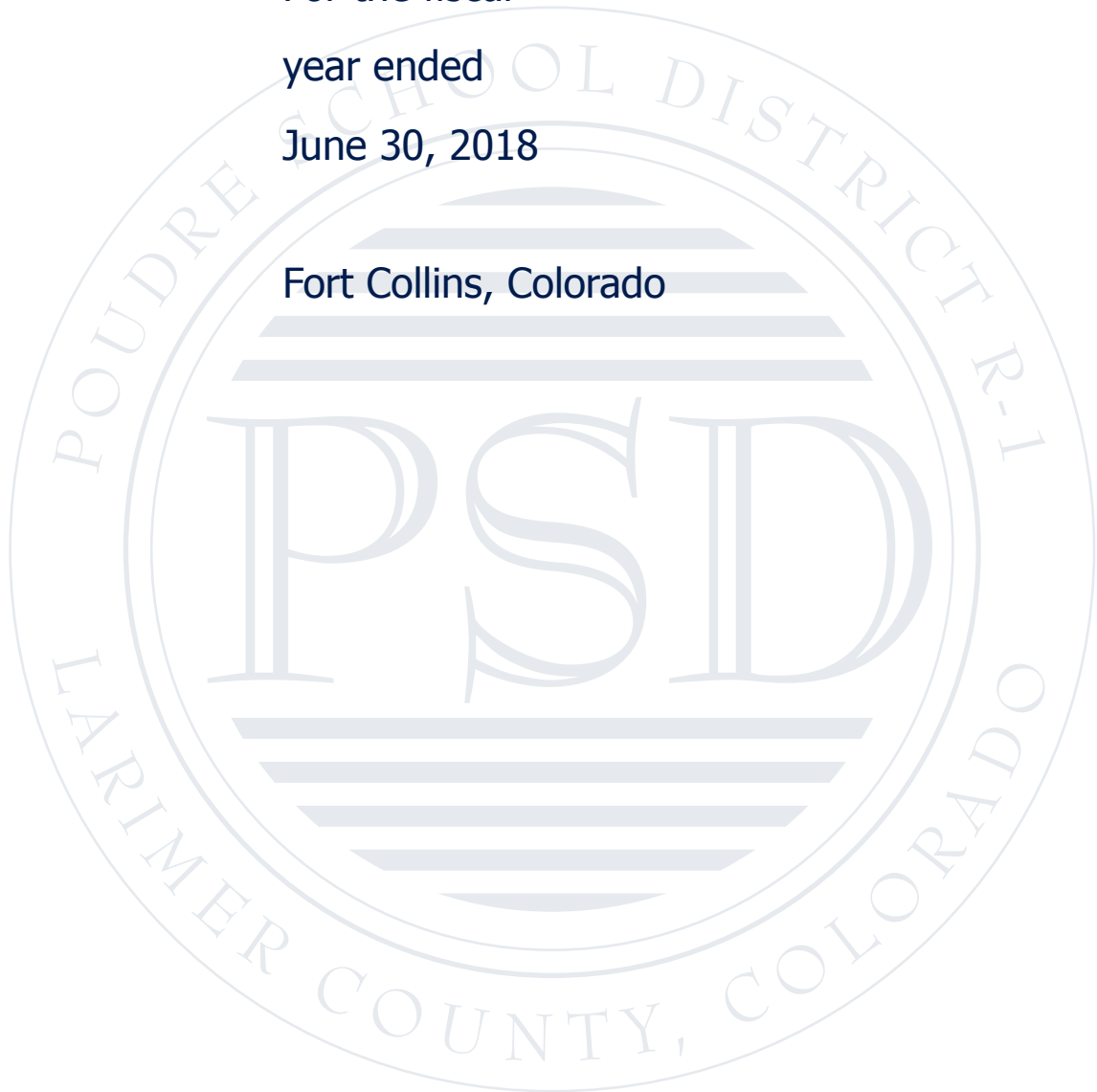


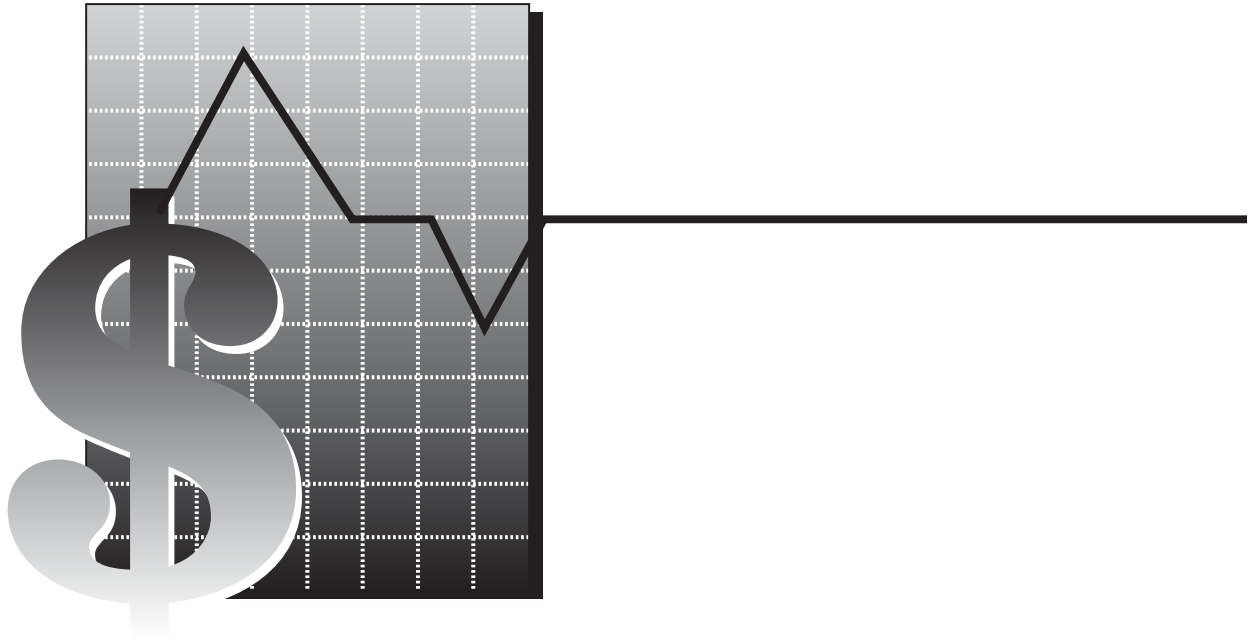


Comprehensive Annual Financial Report **2018**

For the fiscal
year ended
June 30, 2018

Fort Collins, Colorado







Poudre School District, Fort Collins, Colorado

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2018

**Prepared by:
Poudre School District
Finance Department**

Published December 11, 2018

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For the Fiscal Year Ended June 30, 2018
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Introductory Section

