: Unless otherwise noted, the information in these schedules is derived from internal sources.





**Colorado Springs School District 11**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
(accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
<b>Governmental activities</b>				
Net investment in capital assets	\$ 23,241,354	\$ 33,677,674	\$ 60,330,432	\$ 79,343,791
Restricted	91,013,263	82,624,164	43,521,854	29,122,593
Unrestricted	14,806,605	16,240,338	28,186,837	25,877,407
Total governmental activities net position	<u>129,061,222</u>	<u>132,542,176</u>	<u>132,039,123</u>	<u>134,343,791</u>
<b>Business-type activities</b>				
Net investment in capital assets	640,414	800,280	759,663	775,652
Unrestricted	636,171	910,178	1,036,092	1,382,523
Total business-type activities net position	<u>1,276,585</u>	<u>1,710,458</u>	<u>1,795,755</u>	<u>2,158,175</u>
<b>Primary government</b>				
Net investment in capital assets	23,881,768	34,477,954	61,090,095	80,119,443
Restricted	91,013,263	82,624,164	43,521,854	29,122,593
Unrestricted	15,442,776	17,150,516	29,222,929	27,259,930
Total primary government net position	<u>\$ 130,337,807</u>	<u>\$ 134,252,634</u>	<u>\$ 133,834,878</u>	<u>\$ 136,501,966</u>

Notes:

In fiscal year 2015, the District restated beginning net position/fund balance due to a reclassification of a non-major enterprise fund to a non-major special revenue fund. Consistent with the guidance from the Colorado Department of Education and in accordance with GASB Statement No 54, Fund Balance Reporting and Governmental Fund Type Definitions, management of the District has reclassified the Food Services Fund from an enterprise fund to a special revenue fund.

In addition, during fiscal year 2015, the District adopted GASB Statement Nos. 68 and 71, Accounting and Financial Reporting for Pensions, which requires the District to record its "proportionate share" of the net pension liability and related deferred inflows and outflows of resources in the government-wide financial statement.

Balances prior to 2015 are shown as originally presented and have not been restated for accounting changes.

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 75,305,047	\$ 73,020,449	\$ 72,492,705	\$ 78,422,323	\$ 88,177,837	\$ 96,721,208
30,882,851	28,789,378	26,120,031	35,897,410	36,656,819	39,366,180
25,003,803	19,947,500	31,027,203	19,780,530	(429,374,993)	(452,411,974)
<u>131,191,701</u>	<u>121,757,327</u>	<u>129,639,939</u>	<u>134,100,263</u>	<u>(304,540,337)</u>	<u>(316,324,586)</u>
781,443	784,235	1,173,822	1,089,766	-	-
<u>1,387,636</u>	<u>1,357,723</u>	<u>1,460,240</u>	<u>1,178,616</u>	<u>-</u>	<u>-</u>
<u>2,169,079</u>	<u>2,141,958</u>	<u>2,634,062</u>	<u>2,268,382</u>	<u>-</u>	<u>-</u>
76,086,490	73,804,684	73,666,527	79,512,089	88,177,837	96,721,208
30,882,851	28,789,378	26,120,031	35,897,410	36,656,819	39,366,180
26,391,439	21,305,223	32,487,443	20,959,146	(429,374,993)	(452,411,974)
<u>\$ 133,360,780</u>	<u>\$ 123,899,285</u>	<u>\$ 132,274,001</u>	<u>\$ 136,368,645</u>	<u>\$ (304,540,337)</u>	<u>\$ (316,324,586)</u>

# Colorado Springs School District 11

## Changes in Net Position

### Last Ten Fiscal Years

(accrual basis of accounting)

Expenses	Fiscal Year			
	2007	2008	2009	2010
Governmental activities:				
Instruction	\$ 140,971,884	\$ 148,928,976	\$ 149,269,910	\$ 157,580,081
Pupil activities	11,763,866	8,469,914	9,778,400	9,929,064
Instructional support	14,744,247	18,760,102	19,643,423	20,085,867
General administration	2,872,414	2,774,372	3,750,923	2,982,750
School administration	16,551,596	17,528,380	19,100,926	16,908,290
Business services	2,046,055	2,127,009	2,338,722	2,382,204
Maintenance and operations	21,269,447	22,743,643	22,678,397	23,390,212
Transportation	4,876,665	5,463,503	5,011,957	5,466,558
Central services	7,223,701	13,254,169	12,345,045	11,574,939
Miscellaneous support services	1,468,423	3,130,067	3,766,633	4,519,354
Other community services	1,792,798	1,363,473	1,690,063	1,430,019
Technology plan	-	-	-	1,396,902
Interest on long-term debt	21,712,338	20,953,582	15,160,822	12,836,565
Total governmental activities expenses	247,293,434	265,497,190	264,535,221	270,482,805
Business-type activities:				
Food Services	8,140,825	8,917,329	9,836,430	9,955,793
Community Education	272,787	219,887	233,387	216,487
Total business-type activities expenses	8,413,612	9,137,216	10,069,817	10,172,280
Total primary government expenses	255,707,046	274,634,406	274,605,038	280,655,085
<b>Program revenues</b>				
Governmental activities:				
Charges for services: Instruction	3,159,134	2,590,002	2,554,841	2,130,312
Charges for services: Other	2,488,738	2,803,166	1,859,747	1,790,269
Operating grants and contributions	26,440,037	28,251,983	27,210,862	30,611,870
Capital grants and contributions	-	201,480	-	325,287
Total governmental activities program revenues	32,087,909	33,846,631	31,625,450	34,857,738
Business-type activities:				
Food services:				
Charges for services	3,333,770	3,604,853	3,450,271	3,325,694
Operating grants and contributions	4,601,016	5,282,515	6,273,215	6,831,613
Community education: Charges for services	220,739	177,149	132,668	145,170
Total business-type activities program revenues	8,155,525	9,064,517	9,856,154	10,302,477
Total primary government program revenues	40,243,434	42,911,148	41,481,604	45,160,215
Net (expense) revenue				
Governmental activities	(215,205,525)	(231,650,559)	(232,909,771)	(235,625,067)
Business-type activities	(258,087)	(72,699)	(213,663)	130,197
Total primary government net (expense) revenue	(215,463,612)	(231,723,258)	(233,123,434)	(235,494,870)
<b>General revenues</b>				
Governmental activities:				
Property taxes	113,099,883	121,095,313	112,790,701	115,518,331
State equalization	104,498,303	108,524,794	114,331,643	118,307,243
Investment earnings	9,072,578	3,690,675	1,759,222	732,008
School land fees	303,091	166,587	143,852	87,776
Gain on sale of capital assets	-	-	-	-
Miscellaneous	2,151,194	1,918,555	2,831,732	3,374,377
Total governmental activities	229,125,049	235,395,924	231,857,150	238,019,735
Business-type activities				
Investment earnings	8,157	7,005	3,006	2,144
Miscellaneous revenues	165,312	235,156	205,954	140,079
Total business-type activities	173,469	242,161	208,960	142,223
Total primary government	229,298,518	235,638,085	232,066,110	238,161,958
<b>Transfers</b>				
Governmental activities	(90,000)	(264,411)	(90,000)	(90,000)
Business-type activities	90,000	264,411	90,000	90,000
<b>Change in net position</b>				
Governmental activities	13,829,524	3,480,954	(1,142,621)	2,304,668
Prior Period Adjustment	963,218	-	-	-
Business-type activities	5,382	433,873	85,297	362,420
Total primary government	\$ 14,798,124	\$ 3,914,827	\$ (1,057,324)	\$ 2,667,088

Fiscal Year						
	2011	2012	2013	2014	2015	2016
\$	154,242,400	\$ 148,131,513	\$ 142,505,989	\$ 145,000,577	\$ 149,517,993	\$ 165,628,261
	9,963,857	10,033,704	9,784,370	9,967,853	10,728,273	12,879,517
	19,525,598	18,804,575	18,235,463	18,713,424	18,745,019	21,037,745
	2,613,631	2,514,869	2,525,328	2,912,121	2,760,071	3,056,593
	17,427,453	17,460,771	17,214,082	17,570,738	18,289,643	20,459,489
	2,121,957	2,084,754	1,990,776	2,090,375	2,255,485	2,571,495
	23,098,081	22,884,102	22,241,699	22,686,489	24,516,915	26,188,777
	5,785,082	5,535,648	5,093,914	5,549,777	5,278,914	5,852,482
	11,328,296	14,760,051	8,997,782	11,213,119	11,325,868	11,763,965
	3,813,274	3,505,147	3,385,847	3,536,525	13,721,139	11,086,174
	2,122,492	2,180,693	1,464,682	2,061,184	1,834,520	3,049,179
	1,689,696	-	-	-	-	-
	12,773,975	12,771,533	12,947,349	9,475,504	7,845,570	7,973,285
	266,505,792	260,667,360	246,387,281	250,777,686	266,819,410	291,546,962
	9,760,207	9,478,082	9,398,038	9,798,648	-	-
	187,365	168,624	117,358	165,129	-	-
	9,947,572	9,646,706	9,515,396	9,963,777	-	-
	276,453,364	270,314,066	255,902,677	260,741,463	266,819,410	291,546,962
	1,811,358	1,857,901	1,814,503	1,852,906	1,463,044	1,157,528
	2,090,742	2,276,314	2,152,046	2,334,303	5,017,763	4,923,543
	38,978,465	28,959,032	28,220,786	28,461,558	37,403,827	38,201,500
	133,707	495,935	72,111	-	876,805	-
	43,014,272	33,589,182	32,259,446	32,648,767	44,761,439	44,282,571
	2,715,655	2,474,287	2,217,387	2,204,298	-	-
	6,812,232	6,771,907	7,501,438	7,226,572	-	-
	122,154	66,558	80,309	65,459	-	-
	9,650,041	9,312,752	9,799,134	9,496,329	-	-
	52,664,313	42,901,934	42,058,580	42,145,096	44,761,439	44,282,571
	(223,491,520)	(227,078,178)	(214,127,835)	(218,128,919)	(222,057,971)	(247,264,391)
	(297,531)	(333,954)	283,738	(467,448)	-	-
	(223,789,051)	(227,412,132)	(213,844,097)	(218,596,367)	(222,057,971)	(247,264,391)
	115,028,227	107,681,853	111,165,231	110,894,125	110,238,258	110,863,634
	101,663,908	104,712,798	104,054,569	107,936,377	115,698,059	121,129,681
	248,342	154,698	116,359	81,407	1,685,554	212,023
	106,612	89,880	235,320	286,942	170,723	246,441
	-	-	3,313,820	-	-	798,223
	3,382,341	5,094,576	3,215,148	3,435,468	3,702,204	2,230,140
	220,429,430	217,733,805	222,100,447	222,634,319	231,494,798	235,480,142
	1,054	2,193	1,006	707	-	-
	217,381	214,640	117,360	55,985	-	-
	218,435	216,833	118,366	56,692	-	-
	220,647,865	217,950,638	222,218,813	222,691,011	231,494,798	235,480,142
	(90,000)	(90,000)	(90,000)	(45,076)	-	-
	90,000	90,000	90,000	45,076	-	-
	(3,152,090)	(9,434,373)	7,882,612	4,460,324	9,436,827	(11,784,249)
	-	-	-	-	-	-
	10,904	(27,121)	492,104	(365,680)	-	-
\$	(3,141,186)	\$ (9,461,494)	\$ 8,374,716	\$ 4,094,644	\$ 9,436,827	\$ (11,784,249)

**Colorado Springs School District 11**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
General fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	7,411,517	7,080,053	7,365,929	8,282,491
Unreserved	9,279,430	12,830,909	9,278,348	15,256,989
	<u>16,690,947</u>	<u>19,910,962</u>	<u>16,644,277</u>	<u>23,539,480</u>
Total general fund				
	<u>16,690,947</u>	<u>19,910,962</u>	<u>16,644,277</u>	<u>23,539,480</u>
All other governmental funds				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Reserved	117,174,278	61,417,115	35,842,947	26,990,140
Unreserved	8,450,615	15,122,005	16,569,464	7,132,839
	<u>125,624,893</u>	<u>76,539,120</u>	<u>52,412,411</u>	<u>34,122,979</u>
Total all other governmental funds				
	<u>125,624,893</u>	<u>76,539,120</u>	<u>52,412,411</u>	<u>34,122,979</u>
Total Governmental Funds	\$ <u>142,315,840</u>	\$ <u>96,450,082</u>	\$ <u>69,056,688</u>	\$ <u>57,662,459</u>

Note:

In fiscal year 2011, the District adopted GASB Statement No. 54, Fund Balance Reporting and Fund Type Definitions, changing the titles and classifications of fund balances.

