HIGH POINT ACADEMY

FINANCIAL STATEMENTS

June 30, 2015

HIGH POINT ACADEMY

Governing Board
June 30, 2015

President	Ryan Frazier
Treasurer	Christi Julian
Secretary	Kevin Miller
Director	Danielle Felder
Director	Michael Fields

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S&C Swanhorst & Company LLC
Certified Public Accountants

Governing Board
High Point Academy
Aurora, Colorado

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the High Point Academy as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the High Point Academy, as listed in the table of contents.

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

Auditors' Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the High Point Academy as of June 30, 2015, and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter
As discussed in Note 9 to the financial statements, in the year ended June 30, 2015, the High Point Academy adopted new accounting guidance as required by Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters (Required Supplementary Information)
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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.

October 12, 2015

HIGH POINT ACADEMY
Management's Discussion and Analysis
For the Year Ended June 30, 2015

Introduction

As management of High Point Academy (the "School"), we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2015.

Financial Highlights

The government-wide liabilities and deferred inflows of resources of the School exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by $7,293,824 (net position).

The general fund ending fund balance increased from $1,559,517 to $1,930,528. This increase was largely caused by an increase in per pupil and capital construction revenue, increase to E-Care and Colorado Preschool Program slots, and reimbursement of administrative fees from the School's authorizer. These funds will provide a reserve to draw upon during future years.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

Government-wide Financial Statements

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

The statement of net position presents information on all of the School's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the most recent fiscal year. 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 only result in cash flows in future fiscal periods (e.g. uncollected grant expenses and earned but unpaid salary and benefits).

The government-wide statement of activities distinguishes functions/programs of the School supported primarily by per pupil revenue (PPR) or property taxes passed through The Charter School Institute. The governmental activities of the School include instruction and supporting services expense. The government-wide financial statements can be found on pages 1-2 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other governmental units or charter schools use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School are categorized as governmental funds or proprietary funds.

Governmental Funds. Governmental funds are used to 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 School'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 School'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 School maintains one governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund because it is considered to be a major fund.

The School adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

Proprietary Fund. The High Point Academy Building Corporation (the "Corporation"), considered a component unit of the charter school, is reported as business-type activities in the proprietary fund. It is presented with statements of net position, statement of revenues, expenses and changes in net position and cash flows.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. This information is provided in pages 8-19.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $7,293,824 at the close of the most recent fiscal year.

High Point Academy's Net Position
Governmental and Business-Type Activities

	June 30, 2015	June 30, 2014
Cash and Investments	$ 1,947,422	$ 1,598,529
Restricted Cash and Investments	1,213,229	1,172,190
Receivables, Prepaids and Deposits	137,379	148,131
Capital Assets	9,339,769	9,625,797
Total Assets	12,637,799	12,554,647
Deferred Outflows of Resources		
Pensions, Net of Accumulated Amortization	462,086	-
Current liabilities	691,545	676,786
Debt Service	10,847,564	11,060,160
Net Pension Liability	8,749,647	-
Total Liabilities	20,288,756	11,736,946
Deferred Inflows of Resources		
Pensions, Net of Accumulated Amortization	104,953	-
Net Position		
Net Investment in Capital Assets	(1,727,795)	(342,270)
Restricted for:		
Debt Service	895,957	(409,546)
Building Repairs	120,176	80,097
Emergencies	175,000	175,000
Unrestricted	(6,757,162)	1,304,420
Total Net Position	$ (7,293,284)	$ 807,701

A portion of the School's Governmental and Business-Type assets (25.0%) is in cash and investments and (73.9%) are net capital assets. As outlined in Note 6 to the financial statements the School participates in a Defined Benefit Pension Plan and has recorded a Net Pension Liability as of June 30, 2015 of $8,749,647. This and the operating loss in the enterprise fund resulted in a negative government-wide Net Position of $7,293,824.