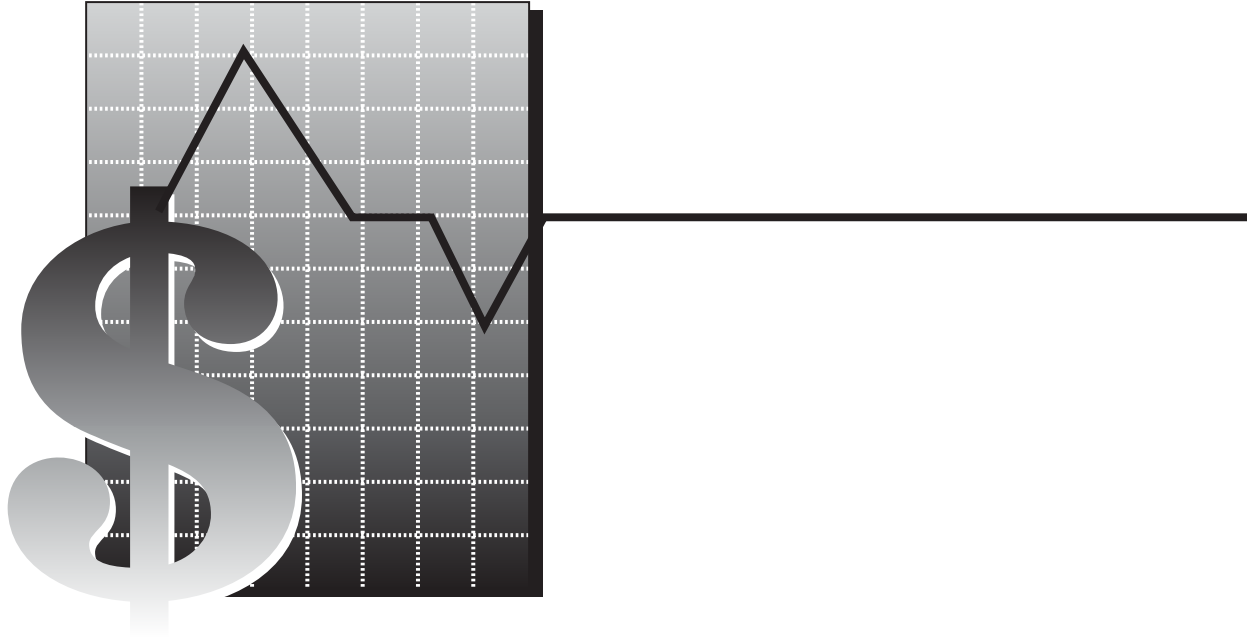
Letter of Transmittal

GFOA Certificate of Achievement for
Excellence in Financial Reporting

ASBO Certificate of Excellence in Financial
Reporting

Organizational Chart

List of Elected and Appointed Officials





December 11, 2018

Board of Education and Citizens
Poudre School District
Fort Collins, Colorado

Colorado law requires that local governments 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 auditing standards generally accepted in the United States by a firm of licensed certified public accountants. Pursuant to that requirement, we present the Comprehensive Annual Financial Report of Poudre School District for the fiscal year ended June 30, 2018.

This report consists of management's representations concerning the financial aspects of Poudre School District. Consequently, responsibility for both the accuracy of the data and the completeness and fairness of the information presented, including all disclosures, rests with the Finance Department of Poudre School District. To provide a reasonable basis for making these representations, management of Poudre School 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 Poudre School District's financial statements in conformity with GAAP. Because the cost of the 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. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of all operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of Poudre School District's financial activities have been included.

CliftonLarsonAllen LLP, a firm of licensed certified public accountants, has audited Poudre School District's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Poudre School District for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering unmodified opinions that the financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Poudre School District was part of a broader, 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 on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's Single Audit Report for the fiscal year ended June 30, 2018.

Management has provided 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 MD&A and should be read in conjunction with it.

Profile of the District

Poudre School District (the District) is the reporting entity for financial reporting purposes, and is not included in any other governmental reporting entity. The financial statements of the District include all funds that are controlled by the publicly elected seven-member Board of Education. The Board of Education adopts the budget, selects management, significantly influences operations, and is primarily accountable for fiscal matters.

The District was formed in the 1960-61 school year during a school district consolidation, and is now comprised of 52 schools: 6 high schools (4 comprehensive and 2 alternative), 9 middle schools, 30 elementary schools (including 25 neighborhood schools, 3 remote mountain area schools, and 2 specialized non-neighborhood elementary schools), an expeditionary learning and lab school serving grades K-12, an online school serving grades K-12, a home options school, and 4 charter schools. All school buildings are either new or remodeled in the past 25 years. A large number of the non-mountain schools are located within the City of Fort Collins, Colorado, which is sixty miles north of Denver. The geographic area of Poudre School District is 1,856 square miles located primarily within Larimer County, making it one of the largest districts in Colorado. Included in the District are the City of Fort Collins, the Towns of Timnath, Wellington and a portion of Windsor, and the communities of Bellvue, Laporte, Livermore, Poudre Canyon and Red Feather Lakes.

Student enrollment has increased slightly in the last five years with an average growth rate of 1.5%; K-12 enrollment was 29,190 (including charter schools) for the 2017-18 school year and is projected to increase another 1.1% to approximately 29,500 students. Approximately 12,500 of these students were transported by the District's bus services each day, and an estimated 11,050 students per day ate the regular school lunch provided by the District's food services. The District employed approximately 3,378 full-time equivalent units. Teachers average 13 years' experience and 66 percent hold master's degrees and above. More than 20,000 parents and community members directly support student education by serving on School Accountability Committees, the District Accountability Committee, the District Advisory Board, or by volunteering.

The District is fully accredited by the Colorado Department of Education Accreditation and Accountability Unit maintaining a positive rating in all three Key Performance Indicators. The District is subject to periodic monitoring to ensure continued compliance with accreditation standards. The District has never lost its accreditation. Additionally, the District is in compliance with the state required financial policies and procedures. The legal level of budgetary control for the District is the fund level.

Poudre School District (referred to as the primary government in some portions of this document) provides a full range of educational programs and services authorized by Colorado State Statutes. Included are basic kindergarten through twelfth-grade (K-12) education as well as preschool, special, vocational, gifted and talented, bilingual education and numerous services and programs. The District's standards-based curriculum challenges all students to achieve at high levels, meeting or exceeding the state's educational requirements. While the District's K-12 curriculum is delivered in its neighborhood school system, the District offers a variety of programs that meet academic standards through alternative curricula and instructional delivery methods. The District's "School Choice" program allows families to select schools that meet their children's educational needs. These offerings include International Baccalaureate, Core Knowledge Curriculum, Bilingual Immersion, Expeditionary Learning, elementary focus schools, non-traditional/non-graded, advanced placement, post-secondary college credit, alternative secondary, and online programs. Component units are included in the District's reporting entity because of the nature and significance of their operational or financial relationship with the District. Included as component units are four charter schools (Liberty Common School, Ridgeview Classical Schools, Mountain Sage Community School, and Fort Collins Montessori). For more information related to these component units, refer to the Notes to Basic Financial Statements.