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 615,561	\$ 555,428	\$ 439,224	\$ 446,112	\$ 397,533	\$ 349,542
4,106,600	2,000,000	250,000	6,750,000	5,110,321	5,383,210
14,115,158	14,838,323	13,308,538	9,998,625	9,428,913	9,178,984
5,707,337	3,202,672	4,578,300	5,879,996	14,449,587	14,561,730
-	-	-	-	-	-
-	-	-	-	-	-
24,544,656	20,596,423	18,576,062	23,074,733	29,386,354	29,473,466
-	-	-	-	467,831	468,152
24,530,298	21,355,388	23,823,031	25,030,905	24,417,565	25,741,567
4,888,255	8,244,295	14,646,724	7,891,418	9,689,672	10,952,514
-	-	-	-	-	-
-	-	-	-	-	-
29,418,553	29,599,683	38,469,755	32,922,323	34,575,068	37,162,233
\$ 53,963,209	\$ 50,196,106	\$ 57,045,817	\$ 55,997,056	\$ 63,961,422	\$ 66,635,699

**Colorado Springs School District 11**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
<b>Revenues</b>				
Taxes	\$ 113,099,883	\$ 121,095,313	\$ 112,790,701	\$ 115,518,331
Intergovernmental	130,621,469	136,978,078	141,542,504	148,927,280
Investment income	9,028,970	3,666,974	1,735,548	713,894
Tuition	1,949,716	1,433,626	1,248,073	1,130,481
Miscellaneous	5,400,057	4,921,006	5,019,093	5,071,543
Total revenues	<u>260,100,095</u>	<u>268,094,997</u>	<u>262,335,919</u>	<u>271,361,529</u>
<b>Expenditures</b>				
Instruction	139,579,142	144,181,186	146,146,081	146,672,402
Pupil activities	11,736,347	8,453,200	9,801,295	9,943,129
Instructional support	14,768,615	18,719,166	19,615,348	20,030,156
General administration	2,858,133	2,641,547	3,719,799	2,660,304
School administration	16,489,679	17,742,774	19,089,440	16,876,936
Business services	2,044,106	2,108,701	2,330,315	2,364,435
Maintenance and operations	20,928,728	22,086,745	22,120,678	22,354,263
Transportation	5,012,646	4,914,612	4,462,497	4,588,261
Central services	6,631,065	12,462,328	10,600,994	8,841,041
Miscellaneous support services	1,343,137	3,146,116	3,801,390	4,561,316
Other services	10,438,563	8,170,052	3,139,100	2,828,679
Capital outlay	50,694,725	49,286,698	24,459,268	13,059,113
Debt service				
Principal	8,528,733	7,646,024	8,090,754	19,394,866
Interest and fiscal charges	12,422,152	12,310,653	12,287,402	11,741,697
Total expenditures	<u>303,475,771</u>	<u>313,869,802</u>	<u>289,664,361</u>	<u>285,916,598</u>
Excess of revenues over (under) expenditures	(43,375,676)	(45,774,805)	(27,328,442)	(14,555,069)
<b>Other financing sources (uses)</b>				
Transfers in	26,670,852	29,304,698	28,279,605	26,882,725
Transfers out	(27,807,671)	(29,394,698)	(28,369,605)	(26,889,289)
Proceeds from sale of capital assets	-	-	-	-
Payment to refunded bond escrow agent	(42,461,307)	-	-	(25,948,647)
Refunding Bonds issued	42,461,307	-	-	28,175,000
Premium on Bonds issued	-	-	-	941,051
Total other financing sources (uses)	<u>(910,686)</u>	<u>(90,000)</u>	<u>(90,000)</u>	<u>3,160,840</u>
Net change in fund balances	\$ <u>(44,286,362)</u>	\$ <u>(45,864,805)</u>	\$ <u>(27,418,442)</u>	\$ <u>(11,394,229)</u>
Debt service as a percentage of noncapital expenditures	8.3%	7.5%	7.7%	11.4%

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 115,028,227	\$ 107,681,853	\$ 111,165,231	\$ 110,894,125	\$ 110,238,258	\$ 110,863,634
140,776,080	134,167,765	132,347,466	136,397,935	153,978,691	159,331,181
236,272	147,816	112,196	80,404	94,124	207,130
924,665	966,595	964,155	752,041	451,026	326,947
4,978,940	6,748,373	4,496,460	5,185,485	8,183,577	6,651,211
261,944,184	249,712,402	249,085,508	253,309,990	272,945,676	277,380,103
145,097,662	140,509,213	134,334,684	134,890,378	137,641,295	146,868,066
9,975,546	10,039,300	9,767,023	9,933,442	10,230,168	11,743,130
19,482,999	18,756,430	18,184,265	18,665,775	18,524,722	20,016,970
2,372,670	2,279,520	2,344,691	2,707,836	2,442,419	2,529,841
17,390,753	17,410,362	17,427,054	17,430,313	17,583,275	18,883,449
2,107,827	2,069,583	1,972,735	2,067,075	2,177,779	2,382,329
22,123,333	21,912,062	21,373,380	21,722,628	23,480,316	24,309,971
5,061,446	4,813,438	4,472,417	4,859,167	4,600,320	4,916,184
9,148,981	6,887,456	11,497,339	10,702,677	10,310,108	10,128,013
3,757,019	3,488,085	1,462,514	3,323,338	13,378,291	10,514,144
3,813,649	2,181,393	3,420,366	2,056,883	1,674,262	2,892,051
4,612,704	2,322,234	3,115,530	4,512,246	2,920,452	6,512,783
10,583,994	11,210,185	9,258,090	13,163,229	13,350,128	14,084,173
10,262,368	9,681,042	11,289,578	7,558,264	6,889,499	6,351,015
265,790,951	253,560,303	249,919,666	253,593,251	265,203,034	282,132,119
(3,846,767)	(3,847,901)	(834,158)	(283,261)	7,742,642	(4,752,016)
30,900,028	32,915,690	32,039,871	27,778,395	33,070,880	33,214,010
(30,910,452)	(32,926,114)	(32,050,295)	(28,543,895)	(34,070,880)	(33,214,010)
-	-	7,205,339	-	40,502	2,426,293
(21,421,693)	(9,875,375)	(95,750,497)	-	-	-
19,775,000	8,400,000	84,085,000	-	-	-
1,804,634	1,566,597	12,154,451	-	-	5,000,000
147,517	80,798	7,683,869	(765,500)	(959,498)	7,426,293
\$ (3,699,250)	\$ (3,767,103)	\$ 6,849,711	\$ (1,048,761)	\$ 6,783,144	\$ 2,674,277
8.0%	8.3%	8.3%	8.3%	7.7%	7.4%



# Colorado Springs School District 11

## Assessed Value and Estimated Actual Value of Taxable Property

### Last Ten Fiscal Years

Fiscal Year Ended June 30	Residential Property	Commercial Property	Industrial, Agricultural, and Natural Resources	State Assessed, Vacant Land, And Other	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Value	Assessment Rates	
									Residential	All Others
2007	1,062,469,350	929,403,480	175,364,950	133,034,360	2,300,272,140	44.045	17,616,267,049	13.06%	7.96%	29.00%
2008	1,179,557,420	1,030,641,220	108,971,160	155,407,970	2,474,577,770	44.045	19,284,126,822	12.83%	7.96%	29.00%
2009	1,214,415,180	1,066,478,500	99,909,730	156,207,940	2,537,011,350	42.331	19,816,464,227	12.80%	7.96%	29.00%
2010	1,216,832,330	1,048,567,700	98,506,890	151,729,480	2,515,636,400	42.183	19,764,794,301	12.73%	7.96%	29.00%
2011	1,124,891,100	956,196,700	93,835,070	153,261,110	2,328,183,980	42.493	18,280,817,658	12.74%	7.96%	29.00%
2012	1,121,924,400	950,037,180	99,973,560	153,306,780	2,325,241,920	44.004	18,243,629,638	12.75%	7.96%	29.00%
2013	1,109,701,480	957,261,980	105,453,440	173,427,370	2,345,844,270	43.445	18,203,019,049	12.89%	7.96%	29.00%
2014	1,109,334,380	948,298,880	105,143,640	166,874,560	2,329,651,460	44.264	18,143,835,722	12.84%	7.96%	29.00%
2015	1,118,463,050	948,372,860	103,066,100	187,604,570	2,357,506,580	43.165	18,323,091,052	12.87%	7.96%	29.00%
2016	1,224,056,780	959,482,050	104,855,460	208,020,150	2,496,414,440	40.803	19,764,730,904	12.63%	7.96%	29.00%

Source: El Paso County Abstract of Assessments

# Colorado Springs School District 11

## Direct and Overlapping Property Tax Rates

### Last Ten Fiscal Years

<u><b>Taxing Authority</b></u>	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Colorado Springs School District 11										
General Fund	25.498	24.422	24.818	24.726	24.575	24.356	24.557	24.451	24.648	23.694
Bond Levy	7.810	8.865	6.560	6.750	7.135	7.080	8.046	8.093	6.900	6.129
Education Levy	10.737	10.758	10.953	10.707	10.783	12.568	10.842	11.720	11.617	10.980
Total for Colorado Springs School District 11	44.045	44.045	42.331	42.183	42.493	44.004	43.445	44.264	43.165	40.803
City of Colorado Springs	4.944	4.944	4.944	4.279	4.279	4.279	4.279	4.279	4.279	4.279
El Paso County	7.710	7.514	7.748	7.531	7.882	7.762	7.663	7.714	7.791	7.869
Special Districts:										
Central Marksheffel Metropolitan District	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	30.000	30.000
Cheyenne Creek Park and Water District	0.800	0.800	0.800	0.800	0.800	0.500	0.500	0.500	0.500	0.500
Cimarron Hills Fire Protection District	10.780	11.110	11.082	11.110	11.110	12.150	14.390	14.390	15.290	15.286
Colorado Avenue Gateway Special Impr. District	1.009	1.009	1.009	1.009	1.009	1.009	1.009	1.009	1.009	1.009
Colorado Springs Downtown Devel. Authority	-	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Cottonwood General Impr. District	7.000	7.000	7.000	7.000	6.500	6.500	6.500	6.500	-	-
Greater Downtown Improvement District	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Gold Hill Mesa Metropolitan District #2	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Gold Hill Mesa Metropolitan District #3	-	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Lowell Metropolitan District	48.940	48.940	48.940	48.940	48.940	48.940	48.940	48.940	48.940	48.940
Marketplace at Austin Bluffs	6.000	6.000	25.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
Norwood Improvement District	3.935	3.935	3.935	3.935	3.935	3.935	3.935	3.935	3.935	3.935
Old Colorado City Maintenance & Impr. District	13.416	13.416	13.416	13.416	13.416	13.416	13.416	13.416	13.416	13.416
Pikes Peak Regional Library District	3.515	3.325	3.540	3.468	3.556	3.999	4.000	4.000	4.000	3.857
Powers & Woodmen Improvement District	1.000	1.000	1.000	22.000	26.000	26.000	26.000	26.000	26.000	29.261
Southeastern Colo Water Conservancy District	0.941	0.915	0.943	0.940	0.947	0.947	0.944	0.940	0.940	0.941

Source: El Paso County Abstract of Assessments.