High Point Academy's Change in Net Position
For the Years Ended June 30, 2015 and 2014
Governmental and Business-Type Activities

	June 30, 2015	June 30, 2014
Program Revenue:		
Charges for Services	$ 280,608	$ 350,436
Operating Grants and Contributions	574,079	740,294
Capital Grants and Contributions	-	68,586
Total Program Revenue	854,687	1,159,316
General Revenue:		
Per Pupil Revenue	4,881,938	4,816,228
Other	163,730	111,522
Total General Revenue	5,045,668	4,927,750
Total Revenue	5,900,355	6,087,066
Expenses:		
Current:		
Instruction	3,145,350	2,961,758
Supporting Services	1,825,677	2,125,573
Business-type activities	278,326	290,803
Interest on Long-term Debt	615,878	610,825
Total Expenses	5,865,231	5,988,959
Increase (Decrease) in Net Position	35,124	98,107
Beginning Net Position, June 30 (restated)	(7,328,948)	709,594
Ending Net Position, June 30	$(7,293,824)	$ 807,701

As outlined in Note 6 to the financial statements, the School implemented GASB 68 this year. This required a prior period adjustment. However, the prior year numbers stated above for FY 2014 have not been restated as the comparable information was not available.

Financial Analysis of the Government's Funds

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

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

Overall revenue decreased in FY 2015 by $186,799 primarily due to contracting out the food service program in FY 2015. PPR increased 1.4% due to an increase in per pupil funding from the state and capital construction per pupil funding increased $86 resulting in $53,068 in additional revenue.

Expenditures decreased $368,324 from the prior year due to contracting out the food service program. Salary and benefit expenditures increased slightly by 2.7% or $96,285. This was the result of an increase in staff wages and in employee retirement and benefits. Special Education, Title I and other grant funding increased by ~$5,000 and the corresponding expenditures increased by the same amount. The number of special education students served remained the same.

The School's enrollment declined in FY 2015 due to changing the kindergarten to an all day program, fewer preschool participants enrolled for more days, and a decline of 20 students in 1st through 8th grades. Below is the historical enrollment numbers:

Fiscal Year	PK – 8 Enrollment
2006 / 2007	186
2007 / 2008	327
2008 / 2009	395
2009 / 2010	458
2010 / 2011	543
2011 / 2012	751
2012 / 2013	814
2013 / 2014	818
2014 / 2015	760

As of the end of the current fiscal year, the School's governmental fund reported an ending fund balance of $1,930,528, an increase of $371,011.

Proprietary Fund. The High Point Academy Building Corporation net position is a deficit balance of $874,262 or a decrease of $72,309. The decrease is largely attributed to the recording of non-cash transactions such as building depreciation. We anticipate that the Corporation will continue to incur an operating deficit as the debt is repaid in future years. The Building Fund has $1,093,053 in restricted cash and investments required to be held for future debt service.

General Fund Budgetary Highlights

The School approves a budget in June based on enrollment projections for the following school year. In October after enrollment stabilizes, adjustments are made to the budget. The School approved supplemental budgets during the year to true up the beginning fund balance and adjustment to the actual student count. Actual expenditures in the general fund were under budget by $1,868,033.

Capital Asset and Debt Administration

Capital assets. Capital assets include the land and building owned by the Corporation reported as business type activities of $9,297,345 and other capital assets in the governmental activities of $42,424. Depreciation expense of $7,713 and $278,315 was reported for governmental activities and business type activities, respectively.

Long-term lease. The School participates in a long-term lease agreement with the Corporation. Monthly principal and interest payments are due under the lease agreements, with interest accruing at rates ranging from 2.375% to 6.25%. The lease ends in March 2042. Annual debt service ranges from $58,438 to $822,875 with interest payments beginning in calendar year 2010.

Economic Factors and Next Year's Budget

The School is fortunate to have a solid fund balance to help weather budget cuts that the School may experience during this economic downturn. The FY 2015/2016 budget projects the School will have a decrease of approximately $24,623 to the general fund ending fund balance. This is a planned decrease as the School utilizes a portion of the fund balance for current operations.

The funded pupil count is projected for the 2015-16 school year is expected to be 655. This factor was considered in preparing the School's budget for fiscal year 2015-16. Currently there are no plans to increase enrollment since we are at the capacity of the facility. The economic outlook for FY 2016 is improving with the increase of $262.04 per funded FTE or 3.9% in PPR funding.

The Capital Construction funding per pupil allocation increased for FY 2016 to $255 per funded FTE compared to $169 per funded FTE in FY 2015. Enrollment is projected to remain stable for FY 2015/2016.

Requests for Information

This financial report is designed to provide a general overview of the School's finances for all those with an interest in the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Chief Business Officer, High Point Academy 6750 N. Dunkirk Street, Aurora, CO 80019.