Achievement

Poudre School District prides itself on providing an outstanding education to our students. The mission of the District is "Educate...Every Child, Every Day" while the vision states "Poudre School District exists to support and inspire every child to think, to learn, to care, and to graduate prepared to be successful in a changing world." Following are some highlights related to achievement during the 2017-18 school year.

- District graduates earned millions of dollars in scholarships with multiple students attending prestigious universities or U.S. military academies.

- PSD has an amazing number of students who have been selected as prestigious scholars including eighteen National Merit Scholar Finalists, five Boettcher Scholars, two Daniels Fund Scholars, two National Hispanic Scholars, and one U.S. Presidential Scholar.
- District-wide averages for students who met or exceeded expectations on standardized tests remain well ahead of state averages.
- Dropout rate was 1.3% in 2016-17, considerably less than the state average of 2.3%.
- The graduation rate was 78.6% for 2016-17, in line with the statewide average.
- High school students consistently perform higher than students statewide on college entrance exams. 9th and 10th graders take the PSAT, while 11th graders take the SAT. 2017-18 testing shows that all grade levels continue to test well above the state average.
- Numerous students across the District were awarded local, regional, state or national recognition.
- 21 PSD schools were selected for CDE academic excellence awards

PSD also continues to address the needs of its lower-rated schools on a number of levels:

- Improvement Plans are being implemented in all schools to address strategies for helping low-performing students. Improvement strategies are listed in each school's accountability plan.
- PSD receives extensive diagnostic analyses from the CMAS and MAP testing programs to improve instruction. These assessment results provide detailed information regarding student progress toward learning the Colorado Academic Standards. PSD is providing expanded data analysis training for teachers, principals, and curriculum facilitators so they can effectively use the data to improve instructional strategies.
- PSD continues to educate parents and encourage parental support and involvement in their student's education.

Economic Condition and Outlook

As has been the case for almost a decade, 2018 has seen continued expansion of the U.S. and Colorado economies. At this point, the current economic expansion is close to passing the record for the longest economic expansion in U.S. history. Currently, most leading economic indicators are still pointing towards continued economic growth in the coming year. However, this growth is anticipated to moderate slightly as the Federal Reserve continues to tighten monetary policy and labor force growth slows down. Even with these changes, financial conditions in the U.S. are expected to continue to be supportive of a continued economic expansion as business confidence remains strong.

As in prior years, economic growth in Colorado continues to be among the strongest in the nation. So far in 2018, Colorado has had robust and widespread employment growth in most regions and across all industries. Additionally, wage growth has exceeded inflation recently as well. At this time, oil and gas production has completed its recovery from the mid-decade downturn and continues to be a major factor in Colorado's economy. Even with these positive events, a continued tight labor and housing market is putting pressure on how much growth can occur at the state level.

Northern Colorado economic conditions continue to be among the strongest in the state. Since the majority of the state's oil and gas production is located in this region, that industry's recovery is well noticed in the area. Additionally, the region continues to add jobs and have near historic low unemployment rates, coupled with a tightening housing market.

Budget Impact

The primary source of revenue provided to the District is defined in the current provisions of the Colorado Public School Finance Act of 1994, as amended annually. Funding provided from this Act is provided by a combination of local property tax, specific ownership tax, primarily from vehicle registrations, and state equalization aid. In November 2000, voters approved State Constitutional Amendment 23. Amendment 23 requires K-12 funding to increase by inflation plus 1% from 2001-2011 and by inflation after that. However, because of the past economic downturn and Colorado's resulting budget challenges, increases that would otherwise be applied as defined under Amendment 23 will not be fully implemented through 2018-19. In June 2014 a lawsuit was filed against the State (Dwyer vs. State of Colorado) with the argument that reductions applied to K-12 funding are unconstitutional under Amendment 23. However, in September of 2015 the Colorado Supreme Court ruled that these reductions are constitutional. There are currently no Colorado school finance lawsuits outstanding.

Colorado's funding challenges have weighed heavily on all school districts in the State requiring reductions below the amount K-12 schools should have been funded starting in fiscal year 2010-11. In fiscal year 2011-12 the legislature introduced a "negative factor" to Colorado's School Finance Formula. This "negative factor" quantifies the gap between the amounts that would otherwise be provided under Amendment 23 and the actual amount provided to school districts in Colorado through the School Finance Formula. Between fiscal years 2010-11 and 2013-14, the "negative factor" grew to over \$1.0 billion. Between fiscal year 2014-15 and 2018-19 the State Legislature has taken action to either reduce the "negative factor" or hold it constant each year. In the spring of 2017, the legislature formally renamed the "negative factor" the Budget Stabilization factor. As of 2018-19, the total Budget Stabilization factor statewide is \$672 million. It is expected that the current gap in funding will remain into the foreseeable future, unless there is a structural change to the State's budget and how K-12 education is funded in Colorado.

In response to the reductions applied to K-12 in the recent past, Poudre School District has implemented budget reductions over the last several years to meet shortfalls in the School Finance Formula. The District is actively monitoring the condition of the State's budget, which ultimately impacts the majority of revenue available to the District. The District continues a long history of good financial standing and is positioned well to weather future uncertainty that may arise over the next few years.

Long-Term Financial Planning

In addition to monitoring economic outlooks and state budget concerns over the long term, the District also maintains a long range plan that helps guide the District's direction. The District's long range plan typically updated every 7 to 10 years, with minor adjustments being made in the interim. The current master plan was approved the Board of Education in 2016.

One benefit of this plan is that it drives the capital planning and long term financing methods of the District. The current plan calls for a new elementary school, two new 6-12 grade combination schools, athletic complex, transportation facility, plus numerous deferred maintenance projects at District facilities.

In November 2016, voters approved a \$375 million bond package to finance these improvements. When completed, these improvements should sustain the District until the next long range plan is developed. After two years of delay, the District sold the bonds in September 2018. At this time, the District is preparing to start work on the projects approved by the voters in 2016.

Major Initiatives

The Board of Education outlines the overarching goals for the District through its District Ends Policy. The Board of Education created the District Ends with input from all community stakeholders including administrators, classified staff, teachers, parents and business leaders. The District Ends are monitored annually and were last revised in August 2015. The Superintendent is charged with implementing programs to fulfill these goals and objectives. The Policy outlines PSD's four major goals, which seek to ensure that all students have a well-rounded education that prepares them to succeed in a changing world.