#### Notes:

Overlapping rates are those of local and county governments that apply to property owners within Colorado

Not all overlapping rates apply to all District property owners. The rates for special districts apply only to the proportion of the government's property owners whose

State Constitution, Article X, Section 20, limits the District's ability to raise its direct tax rates as disclosed in Note 14.

# Colorado Springs School District 11

## Principal Property Taxpayers

### Current Year and Nine Years Ago

Taxpayer	Type of Business	2016			2007		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Verizon Wireless	Communications	80,278,640	1	3.22%	\$ 56,924,700	2	
Qwest Corporation	Communications	68,100,900	2	2.73%			
Wal-Mart Real Estate Business Trust	Retail Shopping Complex	15,389,070	3	0.62%	11,156,290	7	0.48%
Palmer Center Ltd	Communications	13,688,640	4	0.55%	13,741,150	5	0.60%
MCI Communication Services	Communications	11,767,700	5	0.47%			
Citadel Drive Holdings	Retail Shopping Complex	12,525,940	6	0.50%			
Keysight Technologies	Technology	12,985,740	7	0.52%			
SCMS LLC	Commercial Real Estate	11,255,000	8	0.45%			
COPT Patriot Park at Galley, LLC	Office Real Estate Investment	10,304,970	9	0.41%			
Printers Park Mob LLC	Healthcare Real Estate	10,225,400	10	0.41%			
Intel Corporation	Semiconductor Manufacturer				86,483,570	1	3.76%
Agilent Technologies, Inc.	Communication Technology				14,529,190	3	0.63%
MCI Worldcom Network Svcs Inc	Communication				14,122,700	4	0.61%
MMP Citadel LLC	Commercial Real Estate				13,381,480	6	0.58%
Citadel Crossing Association	Retail Shopping Complex				7,640,790	8	0.33%
Western Forge Corp	Manufacturing				7,212,070	9	0.31%
AT & T	Communication				6,973,000	10	0.30%
Totals		\$ 246,522,000		9.88%	\$ 232,164,940		7.62%
Total Assessed Valuation		\$ 2,496,414,440			\$ 2,300,272,140		

Source: El Paso County Assessor's Office & El Paso County Treasurer's Office

# Colorado Springs School District 11

## Property Tax Levies and Collections

### Last Ten Calendar Years

Assessment Year	Collection Year	Current Tax Levy	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collection to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2006	2007	101,207,816	100,320,317	99.1%	(30,403)	100,289,914	99.1%
2007	2008	110,534,239	109,798,025	99.3%	(509,684)	109,288,341	98.9%
2008	2009	104,339,215	103,246,220	99.0%	(377,798)	102,868,422	98.6%
2009	2010	106,366,437	105,811,559	99.5%	(261,007)	105,550,552	99.2%
2010	2011	106,393,027	105,902,295	99.5%	(308,369)	105,593,926	99.2%
2011	2012	101,528,191	100,946,179	99.4%	(540,014)	100,406,165	98.9%
2012	2013	100,655,586	99,982,948	99.3%	(295,393)	99,687,555	99.0%
2013	2014	101,968,331	101,149,630	99.2%	(583,139)	100,566,491	98.6%
2014	2015	100,314,848	99,949,500	99.6%	(392,035)	99,557,465	99.2%
2015	2016	100,327,049	98,909,712	98.6%	(202,348)	98,707,364	98.4%

Source: El Paso County Treasurer's Office.

Notes:

Collections in Subsequent Years column includes interest, penalties and abatements as well as delinquent tax collections.  
Negative amounts indicate abatements in excess of revenues.

Because interest and penalties are included in the Percentage of Levy column, these percentages may exceed 100%.

2016 collections are from January 1 to August 31. Additional taxes will be collected from September 1 to December 31.

# Colorado Springs School District 11

## Legal Debt Margin Information

### Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
Assessed Value	\$ 2,300,272,140	\$ 2,474,577,770	\$ 2,537,011,350	\$ 2,515,636,400
Debt limit	460,054,428	494,915,554	507,402,270	503,127,280
Total net debt applicable to limit	209,543,084	203,148,084	196,333,084	189,183,084
Legal debt margin	\$ 250,511,344	\$ 291,767,470	\$ 311,069,186	\$ 313,944,196
Total net debt applicable to the limit as a percentage of debt limit	45.55%	41.05%	38.69%	37.60%

Note:

Under state finance law, the outstanding general obligation debt should not exceed 20 percent of total assessed property value.

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 2,523,185,320	\$ 2,325,241,920	\$ 2,345,844,270	\$ 2,329,651,460	\$ 2,357,506,580	\$ 2,496,414,440
504,637,064	465,048,384	469,168,854	465,930,292	471,501,316	499,282,856
183,948,084	175,273,084	168,648,111	158,263,111	147,843,111	136,853,111
\$ 320,688,980	\$ 289,775,300	\$ 300,520,743	\$ 307,667,181	\$ 323,658,205	\$ 362,429,745
36.45%	37.69%	35.95%	33.97%	31.36%	27.41%

**Colorado Springs School District 11**  
**Ratio of General Bonded Debt to Estimated Actual**  
**Taxable Value And Bonded Debt Per Capita**  
**Last Ten Calendar Years**

<u>Assessment Year</u>	<u>Collection Year</u>	<u>Estimated Actual Taxable Value</u>	<u>General Bonded Debt</u>	<u>Ratio of General Bonded Debt to Estimated Actual Taxable Value</u>	<u>Population</u>	<u>Net Bonded Debt per Capita</u>
2006	2007	17,616,267,049	209,543,084	1.2%	390,895	536
2007	2008	19,284,126,822	203,148,084	1.1%	394,177	515
2008	2009	19,816,464,227	196,333,084	1.0%	401,186	489
2009	2010	19,764,794,301	189,183,084	1.0%	407,733	464
2010	2011	18,280,817,658	183,948,084	1.0%	416,427	442
2011	2012	18,243,629,638	175,273,084	1.0%	422,816	415
2012	2013	18,203,019,049	168,648,111	0.9%	429,679	392
2013	2014	18,143,835,722	158,263,111	0.9%	431,834	366
2014	2015	18,323,091,052	147,843,111	0.8%	446,439	331
2015	2016	19,764,730,904	136,853,111	0.7%	450,347	304

Sources: El Paso County Assessor's Office and Colorado Department of Local Affairs, Demography Section,  
Housing and Households

**Colorado Springs School District 11**  
**Ratio of Annual Debt Service Expenditures for**  
**General Bonded Debt to General Fund Expenditures**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Annual Debt Service Expenditures for General Bonded Debt</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures</b>
2007	17,684,360	200,724,054	8.8%
2008	17,054,201	213,268,991	8.0%
2009	17,156,133	220,873,362	7.8%
2010	17,137,670	215,306,722	8.0%
2011	14,069,626	211,351,215	6.7%
2012	17,063,150	205,679,125	8.3%
2013	16,332,832	202,056,760	8.1%
2014	16,975,963	204,893,328	8.3%
2015	16,481,188	209,638,446	7.9%
2016	16,598,644	223,659,510	7.4%



# Colorado Springs School District 11

## Ratios of Outstanding Debt By Type

### Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Total Primary Government	Population	Per Capita	Percentage of Personal Income
	General Obligation Bonds	Certificates of Participation	Other Bonds Payable	Capital Leases				
2007	205,519,973	39,790,000	4,023,111	5,547,553	254,880,637	390,895	652	1.89%
2008	199,124,973	38,790,000	4,023,111	5,252,209	247,190,293	394,177	627	1.76%
2009	192,309,973	37,790,000	4,023,111	4,930,259	239,053,343	401,186	596	1.67%
2010	185,159,973	28,175,000	4,023,111	4,478,596	221,836,680	407,733	544	1.42%
2011	179,924,973	26,110,000	4,023,111	4,074,415	214,132,499	416,427	514	1.34%
2012	179,449,973	23,960,000	4,023,111	3,636,919	211,070,003	422,816	499	1.33%
2013	164,625,000	21,745,000	4,023,111	3,164,278	193,557,389	429,679	450	1.13%
2014	154,240,000	19,420,000	4,023,111	2,654,219	180,337,330	431,834	418	1.02%
2015	143,820,000	16,980,000	4,023,111	2,164,091	166,987,202	446,439	374	0.91%
2016	132,830,000	19,415,000	4,023,111	1,634,918	157,903,029	450,347	351	0.84%

Source: Colorado Department of Local Affairs, Demography Section, Housing & Household (demographic information only)

Notes:

Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Demographic and Economic Statistics has additional personal income and population data.

# Colorado Springs School District 11

## Computation of Direct and Overlapping Debt

### June 30, 2016

	2016 Assessed Valuation	Entity's Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
<b>Direct Debt:</b>				
Colorado Springs School District 11	\$ 2,496,414,440	\$ 157,903,029	100.00%	\$ 157,903,029
<b>Overlapping Debt:</b>				
Central Marksheffel Metropolitan District	24,260,500	11,880,000	24.90%	2,958,120
City of Colorado Springs	4,985,581,710	40,961,000	45.50%	18,637,255
El Paso County	6,852,564,340	157,498,974	34.30%	54,022,148
Gold Hill Mesa Metropolitan District #2	6,748,940	10,503,000	100.00%	10,503,000
Lowell Metropolitan District	4,228,590	7,940,000	100.00%	7,940,000
Marketplace at Austin Bluffs GID	4,706,100	2,430,000	100.00%	2,430,000
North Nevada Ave URA	26,030,930	49,510,000	99.90%	49,460,490
Powers and Woodmen BID	\$ 10,287,740	\$ 1,850,306	98.80%	\$ 1,828,102
Total Overlapping Debt				<u>147,779,115</u>
Total Direct and Overlapping Debt				<u>\$ 305,682,144</u>

Sources: El Paso County Assessor's Office and information obtained from individual entities and from the District.

**Notes:**

The following entities also overlap the District but have no general obligation debt outstanding:

Central Colorado Conservation District, Cherokee Metro District, Cheyenne Creek Park and Water District, Cimarron Hills Fire Protection District, City Auditorium Block URA, Colorado Avenue Gateway Special Improvement District, Cottonwood General Improvement District, El Paso County Conservation District, Gold Hill Mesa Metropolitan District #1 and #3, Greater Downtown Improvement District, Metrex Metropolitan District, Norwood Special Improvement, Old Colorado City Maintenance and Improvement District, Platte Ave Special Improvement District, SouthCentral Downtown URA, Southeastern Colorado Water Conservancy District, Southwest Downtown URA and Pikes Peak Library District.

Some districts had authorized but unissued debt prior to the TABOR amendment. These districts report that it is unlikely bonds will be issued based upon the authorization due to limitations imposed by agreements with the city and/or the county.

The amount of each entity's outstanding debt attributable to the District is calculated by determining the percentage amount of that entity overlapping the District and multiplying the entity's outstanding debt by the percentage.