BASIC FINANCIAL STATEMENTS

HIGH POINT ACADEMY

STATEMENT OF NET POSITION
June 30, 2015

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	$ 1,947,422	$ -	$ 1,947,422
Restricted Cash and Investments	120,176	1,093,053	1,213,229
Accounts Receivable	69,845	-	69,845
Grants Receivable	39,498	-	39,498
Prepaid Expenses	23,936	-	23,936
Deposits	4,100	-	4,100
Capital Assets, Not Being Depreciated	-	1,535,000	1,535,000
Capital Assets, Net of Accumulated Depreciation	42,424	7,762,345	7,804,769
TOTAL ASSETS	2,247,401	10,390,398	12,637,799
DEFERRED OUTFLOWS OF RESOURCES			
Pensions, Net of Accumulated Amortization	462,086	-	462,086
LIABILITIES			
Accounts Payable	36,935	-	36,935
Accrued Liabilities	70,327	-	70,327
Accrued Salaries and Benefits	154,396	-	154,396
Unearned Revenues	12,791	-	12,791
Accrued Interest Payable	-	197,096	197,096
Noncurrent Liabilities			
Due Within One Year	-	220,000	220,000
Due in More Than One Year	-	10,847,564	10,847,564
Net Pension Liability	8,749,647	-	8,749,647
TOTAL LIABILITIES	9,024,096	11,264,660	20,288,756
DEFERRED INFLOWS OF RESOURCES			
Pensions, Net of Accumulated Amortization	104,953	-	104,953
NET POSITION			
Net Investment in Capital Assets	42,424	(1,770,219)	(1,727,795)
Restricted for Debt Service	-	895,957	895,957
Restricted for Repair and Replacement	120,176	-	120,176
Restricted for Emergencies	175,000	-	175,000
Unrestricted	(6,757,162)	-	(6,757,162)
TOTAL NET POSITION	$ (6,419,562)	$ (874,262)	$ (7,293,824)

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

HIGH POINT ACADEMY

STATEMENT OF ACTIVITIES
Year Ended June 30, 2015

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT			
Governmental Activities			
Instruction	$ 3,145,350	$ 143,430	$ 499,680
Supporting Services	1,825,677	137,178	74,399
Total Governmental Activities	4,971,027	280,608	574,079
Business-Type Activities			
Building Corporation	894,204	-	-
TOTAL PRIMARY GOVERNMENT	$ 5,865,231	$ 280,608	$ 574,079

GENERAL REVENUES
Per Pupil Revenue
Capital Construction
Contributions not Restricted to Specific Programs
Investment Income
Miscellaneous
TRANSFERS

TOTAL GENERAL REVENUES AND TRANSFERS

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION		
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
$ (2,502,240)	$ -	$ (2,502,240)
(1,614,100)	-	(1,614,100)
(4,116,340)	-	(4,116,340)
-	(894,204)	(894,204)
(4,116,340)	(894,204)	(5,010,544)
4,881,938	-	4,881,938
121,654	-	121,654
11,930	-	11,930
2,297	1,308	3,605
26,541	-	26,541
(820,587)	820,587	-
4,223,773	821,895	5,045,668
107,433	(72,309)	35,124
(6,526,995)	(801,953)	(7,328,948)
$ (6,419,562)	$ (874,262)	$ (7,293,824)

HIGH POINT ACADEMY

BALANCE SHEET
GOVERNMENTAL FUND
June 30, 2015

		GENERAL
ASSETS		
Cash and Investments	$	1,947,422
Restricted Cash and Investments		120,176
Accounts Receivable		69,845
Grants Receivable		39,498
Prepaid Expenditures		23,936
Deposits		4,100
TOTAL ASSETS	$	2,204,977
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$	36,935
Accrued Liabilities		70,327
Accrued Salaries and Benefits		154,396
Unearned Revenues		12,791
TOTAL LIABILITIES		274,449
FUND BALANCE		
Nonspendable Prepaid Expenditures		23,936
Nonspendable Deposits		4,100
Restricted for Repair and Replacement		120,176
Restricted for Emergencies		175,000
Unrestricted, Unassigned		1,607,316
TOTAL FUND BALANCE		1,930,528
TOTAL LIABILITIES AND FUND BALANCE	$	2,204,977