1. Foundations for Success: Colorado Academic Standards/Wellness
2. Success in a changing world: Post-Secondary Readiness
3. Above and Beyond: Individual levels of excellence for students
4. Connections: Academically and Socially connected to the school community

These goals form the basis for the major initiatives of the District. Currently, these initiatives include incorporating 21st century skills into the District's curriculum. These skills are necessary for students to succeed beyond high school either in a post-secondary institution or in the competitive workforce.

Through this process, PSD also creates a Unified Improvement Plan each year which outlines areas for improvement and strategies and means by which the district is working to increase student achievement. All current District Unified Improvement Plans (and those for each school) are posted on the Colorado Department of Education's SchoolVIEW webpage for public review.

Audit Committee

The Board of Education established an Audit Committee within Poudre School District. The primary function of the Audit Committee is to assist the Board of Education in fulfilling its financial oversight responsibilities. Meetings of the Committee occur approximately every other month. Membership of the Committee includes two Board of Education and five community representatives, as well as ad-hoc representatives from the District. Responsibilities and duties of the Committee include overseeing the independent audit; reviewing annual and quarterly financial statements, the systems of internal controls, and financial and compliance reporting processes; providing an open avenue of communication; participating in the planning, evaluation and reporting process of supplemental engagements or procedures; evaluating the efforts of the external auditor; and presenting annually to the Board of Education and management.

Based on recommendation from the Audit Committee, the District created an internal audit function. The scope and focus of the internal auditor's services concerns those activities that may have a direct impact on the District's compliance with accounting and financial standards, regulations, procedures and policies.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Poudre School District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This was the 20th consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Association of School Business Officials (ASBO) awarded the Certificate of Excellence in Financial Reporting to Poudre School District for the 21st consecutive year. We believe that our current comprehensive annual financial report continues to meet the requirements necessary to obtain this certificate, and we are submitting it to the ASBO to determine its eligibility for another certificate.

We extend our appreciation to the entire professional accounting staff of the District's Finance Department. The preparation of this report would not have been possible without their dedicated efforts and expertise, not only during the reporting process, but also throughout the year. Appreciation and recognition is also extended to our independent audit firm, CliftonLarsonAllen LLP, and its professional audit staff for the assistance and analysis provided throughout the year.



R. David Montoya
Executive Director of Finance



Government Finance Officers Association

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

Presented to

**Poudre School District
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Poudre School District

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.

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



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.' The signature is written in a cursive style and is positioned above a horizontal line.

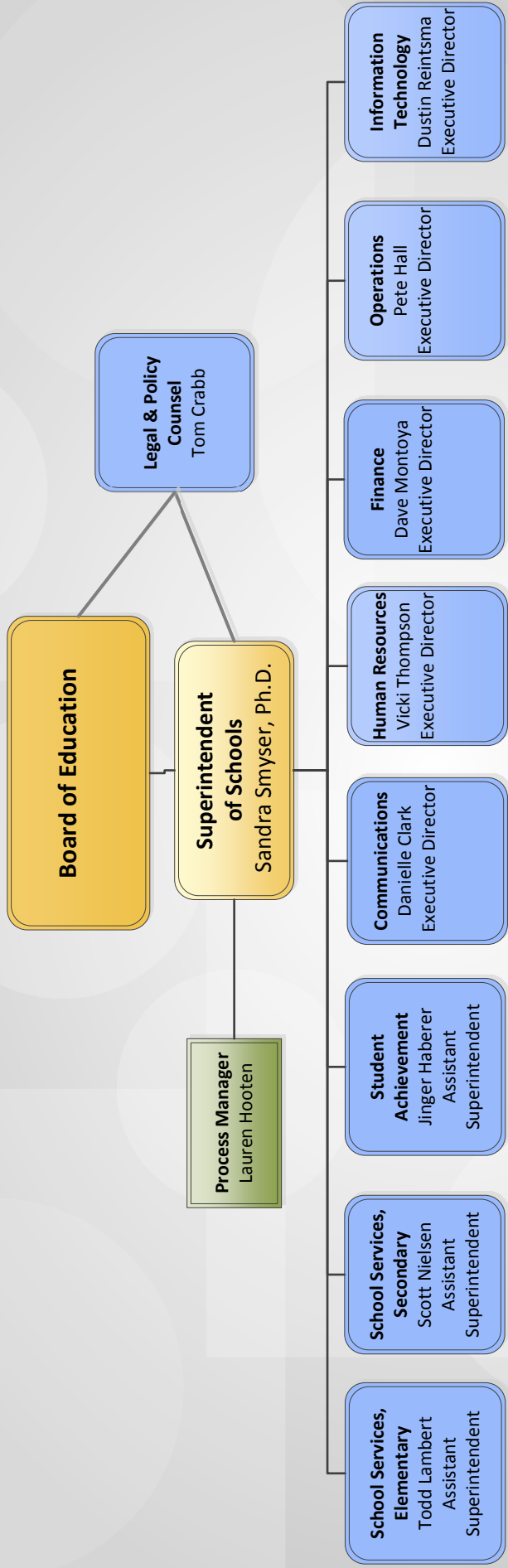
Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE
Executive Director