# Colorado Springs School District 11

## Demographic and Economic Statistics

### Last Ten Fiscal Years

Fiscal Year	Population <sup>a</sup>	Total Personal Income <sup>b</sup>	Per Capita Personal Income <sup>b</sup>	School Enrollment (Certified Funded Pupil Count) <sup>c</sup>	Unemployment Rate <sup>d</sup>
2007	390,895	13,471,023,490	34,462	28,686	4.3%
2008	394,177	14,012,992,350	35,550	28,066	6.3%
2009	401,186	14,329,160,362	35,717	27,714	7.7%
2010	407,733	15,583,962,993	38,221	27,979	8.9%
2011	416,427	15,991,213,227	38,401	27,189	9.8%
2012	422,816	15,905,492,288	37,618	27,262	9.2%
2013	429,679	17,184,581,926	39,994	26,873	9.1%
2014	431,834	17,696,557,320	40,980	27,599	7.4%
2015	446,439	18,415,608,750	41,250	27,527	5.2%
2016	450,347	18,901,513,937	41,971	27,031	4.2%

Sources:

<sup>a</sup> Colorado Department of Local Affairs, Demography Section and State Demography Office

<sup>b</sup> U.S. Bureau of Economic Analysis

<sup>c</sup> District's Educational Data and Support Services Office

<sup>d</sup> LMI Gateway LAUS Unit

# Colorado Springs School District 11

## Principal Employers for the Pikes Peak Region

### Current Year and Nine Years Ago

Employer	2016			2007		
	Employees	Rank	Percentage Of Total County Employment	Employees	Rank	Percentage Of Total County Employment
Fort Carson Army Post	29,778	1	11.60%	21,500	1	8.70%
Peterson Air Force Base	11,552	2	4.50%	15,075	2	6.10%
Schriever Air Force Base <sup>a</sup>	6,931	3	2.70%	5,931	4	2.40%
United States Air Force Academy	5,648	4	2.20%	6,425	3	2.60%
Memorial Health Services	6,161	5	2.40%	4,695	5	1.90%
Colorado Springs School District 11	3,851	6	1.50%	3,707	6	1.50%
Academy School District 20	3,337	7	1.30%	2,965	7	1.20%
Penrose-St. Francis Health Services	2,824	8	1.10%	2,965	7	1.20%
El Paso County	2,824	8	1.10%	2,224	10	0.90%
City of Colorado Springs	2,310	10	0.90%	2,965	7	1.20%
			<u>29.30%</u>			<u>27.70%</u>

Sources: The Greater Colorado Springs Chamber and EDC and the Colorado Department of Labor.

Notes:

<sup>a</sup> Schriever Air Force Base previously known as Falcon Air Force Base.

# Colorado Springs School District 11

## Employees by Program and Function

### Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b><u>Teachers</u></b>										
Elementary Education	624.40	654.20	666.95	665.50	664.10	651.20	620.50	607.20	599.60	616.50
Middle School	293.50	281.48	285.50	306.30	306.15	289.40	271.70	271.80	265.90	267.30
High School	377.58	368.52	359.70	345.90	345.20	332.40	314.00	304.90	311.25	316.50
Special Education	146.40	137.69	107.59	100.80	95.20	96.20	103.20	107.80	107.80	111.50
Alternative Programs	40.00	40.50	42.00	39.25	38.25	33.50	31.50	34.50	30.40	32.75
Literacy	55.50	56.50	57.50	52.00	52.00	48.00	34.00	32.00	33.50	33.50
ESL/Foreign Language	36.00	43.50	43.50	48.50	48.00	48.00	48.00	48.60	56.20	54.35
Full-Day Kindergarten	10.50	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Preschool	14.30	18.10	17.60	17.90	19.10	19.80	18.20	18.50	18.50	18.50
Other Programs	64.05	64.55	101.35	98.25	105.05	125.65	121.65	149.15	142.00	118.80
Designated Purpose Grants	198.49	185.90	173.99	205.78	214.72	176.54	171.70	171.62	172.64	157.58
Student Support Services	102.80	103.00	115.70	114.80	116.05	120.45	119.15	120.65	123.65	124.45
Instructional Support	59.00	61.10	66.30	61.10	58.10	57.60	58.70	59.20	57.50	61.00
General Administration	2.25	2.25	2.50	0.50	0.25	0.25	0.25	0.25	0.25	0.25
Central Support Services	4.00	4.00	4.00	4.00	2.00	0.00	0.00	0.00	0.00	0.00
Community Education	1.50	0.33	0.33	0.33	0.33	0.33	0.00	0.00	0.00	0.00
<b>Teachers Total</b>	<b>2030.27</b>	<b>2025.62</b>	<b>2044.51</b>	<b>2060.91</b>	<b>2064.50</b>	<b>1999.32</b>	<b>1912.55</b>	<b>1926.17</b>	<b>1919.19</b>	<b>1912.98</b>
<b><u>Education Support Professionals</u></b>										
Elementary Education	16.50	21.02	75.94	72.12	77.57	70.64	69.40	58.75	58.75	58.75
Middle School	13.00	7.00	3.00	4.00	4.00	4.00	4.00	6.00	4.00	5.00
High School	10.00	10.00	11.00	10.00	12.00	12.00	12.00	7.88	8.00	8.00
Special Education	330.39	329.76	313.16	311.56	306.01	305.20	291.20	281.20	281.20	286.20
ESL/Foreign Language	7.25	12.50	12.50	12.50	12.50	14.00	14.00	14.00	16.50	19.50
Full-Day Kindergarten	15.75	6.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Preschool	11.36	19.94	19.94	20.44	20.44	20.44	19.63	19.63	19.63	19.63
Other Programs	2.00	1.00	1.00	8.60	6.50	6.50	12.38	8.00	11.56	12.06
Designated Purpose Grants	75.44	79.83	65.50	53.89	53.14	48.54	46.42	40.23	46.17	42.32
Student Support Services	21.00	21.00	20.88	18.88	16.88	15.88	15.88	14.48	16.10	19.98
Instructional Support	74.75	77.26	79.97	78.10	69.82	68.84	65.20	65.40	65.78	69.64
General Administration	6.75	9.75	9.75	11.25	10.75	10.75	9.75	9.75	9.75	9.75
School Administration	186.29	195.64	203.60	196.00	201.00	202.00	201.50	187.00	192.00	201.50
Business Services	17.00	18.00	17.00	17.00	16.00	16.00	16.00	16.00	16.00	16.00
Operations & Maintenance	445.00	448.00	452.00	443.00	444.40	443.40	439.40	446.90	459.90	472.40
Central Support Services	16.50	20.50	21.50	21.50	20.91	20.50	16.00	16.50	17.50	17.50
Other Support Services	3.00	3.00	2.00	2.00	2.00	1.00	1.00	1.00	1.50	1.50
Other Non-Instruction Svcs	8.00	8.00	8.00	9.50	9.50	8.50	8.50	8.50	8.50	8.50
Capital Reserve	1.50	1.50	1.50	0.50	0.50	0.50	0.50	0.50	0.00	0.50
Building Fund - Project Mgt	8.00	5.00	5.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00
Information Technology	6.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Risk Related Activities Fund	2.00	2.00	2.00	2.00	2.44	2.44	3.00	3.00	3.00	3.00
Production Printing	17.00	17.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Food Services	143.71	154.05	167.73	168.39	170.15	175.28	181.72	175.35	175.35	191.35
<b>ESP Total</b>	<b>1438.19</b>	<b>1467.75</b>	<b>1510.97</b>	<b>1479.23</b>	<b>1474.51</b>	<b>1464.41</b>	<b>1445.48</b>	<b>1398.07</b>	<b>1429.69</b>	<b>1481.08</b>

# Colorado Springs School District 11

## Employees by Program and Function

### Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b><u>Administrators</u></b>										
Designated Purpose Grants	2.00	1.00	2.00	2.00	2.00	3.00	3.00	4.85	5.85	2.85
Student Support Services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Instructional Support	12.50	13.50	12.50	11.50	10.50	9.50	9.50	9.15	9.15	11.15
General Administration	2.00	2.00	2.00	2.00	3.00	3.00	2.00	2.00	2.00	2.00
School Administration	102.50	102.50	104.50	97.50	96.50	96.00	95.50	94.00	92.00	90.00
Business Services	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Operations & Maintenance	3.50	3.50	3.50	4.00	4.00	4.00	3.00	2.00	2.00	2.00
Central Support Services	2.00	5.00	5.00	6.00	5.00	5.00	5.00	5.00	5.00	4.00
Capital Reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Building Fund - Project Mgt	2.50	0.50	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Information Technology	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Risk Related Activities Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Food Services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Administrators Total</b>	137.00	135.00	137.00	130.00	128.00	127.50	125.00	124.00	123.00	119.00
<b><u>Professionals</u></b>										
Special Education	7.00	7.00	7.00	7.00	6.00	6.00	6.00	6.00	6.00	0.00
Preschool	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Other Programs	0.00	0.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00	0.00
Designated Purpose Grants	7.54	6.09	8.39	7.89	12.34	7.39	7.64	7.39	3.05	3.05
Student Support Services	13.00	12.00	12.00	13.00	12.50	13.00	12.00	12.00	12.00	14.00
Instructional Support	34.00	35.00	35.20	37.20	34.00	32.20	29.45	30.45	30.45	34.45
General Administration	2.50	4.41	3.41	0.00	3.41	4.41	4.41	4.00	4.00	4.00
Business Services	13.50	13.50	13.50	13.50	13.50	12.00	10.00	10.50	10.50	10.50
Operations & Maintenance	10.00	22.00	21.00	20.50	20.00	20.50	19.50	18.50	19.50	19.50
Central Support Services	5.00	27.00	27.00	25.00	23.50	22.50	23.00	23.00	23.00	24.00
Other Support Services	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Other Non-Instruction Svcs	2.30	2.30	2.30	2.30	2.30	2.30	2.00	2.00	2.00	2.00
Capital Reserve	0.50	0.50	0.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Building Fund - Project Mgt	8.50	8.50	5.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Information Technology	31.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Risk Related Activities Fund	7.00	7.00	7.00	7.00	7.00	6.50	6.00	6.00	6.00	6.00
Production Printing	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Food Services	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00
Community Education	0.70	0.70	0.70	0.70	0.70	0.70	0.00	0.00	0.00	0.00
<b>Professionals Total</b>	148.54	152.00	154.50	148.09	149.25	141.50	135.00	134.84	132.50	129.50
<b>Total Employees</b>	3754.00	3780.37	3846.98	3818.23	3816.26	3732.73	3618.03	3583.08	3604.38	3642.56