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balance of the Governmental Fund	$	1,930,528
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		42,424
Long-term liabilities and related items, including net pension liablity ($8,749,647), deferred outflows of resources $462,086, and deferred inflows of resources ($104,953), are not due and payable in the current year and, therefore, are not reported in governmental funds.		(8,392,514)
Total Net Position of Governmental Activities	$	(6,419,562)

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

HIGH POINT ACADEMY

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
Year Ended June 30, 2015

	GENERAL
REVENUES	
Local Sources	$ 5,220,587
State Sources	402,315
Federal Sources	276,145
TOTAL REVENUES	5,899,047
EXPENDITURES	
Instruction	2,968,803
Supporting Services	2,559,233
TOTAL EXPENDITURES	5,528,036
NET CHANGE IN FUND BALANCE	371,011
FUND BALANCE, Beginning	1,559,517
FUND BALANCE, Ending	$ 1,930,528

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balance of the Governmental Fund	$ 371,011
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount represents depreciation expense in the current year.	(7,713)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the change in the net pension liability ($372,484), pension-related deferred outflows of resources $221,572, and pension-related deferred inflows of resources ($104,953) in the current year.	(255,865)
Change in Net Position of Governmental Activities	$ 107,433

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

HIGH POINT ACADEMY

STATEMENT OF NET POSITION
PROPRIETARY FUND
June 30, 2015

	BUILDING CORPORATION
ASSETS	
CURRENT ASSETS	
Restricted Cash and Investments	$ 1,093,053
NONCURRENT ASSETS	
Capital Assets, Not Being Depreciated	1,535,000
Capital Assets, Net of Accumulated Depreciation	7,762,345
TOTAL NONCURRENT ASSETS	9,297,345
TOTAL ASSETS	10,390,398
LIABILITIES	
CURRENT LIABILITIES	
Accrued Interest Payable	197,096
Loan Payable, Current Portion	220,000
TOTAL CURRENT LIABILITIES	417,096
NONCURRENT LIABILITIES	
Loan Payable	10,847,564
TOTAL LIABILITIES	11,264,660
NET POSITION	
Net Investment in Capital Assets	(1,770,219)
Restricted for Debt Service	895,957
TOTAL NET POSITION	$ (874,262)

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

HIGH POINT ACADEMY

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND
Year Ended June 30, 2015

	BUILDING CORPORATION
OPERATING REVENUES	
Lease Revenue	$ 820,587
OPERATING EXPENSES	
Depreciation	278,315
Miscellaneous	11
Debt Service	
Interest and Fiscal Charges	615,878
TOTAL OPERATING EXPENSES	894,204
NET OPERATING INCOME (LOSS)	(73,617)
NONOPERATING REVENUES	
Investment Income	1,308
CHANGE IN NET POSITION	(72,309)
NET POSITION, Beginning	(801,953)
NET POSITION, Ending	$ (874,262)

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

HIGH POINT ACADEMY

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Increase (Decrease) in Cash and Cash Equivalents
Year Ended June 30, 2015

	BUILDING CORPORATION
CASH FLOWS FROM OPERATING ACTIVITIES	
Lease Payments Received	$ 820,587
Payments to Vendors	(11)
Loan Principal Paid	(210,000)
Loan Interest and Fiscal Charges Paid	(610,924)
Net Cash Provided (Used) by Operating Activities	(348)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Earnings Received	1,308
NET INCREASE IN CASH AND CASH EQUIVALENTS	960
CASH AND CASH EQUIVALENTS, Beginning	1,092,093
CASH AND CASH EQUIVALENTS, Ending	$ 1,093,053
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Net Operating Income (Loss)	$ (73,617)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Depreciation Expense	278,315
Amortization of Discount	7,404
Changes in Assets and Liabilities	
Accrued Interest Payable	(2,450)
Loan Payable	(210,000)
Net Cash Provided (Used) by Operating Activities	$ (348)

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

High Point Academy (the "School") was organized pursuant to the Colorado Charter Schools Act to form and operate a charter school. On April 11, 2006, the School entered into a contract with the Colorado Charter School Institute (the "Institute") to authorize the School for an initial term of five years. The current contract expires on June 30, 2016.

The accounting policies of the School conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the School's more significant policies.

Reporting Entity

The financial reporting entity consists of the School, organizations for which the School is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the School. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the School. Legally separate organizations for which the School is financially accountable are considered part of the reporting entity. Financial accountability exists if the School appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the School.