Poudre School District Organizational Chart

2017-2018 School Year



**Poudre School District
List of Elected and Appointed Officials
June 30, 2018**

Elected Officials - Board of Education

Term Expires

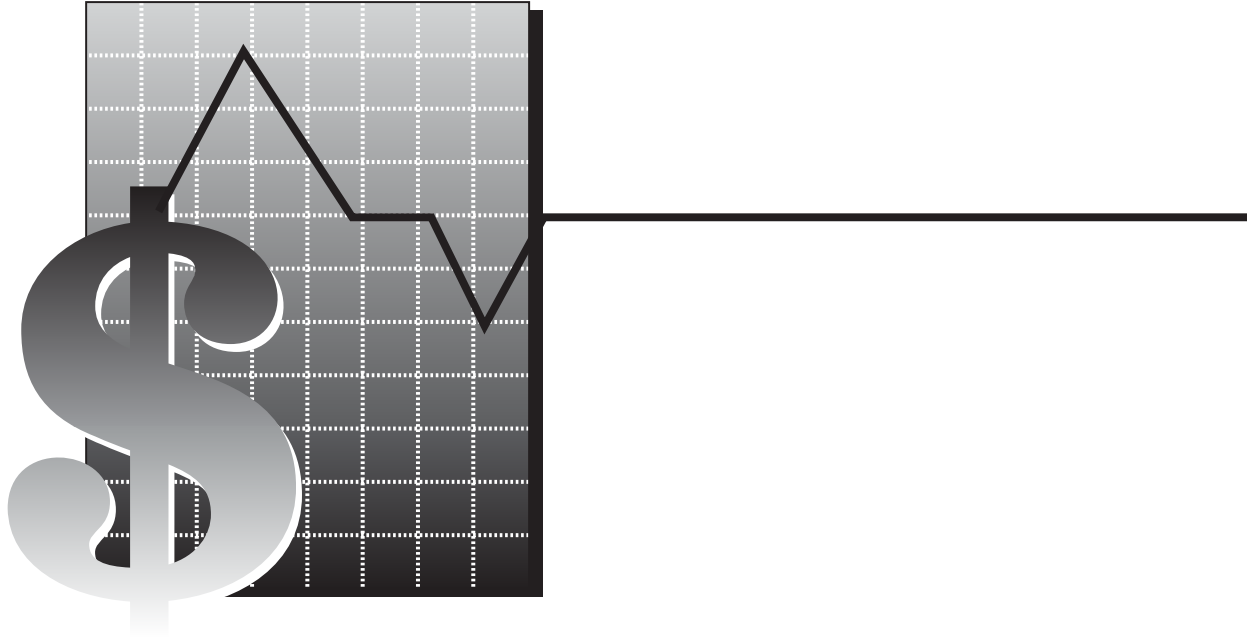
President	Christophe Febvre	2021
Vice President	Susan Gutowsky	2019
Director	Kristen Drager	2021
Director	Nate Donovan	2019
Director	Cathy Kipp	2019
Director	Rob Petterson	2019
Director	Carolyn Reed	2021

Appointed Officials

Secretary to the Board of Education	Tessa Oppenheimer
Treasurer to the Board of Education	Dave Montoya

Superintendent's Cabinet

Superintendent of Schools	Sandra Smyser
Assistant Superintendent of Elementary Schools	Todd Lambert
Assistant Superintendent of Secondary Schools	Scott Nielsen
Assistant Superintendent of Student Achievement	Jinger Haberer
Executive Director of Communications	Danielle Clark
Executive Director of Human Resources	Vicki Thompson
Executive Director of Finance	Dave Montoya
Executive Director of Operations	Pete Hall
Executive Director of Information Technology	Dustin Reintsma
Legal & Policy Counsel	Tom Crabb





Financial Section

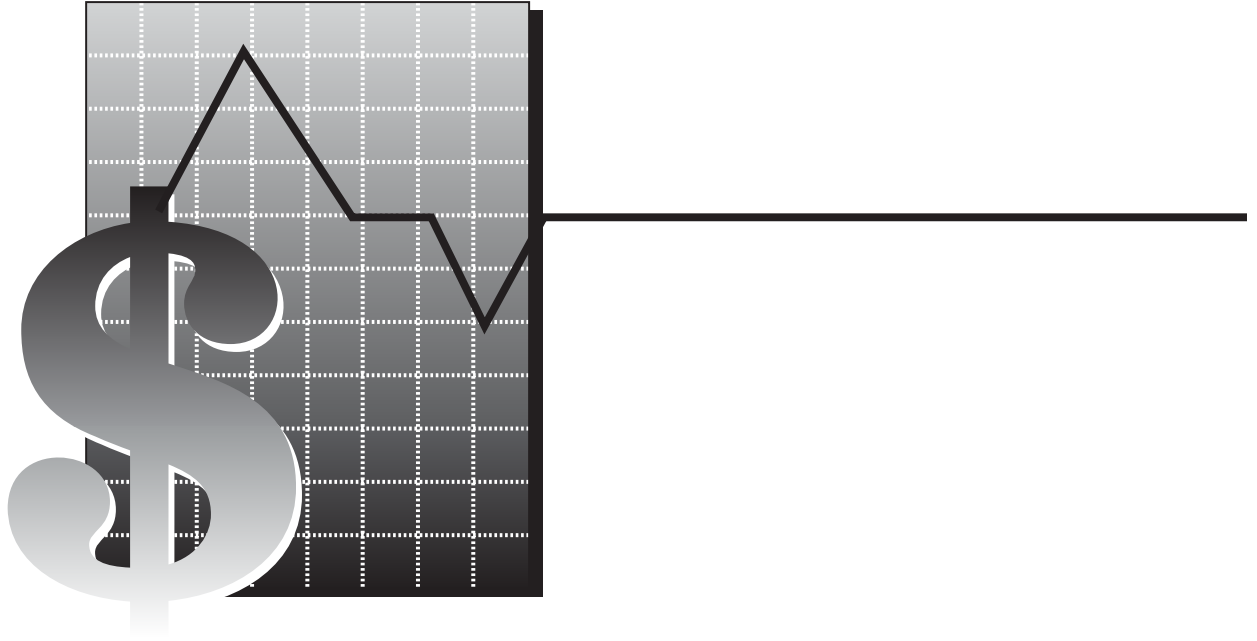
Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Supplementary Information





INDEPENDENT AUDITORS' REPORT

Board of Education
Poudre School District
Fort Collins, 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 Poudre School District (the District), as of and for the year ended June 30, 2018, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Liberty Common School, Mountain Sage Community School, and Fort Collins Montessori School, which represent 72 percent, 63 percent, and 66 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Liberty Common School, Mountain Sage Community School, and Fort Collins Montessori School, is based solely on the report 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 Liberty Common School, Ridgeview Classical Schools, Mountain Sage Community School, and Fort Collins Montessori School 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 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 District'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 District'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 the 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, 2018, 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.

Emphasis of a Matter

Adoption of New Accounting Standard

As described in Note 14 to the financial statements, the District adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. As a result of the implementation of GASB Statement No. 75, the District reported a restatement for the change in accounting principle. Our opinions were not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 15-25, the analysis and budgetary comparison information on pages 74-79, the District's proportionate share of the net pension liability and schedule of employer contributions on pages 80-81, and the District's proportionate share of the net OPEB liability and schedule of employer contributions on pages 82-83 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules and the Auditor's Electronic Financial Data Integrity Check Figures as listed in the tables of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the Auditor's Electronic Financial Data Integrity Check Figures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the Auditor's Electronic Financial Data Integrity Check Figures is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