# Colorado Springs School District 11

## School Building Capacity and Population

### Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Elementary:</b>										
<b>Audubon (1956)</b>										
Square feet	47,332	47,332	47,332	47,332	47,332	47,332	47,332	47,332	47,332	47,332
Capacity (students)	500	500	500	475	475	475	475	475	475	475
Enrollment	280	244	209	325	300	335	293	303	301	351
Projected Student/Teacher Ratio	18.00	17.00	19.00	21.00	20.00	20.13	20.83	21.65	19.55	20.17
Student on Free/Reduced Lunch	141	144	126	201	175	206	179	194	210	196
<b>Bristol (1971)</b>										
Square feet	31,290	31,290	31,290	31,290	31,290	31,290	31,290	31,290	31,290	31,290
Capacity (students)	300	300	300	300	300	300	300	300	325	325
Enrollment	222	223	217	236	225	225	211	211	216	252
Projected Student/Teacher Ratio	17.00	18.00	17.00	21.00	16.00	17.67	17.46	16.74	18.15	18.13
Student on Free/Reduced Lunch	171	164	161	180	169	171	151	172	176	176
<b>Buena Vista - Montessori (1911)</b>										
Square feet	34,111	34,111	34,111	34,111	34,111	34,111	34,111	34,111	34,111	34,111
Capacity (students)	275	275	275	250	250	250	250	250	250	250
Enrollment	201	196	189	151	163	176	210	216	205	164
Projected Student/Teacher Ratio	14.00	15.00	12.00	10.00	14.00	17.11	17.75	15.89	14.24	12.24
Student on Free/Reduced Lunch	92	95	93	43	47	45	55	53	60	60
<b>Carver (1971)</b>										
Square feet	40,236	40,236	40,236	40,236	40,236	40,236	40,236	40,236	40,236	40,236
Capacity (students)	425	425	425	438	428	428	428	388	388	388
Enrollment	356	348	350	358	366	363	357	348	356	333
Projected Student/Teacher Ratio	18.00	20.00	20.00	18.00	20.00	21.12	19.78	20.46	19.35	19.14
Student on Free/Reduced Lunch	203	225	246	260	278	280	260	282	288	288
<b>Chipeta (1987)</b>										
Square feet	63,600	63,600	63,600	63,600	63,600	63,600	63,600	63,600	63,600	63,600
Capacity (students)	550	550	550	550	550	550	550	550	550	550
Enrollment	413	427	465	471	468	460	466	488	444	469
Projected Student/Teacher Ratio	18.00	19.00	19.00	20.00	19.00	20.54	20.78	20.75	20.75	21.92
Student on Free/Reduced Lunch	41	60	61	72	61	67	98	99	87	85
<b>Columbia (1969)</b>										
Square feet	29,448	29,448	29,448	29,448	29,448	29,448	29,448	29,448	29,448	29,448
Capacity (students)	300	300	325	288	288	288	288	288	263	263
Enrollment	201	187	222	295	283	315	304	270	268	287
Projected Student/Teacher Ratio	16.00	16.00	17.00	16.00	20.00	21.58	21.04	18.87	18.48	18.52
Student on Free/Reduced Lunch	104	99	137	194	182	225	209	191	214	201
<b>Edison (1956)</b>										
Square feet	36,085	36,085	36,085	36,085	36,085	36,085	36,085	36,085	36,085	36,085
Capacity (students)	350	350	350	313	313	313	313	313	313	313
Enrollment	201	219	203	239	206	215	221	306	291	265
Projected Student/Teacher Ratio	17.00	17.00	16.00	15.00	18.00	19.39	20.97	20.21	19.53	17.79
Student on Free/Reduced Lunch	131	146	159	179	158	178	172	240	260	238
<b>Freedom (2007)</b>										
Square feet	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000
Capacity (students)	600	600	600	605	605	605	605	575	575	575
Enrollment	-	458	553	645	597	606	582	495	479	486
Projected Student/Teacher Ratio	19.00	19.00	19.00	18.00	20.00	21.21	19.72	20.47	20.47	19.92
Student on Free/Reduced Lunch	-	61	87	124	122	123	144	108	115	111
<b>Fremont (1973)</b>										
Square feet	40,738	40,738	40,738	40,738	40,738	40,738	40,738	40,738	40,738	40,738
Capacity (students)	500	475	475	550	550	550	550	450	450	450
Enrollment	364	366	358	404	416	445	394	440	434	442
Projected Student/Teacher Ratio	19.00	18.00	20.00	23.00	21.00	22.32	23.35	22.37	22.37	21.67
Student on Free/Reduced Lunch	133	155	165	201	222	239	226	268	282	282
<b>Grant (1966)</b>										
Square feet	45,273	45,273	45,273	45,273	45,273	45,273	45,273	45,273	45,273	45,273
Capacity (students)	500	475	475	450	450	450	450	450	450	450
Enrollment	471	423	435	475	471	506	495	497	467	448
Projected Student/Teacher Ratio	19.00	19.00	19.00	20.00	19.00	21.58	21.07	19.96	20.85	20.93
Student on Free/Reduced Lunch	209	226	256	327	319	337	312	366	358	358
<b>Henry (1971)</b>										
Square feet	39,890	39,890	39,890	39,890	39,890	39,890	39,890	39,890	39,890	39,890
Capacity (students)	475	475	475	438	438	488	488	438	413	413
Enrollment	425	370	373	386	409	405	385	364	298	323
Projected Student/Teacher Ratio	19.00	18.00	18.00	18.00	20.00	20.84	19.23	18.17	20.00	20.97
Student on Free/Reduced Lunch	210	206	218	239	267	257	252	237	251	224

# Colorado Springs School District 11

## School Building Capacity and Population

### Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Howbert (1959)										
Square feet	30,888	30,888	30,888	30,888	30,888	30,888	30,888	30,888	30,888	30,888
Capacity (students)	225	225	225	363	363	363	363	313	313	313
Enrollment	234	267	288	326	321	310	311	318	278	279
Projected Student/Teacher Ratio	20.00	18.00	18.00	18.00	20.00	20.21	18.62	19.17	18.66	18.72
Student on Free/Reduced Lunch	57	63	83	107	114	132	129	150	140	125
Hunt (1902)										
Square feet	56,401	56,401	56,401	56,401	56,401	56,401	56,401	56,401	56,401	56,401
Capacity (students)	350	350	350	475	475	475	475	475	525	525
Enrollment	182	182	168	427	396	427	369	346	364	362
Projected Student/Teacher Ratio	17.00	16.00	21.00	23.00	19.00	21.06	18.55	22.89	18.76	*18.66
Student on Free/Reduced Lunch	149	140	135	388	359	390	323	313	367	349
Jackson (1966)										
Square feet	33,354	33,354	33,354	33,354	33,354	33,557	33,557	33,557	33,557	33,557
Capacity (students)	200	200	200	438	438	438	438	338	300	300
Enrollment	207	227	241	327	288	304	323	430	457	455
Projected Student/Teacher Ratio	18.00	17.00	19.00	21.00	19.00	20.67	20.10	23.56	21.36	21.26
Student on Free/Reduced Lunch	104	118	139	220	206	220	230	348	411	391
Keller (1971)										
Square feet	38,823	38,823	38,823	38,823	38,823	38,823	38,823	38,823	38,823	38,823
Capacity (students)	500	475	475	475	475	475	475	475	475	475
Enrollment	529	511	520	548	530	529	507	503	463	444
Projected Student/Teacher Ratio	19.00	19.00	20.00	20.00	20.00	21.36	20.55	20.58	21.53	20.65
Student on Free/Reduced Lunch	207	218	273	318	297	297	286	306	333	315
King (1984)										
Square feet	45,127	45,127	45,127	45,127	45,127	45,127	45,127	45,127	45,127	45,127
Capacity (students)	525	525	500	475	475	475	475	475	475	475
Enrollment	480	457	410	421	445	429	425	387	368	355
Projected Student/Teacher Ratio	19.00	18.00	20.00	20.00	20.00	19.85	20.05	19.95	19.95	20.34
Student on Free/Reduced Lunch	132	173	167	190	211	223	205	207	223	213
Madison (1964)										
Square feet	36,741	36,741	36,741	36,741	36,741	36,741	36,741	36,741	36,741	36,741
Capacity (students)	425	425	425	425	425	425	425	425	400	400
Enrollment	358	323	315	366	380	388	364	378	340	349
Projected Student/Teacher Ratio	20.00	18.00	19.00	21.00	20.00	21.01	20.12	20.12	19.54	20.06
Student on Free/Reduced Lunch	136	117	144	198	200	228	200	248	269	236
Martinez (1988)										
Square feet	54,714	54,714	54,714	54,714	54,714	54,714	54,714	54,714	54,714	54,714
Capacity (students)	575	575	575	610	610	610	610	550	525	525
Enrollment	640	612	598	654	660	637	629	613	568	542
Projected Student/Teacher Ratio	19.00	19.00	19.00	18.00	21.00	20.47	19.56	20.65	19.93	19.71
Student on Free/Reduced Lunch	94	106	102	140	147	144	165	159	203	191
McAuliffe (2007)										
Square feet	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000
Capacity (students)	600	600	600	600	600	600	600	575	575	575
Enrollment	-	506	567	595	611	592	575	578	572	542
Projected Student/Teacher Ratio	20.00	20.00	20.00	18.00	20.00	20.29	21.00	21.67	20.88	19.78
Student on Free/Reduced Lunch	-	265	305	347	328	316	304	320	359	348
Midland (1956)										
Square feet	38,710	38,710	38,710	38,710	38,710	38,710	38,710	38,710	38,710	38,710
Capacity (students)	300	300	300	388	388	388	388	288	288	288
Enrollment	196	160	152	184	174	158	170	152	154	189
Projected Student/Teacher Ratio	14.00	14.00	16.00	17.00	16.00	16.70	16.26	15.71	13.87	15.62
Student on Free/Reduced Lunch	96	95	109	134	131	127	129	125	121	121
Monroe (1964)										
Square feet	47,633	47,633	47,633	47,633	47,633	47,633	47,633	47,633	47,633	47,633
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	463	389	394	416	408	400	453	476	462	493
Projected Student/Teacher Ratio	19.00	18.00	18.00	18.00	20.00	21.75	20.70	22.65	20.63	21.07
Student on Free/Reduced Lunch	309	333	345	375	354	343	385	416	445	425
Penrose (1973)										
Square feet	40,769	40,769	40,769	40,769	40,769	40,769	40,769	40,769	40,769	40,769
Capacity (students)	500	425	425	538	538	538	538	438	438	438
Enrollment	424	423	402	421	435	407	410	366	326	312
Projected Student/Teacher Ratio	20.00	19.00	18.00	17.00	20.00	20.82	20.65	17.72	21.17	19.02
Student on Free/Reduced Lunch	176	186	210	228	237	242	220	207	247	230