The School includes the High Point Academy Building Corp. (the "Corporation") within its reporting entity. The Corporation is a non-profit entity organized to hold title to property and otherwise act to facilitate the operations of the School. The Corporation is blended into the School's financial statements as an enterprise fund, and does not issue separate financial statements.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the School. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to students or others 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. Unrestricted revenues not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Separate financial statements are provided for the governmental fund and the proprietary fund. Major individual funds are reported as separate columns in the fund financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 collected within the current year or soon enough thereafter to pay liabilities of the current year, not to exceed 60 days. Intergovernmental revenues, grants, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the School. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

The School reports the following major governmental fund:

General Fund - This fund is the general operating fund of the School. It is currently used to account for all financial activities of the School.

The School reports the following major proprietary fund:

Building Corporation - This fund is used to account for the financial activities of the Corporation, primarily related to capital assets and the related debt service.

Assets, Liabilities and Net Position/Fund Balance

Cash and Investments - Cash equivalents are defined as investments with original maturities of three months or less. Investments are reported at fair value.

Receivables - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Expenses - Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balance (Continued)

Capital Assets - Capital assets, which include land, buildings and equipment, are reported in the government-wide financial statements and the proprietary fund in the fund financial statements. Capital assets are defined by the School as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Buildings and Improvements	5 - 35 years
Equipment	5 years

Accrued Salaries and Benefits - Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from August to July, but are earned during the school year of approximately nine months. The accrued salaries and benefits earned, but unpaid, are reported as a liability of the General Fund.

Unearned Revenues - Unearned revenues represent resources received by the School before it has a legal claim to them, including tuition and fees.

Long-Term Debt - In the government-wide financial statements and the proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses.

Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Compensated Absences - Employees are allowed to accumulate paid time off (PTO) up to 12 days. Upon termination of employment from the School, an employee will be compensated for all accrued PTO at a reimbursement rate specified in their offer letter. A liability for compensated absences is not reported in the financial statements because the amount is insignificant.

Pensions - The School participates in the School Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to and deductions from the SDTF's fiduciary net position 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balance (Continued)

Net Position/Fund Balance - In the government-wide and fund financial statements, net position and fund balance are restricted when constraints placed on the use of resources are externally imposed. The Governing Board is authorized to establish a fund balance commitment through passage of a resolution, and may assign fund balances to a specific purpose through an informal action.

The School has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the School uses restricted fund balances first, followed by committed, assigned and unassigned balances.

Risk Management

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The School carries commercial insurance for these risks of loss.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Accountability

At June 30, 2015, the Corporation had a negative net position of $874,262. Management expects this negative balance to be eliminated as the Corporation's debt is paid.

NOTE 3: CASH AND INVESTMENTS

At June 30, 2015, cash and investments consisted of the following:

Deposits	$ 257,516
Investments	2,903,135
Total	**$ 3,160,651**

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

Cash and Investments	$ 1,947,422
Restricted Cash and Investments	1,213,229
Total	**$ 3,160,651**

NOTE 3: **CASH AND INVESTMENTS** (Continued)

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2015, the School had bank deposits of $24,839 collateralized with securities held by the financial institution's agent but not in the School's name.

Investments

The School is required to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following. State statutes generally limit the maturity of investment securities to five years from the date of purchase, unless the governing board authorizes an investment for a period in excess of five years. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

Local Government Investment Pool - At June 30, 2015, the School had $1,689,906 invested in the Colorado Surplus Asset Fund Trust (CSAFE). The School and the Corporation had $120,176 and $1,093,053, respectively, invested in the Colorado Local Government Liquid Asset Trust (Colotrust). The Trusts are investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Trusts. The Trusts operate in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended. The Trusts are rated AAAm by Standard and Poor's. Investments of the Trusts are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services to the Trusts in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Restricted Cash and Investments

At June 30, 2015, the School and the Corporation held cash and investments of $120,176 and $1,093,053, respectively, restricted for building repair and replacement and future debt service.

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015, is summarized below.