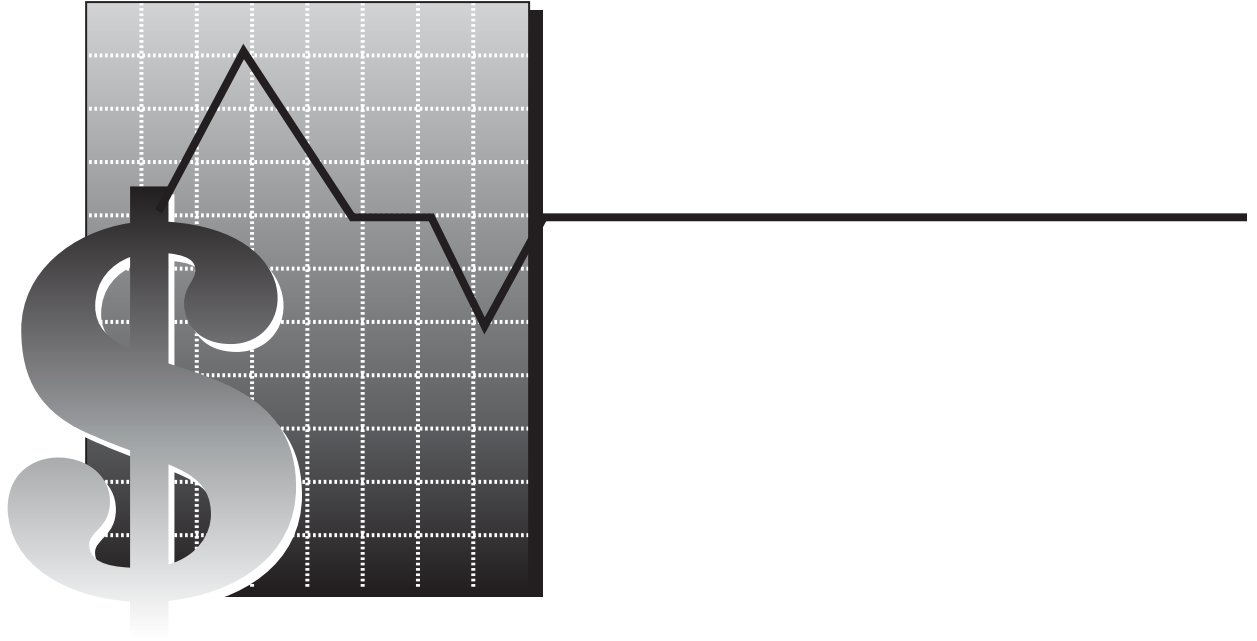
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2018 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's 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.



CliftonLarsonAllen LLP

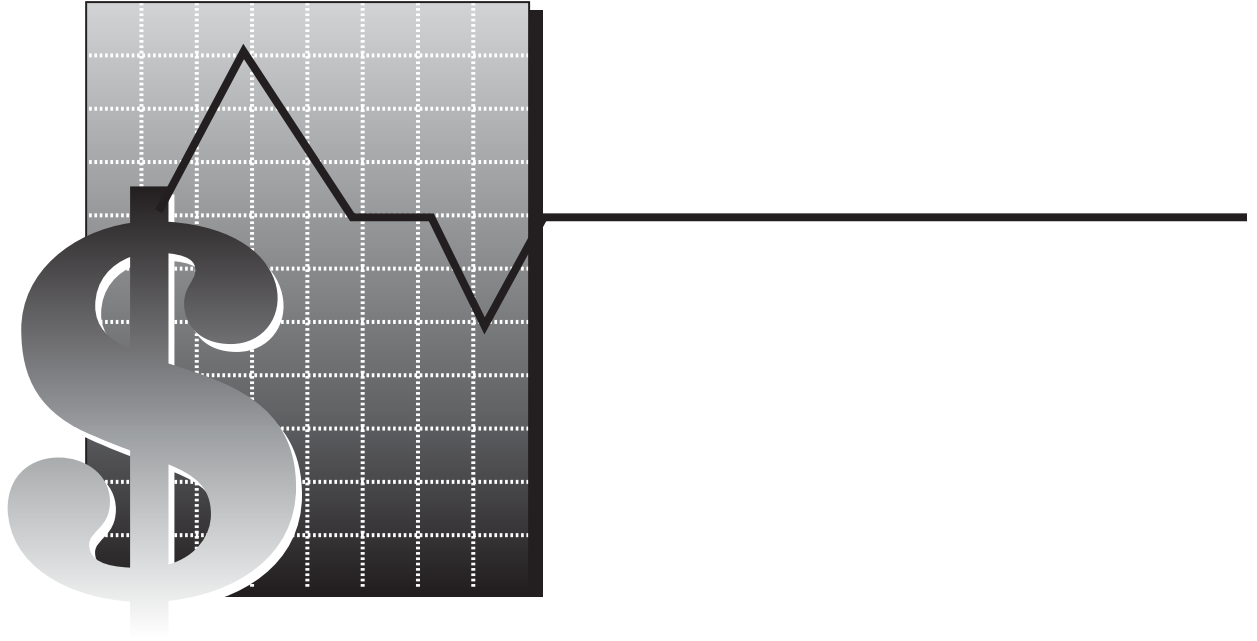
Broomfield, Colorado
December 4, 2018





Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) Section of this document is a component of required supplementary information used to introduce the basic financial statements and provide an analytical overview of the District's financial activities.



Poudre School District Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

This section of Poudre School District's (District) Comprehensive Annual Financial Report offers readers of the District's financial statements a narrative overview and analysis of the financial activities of Poudre School District for the fiscal year ended June 30, 2018. Information in the Management's Discussion and Analysis is focused on the primary government unless specifically noted. We encourage readers to consider the information presented here in conjunction with additional information furnished by the letter of transmittal at the beginning of this report and the District's financial statements, which follow this section.

Financial Highlights

- The District's total net position of governmental activities decreased \$178.2 million to a deficit of \$668.5 million, which represents a 36% decrease from the prior year. This decrease is primarily due to the pension expense recognized in fiscal year 2018. Pension expense represents the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions. Absent the requirement to include this activity, the District's net position would have experienced an increase of \$32.1 million.
- General revenues, primarily property taxes and state equalization, accounted for \$300.3 million in revenue or 84% of all current fiscal year revenues. Program specific revenues in the form of charges for services, operating grants and contributions and capital grants and restricted investment earnings accounted for \$58.7 million or 16% of total current fiscal year revenues.
- Among major funds, the General Fund had \$272.8 million in current fiscal year revenues, which primarily consisted of property taxes and state aid, and \$266.5 million in expenditures. The General Fund's fund balance increased \$6.3 million over the prior year primarily due to the collection of approximately \$2.6 million in approved 2016 Mill Levy property tax override revenues which was retained and not expended and \$1.5 million in cash in lieu of land collected in fiscal year 2018 for use in future years.
- The fund balance of the Capital Projects Fund decreased from \$14.8 million to \$10.4 million due to the utilization of bond proceeds received in prior years to fund school improvement projects.
- The District retired debt totaling \$17.6 million during the fiscal year through the payment of scheduled principal.

Overview of the Financial Statements

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

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. These statements provide both *short-term* and *long-term* information about the District's *overall* financial status. The government-wide financial statements include the statement of net position and the statement of activities.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

The *statement of net position* presents information on all the District's assets/deferred outflows of resources and liabilities/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 District is improving or deteriorating. To assess the District's overall health, additional non-financial factors, such as the condition of school buildings and other facilities, need to be considered.