# Colorado Springs School District 11

## School Building Capacity and Population

### Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Queen Palmer (1948)										
Square feet	44,129	44,129	44,129	44,129	44,129	44,129	44,129	44,129	44,129	44,129
Capacity (students)	275	275	275	338	338	338	338	288	288	288
Enrollment	295	216	212	228	210	266	263	237	262	279
Projected Student/Teacher Ratio	18.00	18.00	20.00	18.00	19.00	20.53	18.94	21.13	20.31	20.07
Student on Free/Reduced Lunch	242	183	192	203	187	250	242	218	244	244
Rogers (1960)										
Square feet	41,511	41,511	41,511	41,511	41,511	41,511	41,511	41,511	41,511	41,511
Capacity (students)	375	375	375	438	438	438	438	388	388	388
Enrollment	376	391	324	277	261	267	296	337	362	398
Projected Student/Teacher Ratio	17.00	19.00	17.00	22.00	21.00	21.05	21.04	21.42	18.66	20.52
Student on Free/Reduced Lunch	275	286	252	231	203	211	243	283	311	311
Rudy (1978)										
Square feet	43,861	43,861	43,861	43,861	43,861	43,861	43,861	43,861	43,861	43,861
Capacity (students)	500	500	475	500	500	500	500	450	450	450
Enrollment	528	424	425	412	437	449	429	419	398	379
Projected Student/Teacher Ratio	18.00	18.00	19.00	19.00	20.00	21.08	19.79	20.52	20.52	19.54
Student on Free/Reduced Lunch	158	142	163	186	202	201	201	217	227	214
Scott (1998)										
Square feet	58,221	58,221	58,221	58,221	58,221	58,221	58,221	58,221	58,221	58,221
Capacity (students)	550	550	550	605	605	605	605	550	550	550
Enrollment	720	633	658	674	684	657	693	686	595	586
Projected Student/Teacher Ratio	19.00	20.00	20.00	19.00	20.00	19.74	20.06	19.51	22.45	20.56
Student on Free/Reduced Lunch	108	138	183	196	206	189	202	244	235	222
Steele (1953)										
Square feet	29,041	29,041	29,041	29,041	29,041	29,041	29,041	29,041	29,041	29,041
Capacity (students)	250	250	225	288	288	288	288	288	288	288
Enrollment	262	265	285	267	280	272	280	295	309	298
Projected Student/Teacher Ratio	18.00	19.00	18.00	20.00	19.00	20.15	19.85	21.16	20.74	20.00
Student on Free/Reduced Lunch	36	39	45	47	44	45	53	63	81	81
Stratton (1953)										
Square feet	37,607	37,607	37,607	37,607	37,607	37,607	37,607	37,607	37,607	37,607
Capacity (students)	325	325	325	338	338	338	338	338	338	325
Enrollment	331	329	347	354	333	333	335	354	321	326
Projected Student/Teacher Ratio	20.00	19.00	18.00	24.00	23.00	21.26	22.56	22.14	22.29	22.64
Student on Free/Reduced Lunch	101	110	130	154	139	135	133	146	151	141
Taylor (1953)										
Square feet	29,229	29,229	29,229	29,229	29,229	29,229	29,229	29,229	29,229	29,229
Capacity (students)	275	275	275	288	288	288	288	288	288	288
Enrollment	274	244	265	303	322	260	256	263	257	257
Projected Student/Teacher Ratio	19.00	17.00	18.00	18.00	20.00	20.15	16.33	18.49	18.49	18.49
Student on Free/Reduced Lunch	129	126	142	159	167	146	130	153	150	150
Trailblazer (1998)										
Square feet	57,470	57,470	57,470	57,470	57,470	57,470	57,470	57,470	57,470	57,470
Capacity (students)	525	525	525	550	550	550	550	550	550	550
Enrollment	345	328	330	381	408	377	330	334	305	318
Projected Student/Teacher Ratio	19.00	18.00	18.00	13.00	18.00	19.54	17.99	18.60	20.47	18.28
Student on Free/Reduced Lunch	67	61	65	102	130	116	123	135	131	131
Twain (1962)										
Square feet	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594
Capacity (students)	675	600	600	600	550	550	550	550	600	600
Enrollment	538	419	445	492	493	523	519	496	457	422
Projected Student/Teacher Ratio	19.00	19.00	20.00	21.00	21.00	21.12	18.08	20.36	21.31	21.70
Student on Free/Reduced Lunch	397	312	331	370	385	416	416	404	417	400
West (1923)										
Square feet	-	-	-	101,102	101,102	101,102	101,102	101,102	101,102	101,102
Capacity (students)	-	-	-	388	388	388	388	388	338	338
Enrollment	-	-	-	341	371	358	300	347	370	337
Projected Student/Teacher Ratio	-	-	-	19.00	19.00	19.34	19.06	20.67	19.07	19.37
Student on Free/Reduced Lunch	-	-	-	266	274	273	230	207	314	314
Wilson (1969)										
Square feet	46,567	46,567	46,567	46,567	46,567	46,567	46,567	46,567	46,567	46,567
Capacity (students)	400	400	400	450	450	450	450	350	425	425
Enrollment	450	387	346	424	401	406	393	404	381	399
Projected Student/Teacher Ratio	18.00	18.00	18.00	17.00	20.00	20.83	20.05	18.14	18.68	19.56
Student on Free/Reduced Lunch	362	315	301	366	339	354	349	364	337	337

# Colorado Springs School District 11

## School Building Capacity and Population

### Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Middle:</b>										
Galileo/East (1954)										
Square feet	98,516	98,516	98,516	98,516	98,516	98,516	98,516	98,516	98,516	98,516
Capacity (students)	813	675	675	675	765	765	765	765	765	765
Enrollment	340	-	247	476	710	657	623	501	483	516
Projected Student/Teacher Ratio	-	19.00	20.00	14.00	21.00	21.73	21.43	20.13	20.13	20.64
Student on Free/Reduced Lunch	311	-	153	314	496	503	499	417	408	408
Holmes (1968)										
Square feet	78,155	78,155	78,155	78,155	78,155	78,155	78,155	78,155	78,155	78,155
Capacity (students)	750	750	750	675	675	675	675	675	675	675
Enrollment	684	718	720	723	681	697	686	696	712	727
Projected Student/Teacher Ratio	20.00	20.00	20.00	21.00	21.00	22.00	21.00	22.25	21.58	21.13
Student on Free/Reduced Lunch	199	225	240	276	268	268	286	307	317	317
Jenkins (1999)										
Square feet	125,516	125,516	125,516	125,516	125,516	125,516	125,516	125,516	125,516	125,516
Capacity (students)	963	963	963	1,035	1,035	1,035	1,035	1,035	1,058	1,058
Enrollment	867	839	845	907	956	945	952	954	961	972
Projected Student/Teacher Ratio	20.00	20.00	20.00	18.00	20.00	21.02	21.19	21.07	20.89	21.13
Student on Free/Reduced Lunch	136	159	176	217	253	219	260	291	319	319
Mann (1957)										
Square feet	86,650	86,650	86,650	86,650	86,650	86,650	86,650	86,650	86,650	86,650
Capacity (students)	788	788	788	788	788	788	788	788	788	788
Enrollment	725	767	684	635	570	514	497	461	439	461
Projected Student/Teacher Ratio	20.00	20.00	20.00	22.00	20.00	21.01	21.01	18.68	21.95	19.13
Student on Free/Reduced Lunch	330	418	382	388	366	338	338	340	338	338
North (1923)										
Square feet	113,113	113,113	113,113	113,113	113,113	113,113	113,113	113,113	113,113	113,113
Capacity (students)	788	788	813	833	833	833	833	833	855	878
Enrollment	658	760	702	694	604	662	686	660	701	658
Projected Student/Teacher Ratio	20.00	20.00	20.00	20.00	20.00	21.74	21.50	21.24	20.03	18.48
Student on Free/Reduced Lunch	314	434	414	402	343	408	419	444	509	509
Russell (1971)										
Square feet	108,104	108,104	108,104	108,104	108,104	108,104	108,104	108,104	108,104	108,104
Capacity (students)	813	813	850	810	810	810	810	810	810	810
Enrollment	780	818	814	828	738	707	691	726	686	685
Projected Student/Teacher Ratio	20.00	20.00	20.00	21.00	20.00	20.69	21.17	20	22	20.76
Student on Free/Reduced Lunch	302	346	344	397	373	368	367	421	422	422
Sabin (1975)										
Square feet	106,419	106,419	106,419	106,419	106,419	106,419	106,419	106,419	106,419	106,419
Capacity (students)	938	938	938	878	878	878	878	878	900	923
Enrollment	707	777	711	940	815	839	820	857	848	802
Projected Student/Teacher Ratio	20.00	20.00	20.00	23.00	21.00	21.71	21.66	22.26	22.92	21.62
Student on Free/Reduced Lunch	259	339	346	506	460	526	508	574	575	575
Swigert (1967)										
Square feet	-	-	104,564	104,564	104,564	104,564	104,564	104,564	104,564	104,564
Capacity (students)	-	-	800	698	698	698	698	878	810	810
Enrollment	-	-	-	538	552	512	486	504	476	470
Projected Student/Teacher Ratio	-	-	-	17.00	21.00	20.88	21.42	23	21	20.43
Student on Free/Reduced Lunch	-	-	-	469	478	438	423	447	422	422
West (1923)										
Square feet	101,102	101,102	101,102	101,102	101,102	101,102	101,102	101,102	101,102	101,102
Capacity (students)	725	725	725	315	315	315	315	315	394	394
Enrollment	360	353	332	286	287	268	260	268	276	258
Projected Student/Teacher Ratio	17.00	17.00	20.00	15.00	18.00	19.25	20.00	20.44	25.09	20.64
Student on Free/Reduced Lunch	216	214	191	189	192	189	178	292	205	205
<b>High:</b>										
Coronado (1970)										
Square feet	225,984	225,984	225,984	225,984	225,984	225,984	225,984	225,984	225,984	225,984
Capacity (students)	1,775	1,825	1,825	1,862	1,862	1,862	1,862	1,862	1,862	1,862
Enrollment	1,530	1,451	1,394	1,364	1,421	1,368	1,331	1,492	1,557	1,508
Projected Student/Teacher Ratio	22.00	21.00	21.00	21.00	21.00	22.79	22.68	23.14	21.84	21.45
Student on Free/Reduced Lunch	385	388	419	454	494	516	508	663	712	712

# Colorado Springs School District 11

## School Building Capacity and Population

### Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Doherty (1975)										
Square feet	239,484	239,484	239,484	239,484	239,484	239,484	239,484	239,484	239,484	239,484
Capacity (students)	1,700	2,100	2,100	2,168	2,168	2,168	2,168	2,168	2,168	2,168
Enrollment	1,983	2,033	2,036	1,993	1,965	1,990	1,938	2,062	1,980	1,988
Projected Student/Teacher Ratio	22.00	22.00	22.00	22.00	22.00	23.48	22.39	22.17	22.68	22.02
Student on Free/Reduced Lunch	408	426	524	571	631	700	685	806	797	797
Mitchell (1965)										
Square feet	247,386	247,386	247,386	247,386	247,386	247,386	247,386	247,386	247,386	247,386
Capacity (students)	1,875	1,875	1,850	1,989	1,989	1,989	1,989	1,989	1,989	1,989
Enrollment	1,356	1,186	1,084	1,036	1,027	941	977	1,199	1,203	1,234
Projected Student/Teacher Ratio	21.00	21.00	20.00	21.00	20.00	20.13	21.53	19.85	19.85	19.16
Student on Free/Reduced Lunch	635	608	636	682	694	630	710	913	940	940
Palmer (1939)										
Square feet	270,135	270,135	270,135	270,135	270,135	270,135	270,135	270,135	270,135	270,135
Capacity (students)	1,825	1,975	1,975	2,219	2,219	2,219	2,219	2,219	2,193	2,193
Enrollment	1,813	1,850	1,827	1,851	1,798	1,881	1,871	1,967	1,898	1,747
Projected Student/Teacher Ratio	21.00	21.00	21.00	20.00	21.00	22.83	21.85	20.61	20.77	20.41
Student on Free/Reduced Lunch	539	599	644	698	710	818	836	972	1,026	1,026
<b>Education Opportunity:</b>										
Wasson (1959)										
Square feet	254,876	254,876	254,876	254,876	254,876	254,876	254,876	254,876	254,876	254,876
Capacity (students)	1,750	1,750	1,750	1,862	1,862	1,862	1,862	-	-	-
Enrollment	1,356	1,242	1,099	1,056	918	918	918	-	-	-
Projected Student/Teacher Ratio	20.00	20.00	20.00	20.00	20.00	19.95	-	-	-	-
Student on Free/Reduced Lunch	632	621	608	640	586	612	642	-	-	-
Achieve K-12										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	240	240
Enrollment	-	-	-	-	62	179	191	229	229	235
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	-	-	-	-	41	27	58	119	120	120
Adult Education Center										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	480	480
Enrollment	105	100	95	80	58	91	64	56	-	-
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	-	-	-	-	-	-	-	-	-	-
Bijou School										
Square feet	9,686	9,686	9,686	9,686	9,686	-	-	-	-	-
Capacity (students)	150	150	150	150	150	150	150	150	150	150
Enrollment	150	130	133	119	108	101	98	108	111	105
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	45	57	67	74	60	54	58	76	77	77
Digital										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	30	30
Enrollment	-	-	-	-	102	102	121	122	119	119
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	-	-	-	-	-	-	-	-	-	-
Early College										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	30	30
Enrollment	-	-	-	-	-	-	-	-	111	146
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	-	-	-	-	-	-	-	-	59	59
Springs Community Night School										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	85	77	73	54
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	-	-	-	-	-	-	-	-	-	-