	Balances 6/30/14	Additions	Deletions	Balances 6/30/15
Governmental Activities				
Capital Assets, Being Depreciated				
Equipment	$ 100,118	$ -	$ -	$ 100,118
Accumulated Depreciation	(49,981)	(7,713)	-	(57,694)
Governmental Activities Capital Assets, Net	**$ 50,137**	**$ (7,713)**	**$ -**	**$ 42,424**
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	$ 1,535,000	$ -	$ -	$ 1,535,000
Capital Assets, Being Depreciated				
Buildings and Improvements	8,970,182	-	-	8,970,182
Accumulated Depreciation	(929,522)	(278,315)	-	(1,207,837)
Capital Assets, Being Depreciated, Net	8,040,660	(278,315)	-	7,762,345
Business-Type Activities Capital Assets, Net	**$ 9,575,660**	**$ (278,315)**	**$ -**	**$ 9,297,345**

Depreciation expense of the governmental activities was charged to the supporting services program.

NOTE 5: LONG-TERM DEBT

Following is a summary of long-term debt transactions for the year ended June 30, 2015.

	Balances 6/30/14	Additions	Payments	Balances 6/30/15	Due Within One Year
Business-Type Activities					
Building Loan	$ 11,475,000	$ -	$ 210,000	$ 11,265,000	$ 220,000
Discount	(204,840)	-	(7,404)	(197,436)	-
Total	**$ 11,270,160**	**$ -**	**$ 202,596**	**$ 11,067,564**	**$ 220,000**

In February, 2010, the Colorado Educational and Cultural Facilities Authority (CECFA) issued $11,930,000 Charter School Revenue Bonds (High Point Academy Project), Series 2010. Bond proceeds were loaned to the Corporation to acquire land and construct and equip an educational facility. The School is obligated under a lease agreement to make monthly payments to the Corporation for using the facilities. The Corporation is required to make equal loan payments to the Trustee, for payment of the bonds. Interest accrues at rates ranging from 2.375% to 6.25% per annum and is due semi-annually on March 1 and September 1. Principal payments are due annually on March 1, through 2042.

NOTE 5: **LONG-TERM DEBT** (Continued)

Future debt service requirements are as follows:

Year Ended June 30,	Principal	Interest	Total
2016	$ 220,000	$ 591,288	$ 811,288
2017	230,000	581,388	811,388
2018	240,000	571,038	811,038
2019	250,000	560,238	810,238
2020	260,000	548,987	808,987
2021 - 2025	1,525,000	2,541,437	4,066,437
2026 - 2030	1,950,000	2,120,187	4,070,187
2031 - 2035	2,505,000	1,574,250	4,079,250
2036 - 2040	3,260,000	843,887	4,103,887
2041 - 2042	825,000	55,000	880,000
Total	**$ 11,265,000**	**$ 9,987,700**	**$ 21,252,700**

NOTE 6: **DEFINED BENEFIT PENSION PLAN**

General Information

Plan Description - The School contributes to the School Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). All employees of the School participate in the SDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS) assigns the authority to establish and amend plan provisions to the State Legislature. PERA issues a publicly available financial report that includes information on the SDTF. That report may be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided - The SDTF provides retirement, disability, and survivor benefits to plan participants or their beneficiaries. Retirement benefits are determined by the amount of service credit earned or purchased, highest average salary, the benefit structure in place, the benefit option selected at retirement, and age at retirement. The retirement benefit is the greater of the a) highest average salary multiplied by 2.5% and then multiplied by years of service credit, or b) the value of the participant's contribution account plus an equal match on the retirement date, annualized into a monthly amount based on life expectancy and other actuarial factors. In no case can the benefit amount exceed the highest average salary or the amount allowed by applicable federal regulations.

Retirees who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs) as established by State statutes. Retirees who began employment before January 1, 2007, receive an annual increase of 2%, unless the plan has a negative investment year, in which case the annual increase for the next three years is the lesser of 2% or the average consumer price index for the prior calendar year. Retirees that began employment after January 1, 2007, receive an annual increase of the lesser of 2% or the average consumer price index for the prior calendar year, with certain limitations.

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

General Information (Continued)

Disability benefits are available for plan participants once they reach five years of earned service credit and meet the definition of a disability. The disability benefit amount is based on the retirement benefit formula described previously, considering a minimum of twenty years of service credit.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure in place, and the qualified survivor receiving the benefits.