The *statement of activities* presents information showing how the District'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.

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues. Included in governmental activities are most of the District's basic services such as regular and special education, transportation and administration.

The government-wide financial statements include not only financial data for the District itself (known as the primary government), but also component units of the district, which consist of four charter schools (discretely presented component units). A component unit is a legally separate entity from the District which has significant operational and/or financial relationships with the District.

Fund Financial Statements. The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not on the District as a whole. Funds are accounting devices the District uses to track specific sources of funding and spending on particular programs. Some funds are required by state law and bond covenants. Other funds control and manage money for particular purposes (such as repaying its long-term debt) or to demonstrate proper expenditure of certain revenues (such as federal grants). The District's funds are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds: Most of the District's basic services are included in governmental funds, which generally focus on (1) inflows and outflows of cash and other financial assets, and (2) balances remaining at year end which are available for spending. Consequently, the governmental fund statements provide a detailed short-term view to help determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the government-wide statements, a reconciling schedule follows the governmental fund statements explaining the relationship (or differences) between them.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service Fund, Capital Projects Fund and Designated Special Purpose Grants Fund, all of which are considered major funds. Data from the other special revenue funds are combined into a single, aggregated presentation. Individual fund data for the two non-major special revenue funds is provided in the form of combining statements and schedules.

Proprietary Funds: The District maintains one type of proprietary fund. The internal service funds are accounting devices used primarily to accumulate and allocate costs internally among the District's various functions. The internal service funds include (1) the Warehouse Fund which accounts for the operation of District functions that provide goods or services to District departments and other governments and non-profit organizations on a cost reimbursement basis and (2) the Employee Self-Insurance Fund which provides employee health and dental benefits and life insurance. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the Supplementary Information section of this report. Because all of these funds predominantly benefit the

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

District, they have been included within *governmental activities* in the government-wide financial statements.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The District currently has one fiduciary fund, the Private-Purpose Trust Fund, used primarily to account for scholarship activity. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. Included in the Supplementary Information section is budget-to-actual information for the Private-Purpose Trust Fund as required by state law.

Component Units: A statement of net position and statement of activities for the discretely presented component units (charter schools) has been provided in this section. The component units have been included to provide more complete information regarding public school activities within the District. Each component unit has separately issued financial statements available.

Notes to Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (General Fund and major Special Revenue Fund budget-to-actual schedules, a schedule showing the District's proportionate share of the net pension liability and net OPEB liability and a schedule of District contributions to the pension and OPEB plans) and *supplementary information*. Supplementary information includes the combining statements mentioned earlier in connection with internal service funds, as well as budget-to-actual information for all funds (other than for the General Fund and major Special Revenue Fund, which are included as required supplementary information) as dictated by state law.

Financial Analysis of the District as a Whole

Net position may serve over time as a useful indicator of a government's financial position. Prior to the implementation of GASB 68 in fiscal year 2015, the District's net position reflected positive balances in all three categories of net position. At the end of the 2018 fiscal year, the District's net position reflected positive balances in net investment in capital assets and restricted, however, unrestricted net position was a deficit of \$855.4 million. This resulted in a total deficit net position of \$668.5 million, a decrease of \$178.2 million.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

The following table provides a summary of the District's net position at June 30, 2018 and June 30, 2017.

	As of June 30, 2018	As of June 30, 2017 (Restated)	Percent Change
Current assets	\$ 169,663,579	\$ 148,569,610	14.2%
Capital assets, net	253,957,915	261,572,023	(2.9%)
Total assets	<u>423,621,494</u>	<u>410,141,633</u>	3.3%
Deferred outflows of resources	332,888,127	421,044,410	(20.9%)
Current liabilities	31,766,580	30,899,963	2.8%
Long-term liabilities	1,337,115,220	1,285,720,919	4.0%
Total liabilities	<u>1,368,881,800</u>	<u>1,316,620,882</u>	4.0%
Deferred inflows of resources	56,138,219	4,902,223	1,045.2%
Net position			
Net investment in capital assets	96,955,749	89,615,195	8.2%
Restricted	89,983,205	67,269,078	33.8%
Unrestricted	(855,449,352)	(647,221,335)	(37.6%)
Total net position	<u>\$ (668,510,398)</u>	<u>\$ (490,337,062)</u>	(36.3%)

Net investment in capital assets represents the cost of the assets (net of accumulated depreciation) less debt applicable to those assets. Debt attributable to unspent bond proceeds is included in restricted net position. The District uses capital assets to provide services to students. 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.

The District's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, and the acquisition and disposal of capital assets. The following are significant current year items that had an impact on the Statement of Net Position.

- The net addition of \$4.9 million in capital assets through various site improvements and equipment purchases.
- The principal retirement of \$17.6 million through scheduled bond payments and amortization of \$2.0 million in premium.
- The decrease of \$88.2 million in deferred outflows and the increase of \$51.2 million in deferred inflows related to pensions and OPEB, which contributed to the net increase in the net pension and OPEB liabilities of \$71.0 million.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

The following table provides a summary of the changes in net position.

	Year Ended June 30, 2018	Year Ended June 30, 2017*	Percent Change
Revenues			
Program Revenues			
Charges for services	\$ 23,771,128	\$ 23,278,889	2.1%
Operating grants and contributions	34,235,559	31,580,382	8.4%
Capital grants/restricted investment earnings	730,935	599,073	(26.6%)
General revenues			
Property taxes	171,039,247	152,692,336	12.0%
Equalization	110,915,760	112,176,713	(1.1%)
Other	18,332,876	16,914,202	8.4%
Total revenues	<u>359,025,505</u>	<u>337,241,595</u>	6.5%
Expenses			
Instruction	322,990,164	280,101,081	15.3%
Support services:			
Students	35,859,759	31,580,295	13.6%
Instructional staff	33,056,393	35,167,240	(6.0%)
General administration	4,293,927	5,197,005	(17.4%)
School administration	33,873,578	34,914,666	(3.0%)
Business	4,872,375	5,231,692	(6.9%)
Operations and maintenance of plant	30,346,479	33,416,650	(9.2%)
Student transportation	12,006,954	12,922,562	(7.1%)
Central	23,090,314	21,094,984	9.5%
Other	330,764	420,874	(21.4%)
Food service operations	11,127,154	12,044,275	(7.6%)
Other	1,774,868	1,953,019	(9.1%)
Debt service	5,883,521	6,606,717	(10.9%)
Charter school funding	17,692,591	17,327,644	2.1%
Total expenses	<u>537,198,841</u>	<u>497,978,704</u>	42.5%
Change in net position	(178,173,336)	(160,737,109)	(10.8%)
Net position, beginning of year	<u>(490,337,062)</u>	<u>(303,915,294)</u>	(61.3%)
Net position, end of year	\$ <u>(668,510,398)</u>	\$ <u>(464,652,403)</u>	(43.9%)

* 2017 has not been adjusted for the restatement of the June 30, 2017 net position described in Note 14.