# Colorado Springs School District 11

## School Building Capacity and Population

### Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Tesla</b>										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	330	330	330	330	330	330	330	330	210	210
Enrollment	224	227	217	221	218	201	192	180	191	203
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	131	151	157	171	167	152	148	151	172	172
<b>Other</b>										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	563	656	617	686	-	735	562	582	536	488
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	-	-	-	-	-	-	-	-	-	-
<b>Charter Schools:</b>										
<b>AACL</b>										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	161	244	276	285	284	305
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	-	-	-	-	33	55	42	62	62	62
<b>CIVA (1976)</b>										
Square feet	39,120	39,120	39,120	39,120	39,120	39,120	39,120	39,120	39,120	39,120
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	198	137	144	142	142	155	157	186	193	178
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	43	30	39	55	61	65	51	67	80	80
<b>Community Prep School</b>										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	168	187	170	176	201	205	242	256	240	256
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	101	94	87	120	100	105	112	119	38	38
<b>Life Skills Center</b>										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	277	286	285	325	284	261	250	213	239	257
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	46	110	127	80	119	135	123	74	101	101
<b>Roosevelt (1969)</b>										
Square feet	51,340	51,340	51,340	51,340	51,340	51,340	51,340	51,340	51,340	51,340
Capacity (students)	500	500	500	700	700	700	700	700	700	525
Enrollment	617	659	674	702	676	715	697	693	717	713
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	551	563	612	637	588	616	589	620	647	647
<b>GLOBE</b>										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	215	154	161	170	177	192	176	172	176	191
Projected Student/Teacher Ratio	-	-	-	-	-	-	-	-	-	-
Student on Free/Reduced Lunch	90	90	90	100	100	116	110	120	115	115
<b>Other:</b>										
<b>Administration Complex (1956)</b>										
Square feet	86,609	86,609	86,609	86,609	86,609	86,609	86,609	86,609	86,609	86,609
<b>Facilities Complex</b>										
Square feet	100,326	100,326	100,326	100,326	100,326	100,326	100,326	100,326	100,326	100,326
<b>G. Berry Stadium (1959)</b>										
Square feet	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
<b>Nikola Tesla (1999)</b>										
Square feet	78,936	78,936	78,936	78,936	78,936	78,936	78,936	78,936	78,936	78,936

\*Hunt closed June 30, 2016: students transferred to new location Adams for FY17 school year.

Note: The Education Opportunity schools are located in the Wasson building.

Colorado Springs School District owns 55 schools, 4 support sites, and square feet of 711 acres of land. Its facilities include over 4.0 million building space with a current replacement value of over \$1 billion. The average building age is 49 years, with the oldest active school built in 1902.

The District owns over 17,000 student and staff computer work stations.

Sources: District's Offices and CDE

# Colorado Springs School District 11

## Capital Assets by Function

### Last Ten Years

Function	Fiscal Year			
	2007	2008	2009	2010
Instruction	\$ 160,131,165	\$ 190,895,168	\$ 246,856,221	\$ 258,962,960
Instructional support	253,313	288,570	313,774	269,574
General administration	1,838,633	1,769,846	4,898,520	4,718,486
Business services	649,039	634,908	620,778	606,648
Maintenance and operations	6,949,816	6,869,952	6,263,120	7,754,718
Transportation	9,530,371	9,298,341	9,388,395	9,534,216
Central services	14,761,991	16,821,914	15,690,359	14,211,835
Construction services	51,361,588	60,701,163	21,884,458	7,043,431
Other services	-	-	-	-
Sub-total	245,475,916	287,279,862	305,915,625	303,101,868
Internal service funds	1,212,871	1,233,745	1,087,988	982,090
Sub-total	246,688,787	288,513,607	307,003,613	304,083,958
Business-type activities	640,414	800,280	759,663	775,651
Grand Total	\$ 247,329,201	\$ 289,313,887	\$ 307,763,276	\$ 304,859,609

Source: District's Fiscal Services Office

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 257,919,534	\$ 249,912,861	\$ 241,038,540	\$ 235,215,680	\$ 231,702,844	\$ 223,663,260
250,844	216,608	177,692	160,547	145,556	131,048
4,537,773	4,357,763	4,178,313	4,001,739	3,840,869	3,681,113
592,518	578,388	564,115	568,705	551,866	534,943
7,079,194	6,627,626	5,846,465	4,930,029	4,536,693	3,786,108
10,087,755	10,275,713	10,393,055	10,696,381	11,118,112	11,358,543
12,704,462	11,023,555	10,085,827	9,401,077	8,918,751	8,266,296
1,166,568	1,982,919	1,405,993	1,271,151	-	5,350,892
-	-	-	-	938,365	779,678
294,338,648	284,975,433	273,690,000	266,245,309	261,753,056	257,551,881
834,177	811,250	719,637	669,471	649,098	718,827
295,172,825	285,786,683	274,409,637	266,914,780	262,402,154	258,270,708
781,443	784,235	1,173,822	1,089,766	-	-
\$ 295,954,268	\$ 286,570,918	\$ 275,583,459	\$ 268,004,546	\$ 262,402,154	\$ 258,270,708

# Colorado Springs School District 11

## Miscellaneous Statistical Data

### For the School Years Ending in May

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Number of Schools</b>										
Elementary Schools	40	41	41	35	35	35	35	33	33	33
Middle Schools	9	8	9	9	9	9	9	9	9	9
High Schools	5	5	5	5	5	5	5	4	4	4
Alternative Schools	4	4	4	5	5	5	5	6	6	6
Charter Schools	4	5	5	4	5	5	5	5	7	6
Total	62	63	64	58	59	59	59	57	59	58
<b>Number of Teachers by Educational Levels</b>										
Bachelor of Arts	331	319	294	269	251	280	296	299	284	323
Bachelor of Arts + 16	165	157	173	162	161	146	111	113	107	115
Bachelor of Arts + 32	135	138	111	108	96	98	75	72	80	140
Bachelor of Arts+48/Master's Degree	413	413	442	445	423	411	470	427	429	403
Master's Degree +16	204	222	205	210	233	226	201	198	198	202
Master's Degree + 32	167	172	190	189	199	177	164	173	175	158
Master's Degree + 48	161	165	150	155	160	137	126	136	145	158
Master's Degree + 64 *	116	112	115	122	120	106	94	96	84	335
Master's Degree + 80 *	104	87	92	94	100	89	82	70	86	-
Master's Degree +96/Doctorate *	147	163	184	209	219	202	180	189	204	25
Total	1,943	1,948	1,956	1,963	1,962	1,872	1,799	1,773	1,792	1,859
<b>Student Enrollment</b>	30,303	29,842	29,573	29,820	29,032	29,727	29,235	28,404	28,005	27,547
<b>Funded Pupil Count</b>	28,693	28,066	27,714	27,979	27,710	27,776	27,375	26,865	26,838	25,696
<b>Teacher/Student Ratio</b>										
Elementary Schools	15.32	14.96	14.92	16.09	15.67	15.89	16.19	15.94	19.79	19.61
Middle Schools	16.38	16.90	16.98	18.75	16.04	16.58	17.61	17.13	21.71	20.44
High Schools	19.28	19.06	18.73	20.03	18.87	19.33	20.00	20.96	21.29	20.76
Alternative Schools	16.25	16.19	14.59	15.47	13.64	13.71	16.63	15.98	13.90	12.96
Charter Schools	11.80	11.97	15.33	14.42	12.71	14.93	14.23	13.58	15.85	15.44
**District-wide	16.27	16.12	16.21	17.39	16.19	16.66	17.18	17.02	17.02	19.45
<b>Number of Students Receiving School Lunches Free or at Reduced Cost</b>										
Elementary Schools	6,279	6,511	6,986	7,279	7,150	7,427	7,230	7,382	8,017	7,708
Middle Schools	2,366	2,451	2,541	3,158	3,229	3,257	3,278	3,031	3,515	3,515
High Schools	2,599	2,642	2,831	3,045	3,115	3,276	3,381	3,354	3,475	3,475
Alternative Schools	176	208	224	264	268	233	264	346	428	428
Charter Schools	1,326	1,299	1,474	1,239	1,307	1,419	1,345	1,409	1,341	1,341
District-wide	12,746	13,111	14,056	14,985	15,069	15,612	15,498	15,522	16,776	16,467

Notes:

Year of organization: 1872 / Largest school district in the Pikes Peak Region

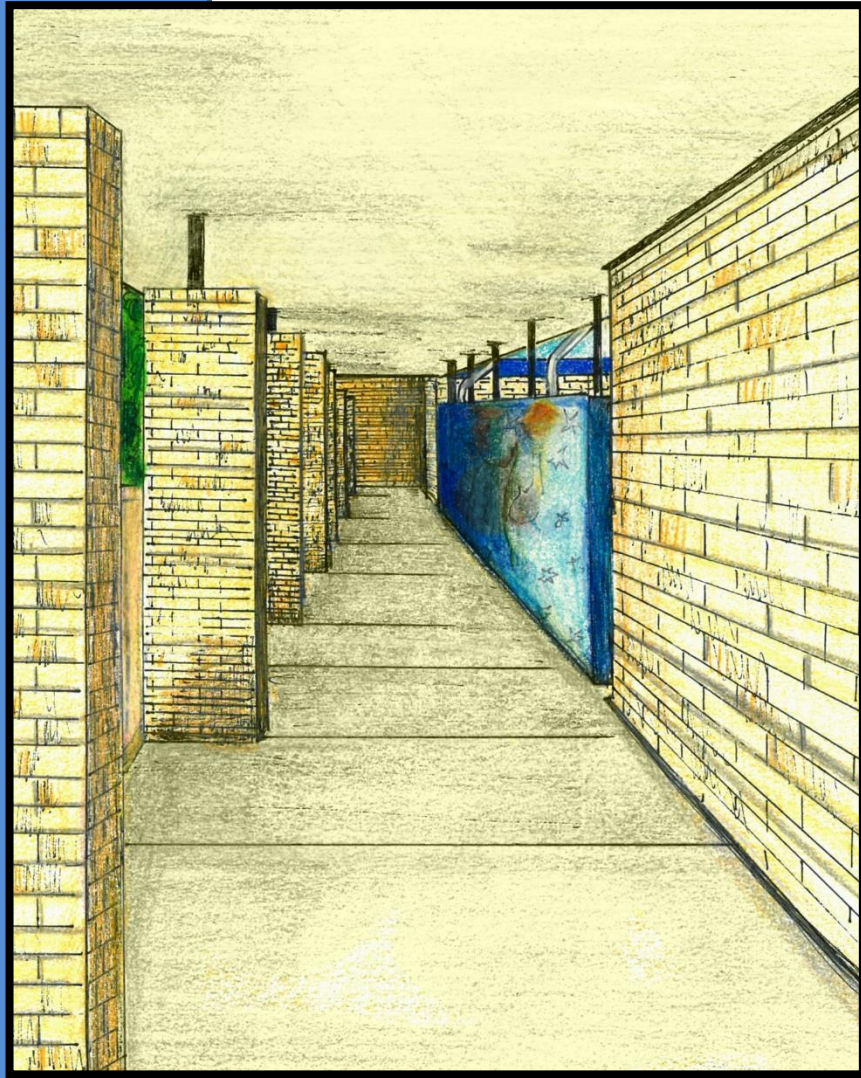
Geographical area: 70.5 square miles

Accreditation: Colorado Department of Education

\* Master's Degree +64 now includes Master's Degree's +80 and Master's Degree's +96

\*\* District-wide totals weighted by TOTAL of Teacher/Student counts

# Single Audit Report



\* The following supplementary schedule of Expenditures of Federal Awards is in accordance with federal reporting requirements as described in the Uniform Guidance.