Contributions - The School and eligible employees are required to contribute to the SDTF at rates established by Title 24, Article 51, Part 4 of the CRS. These contribution requirements are established and may be amended by the State Legislature. The contribution rate for employees is 8% of covered salaries. The School's contribution rate for calendar years 2014 and 2015 was 17.45% and 18.35%, respectively. However, a portion of the School's contribution (1.02% of covered salaries) is allocated to the Health Care Trust Fund (See Note 7). The School's contributions to the SDFT for the year ended June 30, 2015, were $493,220, equal to the required contributions.

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

At June 30, 2015, the School reported a net pension liability of $8,749,647, representing its proportionate share of the net pension liability of the SDTF. The net pension liability was measured at December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at December 31, 2013. Standard update procedures were used to roll forward the total pension liability to December 31, 2014. The School's proportion of the net pension liability was based on the School's contributions to the SDTF for the calendar year ended December 31, 2014, relative to the contributions of all participating employers. At December 31, 2014, the School's proportion was 0.0645570347%, which was a decrease of 0.0011205849% from its proportion measured at December 31, 2013.

For the year ended June 30, 2015, the School recognized pension expense of $720,570. At June 30, 2015, the School 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
Differences between expected and actual experience	$ -	$ 653
Net difference between projected and actual earnings on plan investments	201,213	-
Change in proportion	-	104,300
Contributions subsequent to the measurement date	260,873	-
Total	**$ 462,086**	**$ 104,953**

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

School contributions subsequent to the measurement date of $260,873 will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	
2016	$ 11,431
2017	11,431
2018	23,093
2019	50,305
Total	**$ 96,260**

Actuarial Assumptions - The actuarial valuation at December 31, 2013, determined the total pension liability using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Price inflation	2.8%
Real wage growth	1.1%
Wage inflation	3.9%
Salary increases, including wage inflation	3.9% - 10.1%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.50%
Future post-retirement benefit increases:	
Hired prior to 1/1/07	2%
Hired after 12/31/06	ad hoc

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

The actuarial assumptions used in the December 31, 2013, 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 governing board on November 13, 2012, and an economic assumption study, adopted by PERA's governing board on November 15, 2013 and January 17, 2014.

The long-term expected rate of return on 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.

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

The most recent analysis of the long-term expected rate of return was presented to the PERA governing board on November 15, 2013, and included the target allocation and best estimates of geometric real rates of return for each major asset class, as follows:

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 Government/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%**	

Discount Rate - The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and the employer contributions will be made at the rates specified in State statutes, which currently require annual increases, to a total of 20.15% of covered salaries for the year ended December 31, 2018. When the actuarially determined funding ratio reaches 103 percent, the employer contribution rate will decrease 1% each year, to a minimum of 10.15%. Based on those assumptions, the SDTF's fiduciary net position was projected to be available to make all projected future benefit payments to current participants. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. In addition, the discount rate did not change from the prior measurement date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as the School's proportionate share of the net pension liability if it were calculated using a discount that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate, as follows:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Proportionate share of net pension liability	**$ 11,537,208**	**$ 8,749,647**	**$ 6,416,410**

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

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

Pension Plan Fiduciary Net Position - Detailed information about the SDTF's fiduciary net position is available in PERA's separately issued financial report, which may be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 7: POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description - The School contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer postemployment healthcare plan administered by PERA. The HCTF provides a health care premium subsidy to PERA benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained as described previously.

Funding Policy - The School is required to contribute at a rate of 1.02% of covered salaries for all PERA participants. No employee contributions are required. The contribution requirements for the School are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208 of the CRS, as amended. The School's apportionment to the HCTF for the years ended June 30, 2015, 2014 and 2013 was $27,660, $26,921 and $26,532, respectively, equal to the required amounts for each year.

NOTE 8: COMMITMENTS AND CONTINGENCIES

Claims and Judgements

The School participates in a number of federal and state programs that are fully or partially funded by revenues received from other governmental entities. Expenditures financed by these revenues are subject to audit by the appropriate government. If expenditures are disallowed due to noncompliance with program regulations, the School may be required to reimburse the other government. At June 30, 2015, significant amounts of related expenditures have not been audited but the School believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the School.

Tabor Amendment

In November 1992, Colorado voters passed the Tabor Amendment to the State Constitution which limits state and local government taxing powers and imposes spending limitations. The Amendment is subject to many interpretations, but the School believes it is in substantial compliance with the Amendment. In accordance with the Amendment, the School is required to establish an emergency reserve representing 3% of qualifying expenditures. At June 30, 2015, the reserve was reported as restricted fund balance in the General Fund, in the amount of $175,000.

NOTE 9: CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2015, the School adopted the standards of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*. As a result, net position of the governmental activities at June 30, 2014, was restated to reflect the cumulative effect of adopting the standards.

Certain balances of deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2014, were not available and have not been reported in the financial statements.

	Governmental Activities
Net Position, June 30, 2014, as Originally Stated	$ 1,609,654
Deferred Outflows of Resources	240,514
Net Pension Liability	(8,377,163)
Net Position, June 30, 2014, as Restated	**$ (6,526,995)**

REQUIRED SUPPLEMENTARY INFORMATION

HIGH POINT ACADEMY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AND CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO SCHOOL DIVISION TRUST FUND
June 30, 2015

	12/31/14	12/31/13
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY		
School's Proportion of the Net Pension Liability	0.0645570347%	0.0656776196%
School's Proportionate Share of the Net Pension Liability	$ 8,749,647	$ 8,377,163
School's Covered-Employee Payroll	$ 2,704,490	$ 2,647,676
School's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	324%	316%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63%	64%

	6/30/15	6/30/14
SCHOOL CONTRIBUTIONS		
Statutorily Required Contribution	$ 465,113	$ 421,797
Contributions in Relation to the Statutorily Required Contribution	(465,113)	(421,797)
Contribution Deficiency (Excess)	$ -	$ -
School's Covered-Employee Payroll	2,755,547	2,639,276
Contributions as a Percentage of Covered-Employee Payroll	16.88%	15.98%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See the accompanying Independent Auditors' Report.

HIGH POINT ACADEMY

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2015

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Local Sources				
Per Pupil Revenue	$ 4,713,353	$ 4,884,316	$ 4,881,938	$ (2,378)
Tuition	198,750	107,862	104,445	(3,417)
Student Fees and Activities	23,088	23,050	38,985	15,935
After School Program Fees	96,453	121,100	131,633	10,533
Grants and Contributions	32,500	35,388	29,203	(6,185)
Rental Income	4,214	5,000	5,545	545
Investment Income	1,371	1,600	2,297	697
Miscellaneous	19,810	38,413	26,541	(11,872)
Total Local Sources	5,089,539	5,216,729	5,220,587	3,858
State Sources				
Capital Construction	111,236	121,654	121,654	-
Grants	220,832	223,566	280,661	57,095
Total State Sources	332,068	345,220	402,315	57,095
Federal Sources				
Grants	240,194	274,603	276,145	1,542
TOTAL REVENUES	5,661,801	5,836,552	5,899,047	62,495
EXPENDITURES				
Salaries	2,860,848	2,896,058	2,834,869	61,189
Employee Benefits	888,059	835,545	844,078	(8,533)
Purchased Services	1,624,078	1,604,707	1,507,047	97,660
Supplies and Materials	281,500	281,265	262,131	19,134
Property	51,414	52,446	75,760	(23,314)
Other	4,857	6,175	4,151	2,024
Reserves	1,322,064	1,719,873	-	1,719,873
TOTAL EXPENDITURES	7,032,820	7,396,069	5,528,036	1,868,033
NET CHANGE IN FUND BALANCE	(1,371,019)	(1,559,517)	371,011	1,930,528
FUND BALANCE, Beginning	1,371,019	1,559,517	1,559,517	-
FUND BALANCE, Ending	$ -	$ -	$ 1,930,528	$ 1,930,528

See the accompanying Independent Auditors' Report.

NOTE 1: SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND CONTRIBUTIONS

The Public Employees' Retirement Association of Colorado School Division Trust Fund's net pension liability and associated amounts are measured annually at December 31, based on an actuarial valuation as of the previous December 31. The School's contributions and related ratios represent cash contributions and any related accruals that coincide with the School's fiscal year ending on June 30.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets are required by State statutes for all funds and are adopted on a basis consistent with generally accepted accounting principles.

The School adheres to the following procedures in establishing the budgetary information reflected in the financial statements.

- Management submits to the Governing Board a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- Prior to June 30, the budget is adopted by the Governing Board.
- Expenditures may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures of any fund must be approved by the Governing Board.
- All appropriations lapse at fiscal year end.