# Colorado Springs School District 11

## Schedule of Expenditures of Federal Awards

### For the Year Ended June 30, 2016

District's Program Number	Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Grantor's Number
<b>U.S. Department of Education</b>		
<b>Direct Programs:</b>		
4041	Impact Aid	84.041
4060	Title VII A - Indian Education	84.060
5374	Teacher Incentive Fund	84.374A
	Subtotal	
<b>Pass-Through Colorado Department of Education:</b>		
4010/5010/7010	Title I	84.010
4027/5027	Title VI-B IDEA Special Education	84.027
4173	Title VI B IDEA Preschool	84.173
	Total Special Education Cluster (IDEA)	
4365/7365	Title III Part A English Language Acquisition	84.365
4367	Title II Part A Training & Recruiting	84.367
4413	Race To The Top	84.413
5002/6002	Adult Education	84.002
5126	SWAP Job Replacement Services	84.126
5287	21st Century Learning Centers	84.287
5412	Race To The Top-Early Childhood Readiness Assessment	84.413
	Subtotal	
<b>Other Pass-Through Agencies:</b>		
4048	Perkins Grant	84.048
	Subtotal	
	Total U.S. Department of Education	
<b>U.S. Department of Defense:</b>		
<b>Direct Programs:</b>		
7556	DODEA-Personalized Learning in High Military Schools	12.556
	Total U.S. Department of Defense	
<b>U.S. Department of Agriculture</b>		
<b>Pass-Through Colorado Department of Education:</b>		
4553	National School Breakfast Program	10.553
4555	National School Lunch Program	10.555
4555	National School Lunch Program-Commodities (non-cash)	10.555
4559	Summer Lunch Program	10.559
	Total National School Lunch Program Cluster	
4558	Adult Care Food Program	10.558
5579	National School Lunch Equipment Assistance	10.579
	Total U.S. Department of Agriculture	
	Total federal awards	

See notes to Schedule of Expenditures of Federal Awards

Current Year Award Amount	Accounts Rec or (Deferred Rev) at June 30, 2015	Receipts Federal Sources	Expenditures	Accounts Rec or (Deferred Rev) at June 30, 2016
\$ -	\$ -	\$ 259,291	\$ 259,291	\$ -
60,778	10,958	55,708	55,924	11,174
-	378,358	1,449,370	1,105,719	34,707
	389,316	1,764,369	1,420,934	45,881
7,244,952	1,205,395	7,280,259	7,350,162	1,275,298
5,071,181	947,354	5,414,578	5,464,988	997,764
146,133	(2,972)	166,900	166,111	(3,761)
	944,382	5,581,478	5,631,099	994,003
161,211	41,476	159,807	159,279	40,948
1,234,884	381,964	1,473,649	1,387,358	295,673
178,706	31,197	206,895	178,706	3,008
413,145	116,944	455,545	404,875	66,274
285,682	27,563	268,358	285,683	44,888
-	11,180	11,180	-	-
21,480	-	21,480	21,480	-
	2,760,101	15,458,651	15,418,642	2,720,092
200,904	74,701	129,385	200,904	146,220
	74,701	129,385	200,904	146,220
	3,224,118	17,352,405	17,040,480	2,912,193
99,980	84,612	169,513	109,198	24,297
	84,612	169,513	109,198	24,297
-	-	2,111,112	2,111,112	-
-	-	5,546,596	5,546,795	199
-	(169,785)	713,298	648,627	(234,456)
-	148,792	219,100	210,579	140,271
	(20,993)	8,590,106	8,517,113	(93,986)
	(22,938)	18,849	21,558	(20,229)
47,789	-	46,559	46,559	-
	(43,931)	8,655,514	8,585,230	(114,215)
\$	3,264,799	\$ 26,177,432	\$ 25,734,908	\$ 2,822,275

# **Colorado Springs School District 11**

## **Notes to the 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 grant activity of Colorado Springs School District 11 (the District) for the year ended June 30, 2016. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the schedule. The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts reported in, or used in the preparation of, the basic financial statements. Because the Schedule presents only a select portion of the operations of the District, it is not intended to and does not present the financial position or changes in net assets of the District.

#### **NOTE 2: *SIGNIFICANT ACCOUNTING POLICIES***

The accompanying schedule of expenditures of federal awards is presented on the modified accrual basis of accounting. Expenditures of federal awards are recognized in the accounting period when the liability is incurred. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **NOTE 3: *SUBRECIPIANTS***

For the year ended June 30, 2016, the District did not pass through any federal grant awards to subrecipients.

#### **NOTE 4: *INDIRECT COST RATE***

The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Colorado Springs School District 11**

**Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2016**

Finding	Status	Corrective Action Plan or Other Explanation
None reported		

**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***

**Independent Auditor's Report**

To the Board of Education  
Colorado Springs School District 11  
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 units, each major fund, and the aggregate remaining fund information of Colorado Springs School District 11 (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 October 26, 2016. Our report includes a reference to other auditors who audited the financial statements of the District's Charter Schools (the aggregated discretely presented component units), as described in our report on the District's financial statements. The financial statements of the District's Charter Schools were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the District's Charter Schools.

**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 results of that testing, and not to provide an opinion on the effectiveness of the District'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.

*RSM VS LLP*

Denver, Colorado  
October 26, 2016

**Report on Compliance for Each Major Federal  
Program and Report on Internal Control Over Compliance  
Required by the Uniform Guidance**

**Independent Auditor's Report**

To the Board of Education  
Colorado Springs School District 11  
Colorado Springs, Colorado

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

We have audited Colorado Springs School District 11'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 auditor's results section of the accompanying schedule of findings and questioned costs.

The District's financial statements include the operations of their Charter Schools, which are presented as the aggregate discretely presented component units. Any federal awards received by the Charter Schools are not included in the District's schedule of federal awards for the year ended June 30, 2016. Our audit, described below, did not include the operations of the Charter Schools because they were audited by other auditors.

***Management's Responsibility***

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

***Auditor's 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), *Audits of States, Local Governments, and Non-Profit Organizations*. 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 the 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 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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.

*RSM US LLP*

Denver, Colorado  
October 26, 2016



## Colorado Springs School District 11

### Schedule of Findings and Questioned Costs Year Ended June 30, 2016

---

#### I. Summary of the Independent Auditor's Results

##### Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- . Material weakness(es) identified?
- . Significant deficiency(ies) identified?
- . Noncompliance material to financial statements noted?

☐ Yes ☒ No  
☐ Yes ☒ None Reported  
☐ Yes ☒ No

##### Federal Awards

Internal control over major programs:

- . Material weakness(es) identified?
- . Significant deficiency(ies) identified?

☐ Yes ☒ No  
☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

- . Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major programs:

CFDA Number	Name of Federal Programs
84.010	Title I
84.367	Title II, Part A
84.002	Adult Education

Dollar threshold used to distinguish between type A and type B programs: \$772,047

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

(continued)

**II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards**

**A. Internal Control**

None reported

**B. Compliance Findings**

None reported

**III. Findings and Questioned Costs for Federal Awards**

**A. Internal Control in Administering Federal Awards**

None reported

**B. Compliance Findings**

None reported

**Colorado Springs School District 11**

**Corrective Action Plan  
Year Ended June 30, 2016**

Current Number	Comment	Corrective Action Plan	Anticipated Date of Completion	Contact Person
-------------------	---------	------------------------	--------------------------------------	----------------

None reported

# CDE/TABOR Section





THE WORLD IS CHANGING.  
MEET THE FUTURE.

**Report on Electronic  
Financial Data Integrity Check Figures**

**Independent Auditor's Report**

To the Board of Education  
Colorado Springs School District 11  
Colorado Springs, Colorado

We have audited the financial statements of the governmental activities, each major fund, the aggregate discretely presented component units and aggregate remaining fund information of Colorado Springs School District 11 as of and for the year ended June 30, 2016, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 26, 2016. Our report includes a reference to other auditors who audited the District's Charter Schools (the aggregate discretely presented component units). Our audit was performed for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying schedule of electronic financial data integrity check figures is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of electronic data integrity check figures is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 by us and other auditors. In our opinion, based on our audit, the procedures described above and the reports of the other auditors, the schedule of electronic data integrity check figures is fairly stated in all material respects in relation to the basic financial statements as a whole.

*RSM US LLP*

Denver, Colorado  
October 26, 2016



THE WORLD IS CHANGING.  
MEET THE FUTURE.

# Colorado Springs School District 11

## Calculation of Spending

### Pursuant to Article X, Section 20 of the Colorado Constitution

### For the Year Ended June 30, 2016

	Fiscal Year	
	2015	2016
COMPUTATION OF FISCAL YEAR SPENDING		
Total District Expenditures		\$198,877,718
Less: Special Items:		
Expenditures from Federal Funds		27,550,499
Expenditures from Damage Awards		182,481
Expenditures from Collections for Governments		1,290,231
Expenditures from Gifts & Donations		2,048,357
Expenditures from Proceeds of Sales of Assets		2,528,309
Total Special Items		33,599,877
Less: Expenditures from District Reserves		
General Fund		2,375,281
Charter Schools		673,175
Capital Reserve Fund		-
Food Services Fund		-
Production Printing Fund		365,871
Risk Related Activities Fund		155,622
Total District Reserve Spending		3,569,949
Plus: Expenditures into District Reserves		
General Fund		2,815,282
Charter Schools		-
Capital Reserve Fund		3,701,283
Food Services Fund		374,437
Production Printing Fund		628,981
Risk Related Activities Fund		1,201,274
Total District Reserve Designation		8,721,257
Fiscal Year Spending	<u>\$166,446,485</u>	<u>\$170,429,149</u>
COMPUTATION OF SPENDING LIMITATION		
Fiscal Year Spending	\$166,446,485	\$170,429,149
Growth Allowance		
Inflation Change	2.80%	
Enrollment Change	0.00%	
Total Growth Allowance	<u>2.80%</u>	
Growth Allowance in Dollars	<u>4,660,502</u>	
Fiscal Year 2016 Spending Limit		<u>171,106,987</u>
Amount Over (Under) Limit		<u>(\$677,838)</u>





## Auditors Integrity Report

District: 1010 - COLORADO SPRINGS 11

Fiscal Year 2015-16

Colorado School District/BOCES

## Revenues, Expenditures, &amp; 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	27,094,112	217,888,695	217,544,025	27,438,782
18 Risk Mgmt Sub-Fund of General Fund	1,865,954	2,807,915	3,162,795	1,511,074
19 Colorado Preschool Program Fund	426,287	3,050,012	2,952,689	523,610
<b>Sub- Total</b>	<b>29,386,354</b>	<b>223,746,622</b>	<b>223,659,510</b>	<b>29,473,466</b>
11 Charter School Fund	3,139,880	16,461,598	15,059,696	4,541,783
20,26-29 Special Revenue Fund	618,326	79,874	67,471	630,729
21 Food Service Spec Revenue Fund	2,322,367	10,888,581	10,514,145	2,696,803
22 Govt Designated-Purpose Grants Fund	0	19,654,503	19,654,503	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	20,903,672	15,111,273	16,612,231	19,402,713
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	10,730,704	15,325,542	11,624,259	14,431,987
<b>Totals</b>	<b>67,101,303</b>	<b>301,267,992</b>	<b>297,191,815</b>	<b>71,177,481</b>
<b>Proprietary</b>				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	7,163,142	7,628,456	6,582,803	8,208,794
60,65-69 Other Internal Service Funds	1,080,550	423,675	719,817	784,408
<b>Totals</b>	<b>8,243,691</b>	<b>8,052,131</b>	<b>7,302,620</b>	<b>8,993,202</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	49,993	115	0	50,108
73 Agency Fund	93,228	91,159	114,357	70,030
74 Pupil Activity Agency Fund	1,848,491	7,186,403	7,000,550	2,034,344
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
<b>Totals</b>	<b>1,991,713</b>	<b>7,277,677</b>	<b>7,114,907</b>	<b>2,154,483</b>

DRAFT

\*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.