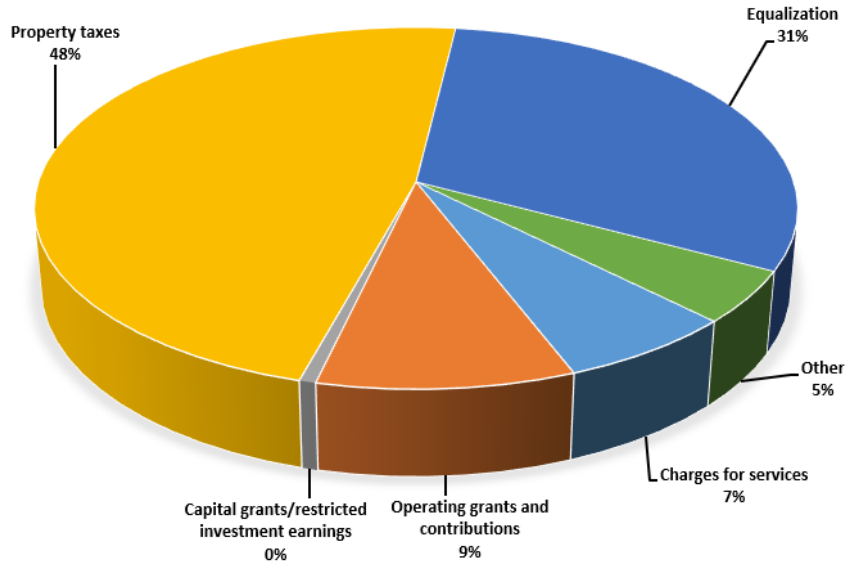
Property taxes and per pupil state formula revenue (state equalization) account for most of the District's revenue, contributing about 48 cents and 31 cents respectively of every dollar raised. These revenues directly relate to the level of District enrollment. Another 10% came from grants and contributions, and the remainder came from fees charged for services and other miscellaneous sources.

The District's expenses predominantly relate to instruction and support services, which include support for students and instructional staff, administration, operations and maintenance, and transportation. Given that the District is a service organization providing education services to students, most of the expenses are paid in the form of compensation (salaries and benefits) to the District's employees.

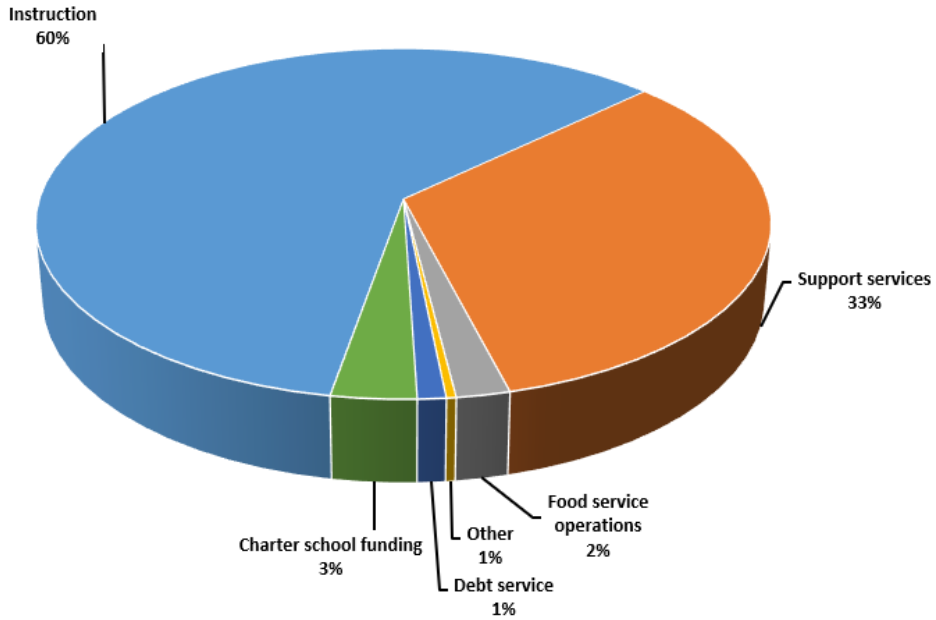
The following charts display revenues by source and expenses by program for the total school district.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

Sources of Revenue for Fiscal Year 2018



Expenses for Fiscal Year 2018



The decrease in net position for governmental activities in the 2018 fiscal year was approximately \$178.2 million. Key elements of the decrease in net position for governmental activities are as follows:

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

- The cost of all governmental activities in the 2018 fiscal year was \$537.2 million.
- Users of the District's programs financed some of the costs (\$23.8 million). Revenues in this category include items such as school meals, athletic fees, tuition for all-day kindergarten and building rental income.
- Federal and state governmental grants, contributions by local governments, businesses and individuals and student fundraising profits subsidized certain programs amounting to \$35.0 million.
- District and state taxpayers financed most of the District's costs, with revenue from taxes (property taxes and specific ownership taxes) approximately \$186.3 million and state per-pupil formula revenue (Equalization) approximately \$110.9 million.
- Capital Grants and Contributions increased 22.0%. This increase is a result of new capital funds provided for the support of charter schools.
- Other general revenues increased 8.4% over the prior year due to an increase in specific ownership taxes.
- Significant increases in expenses between the 2018 and the 2017 fiscal year occurred primarily due to the effect of \$243.2 million of pension and OPEB expense recognized in fiscal year 2018, offset by \$32.9 million by the accrual accounting of District pension and OPEB contributions.

Financial Analysis of the District's Funds

Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal, federal and state requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

Overall fund balance in the District's governmental funds increased approximately \$23.1 million, primarily due to an excess in revenues over expenditures in the Debt Service Fund.

The General Fund is the principal operating fund of the District. The General Fund comprises 37.8% of the total fund balance. Approximately \$9.9 million or 20.1% of the General Fund's fund balance is unassigned. The increase in fund balance of \$6.3 million to \$49.5 million was due to the collection of approximately \$2.6 million in approved 2016 Mill Levy property tax override revenues which was retained and not expended and \$1.5 million in cash in lieu of land collected in fiscal year 2018 for use in future years.

Among the other major funds, the Debt Service Fund had \$46.3 million in current fiscal year revenues, primarily comprised of property taxes, and \$25.4 million in debt service expenditures. The Debt Service Fund's fund balance increased \$20.9 million to \$44.5 million. The excess in revenues over expenditures was due to property tax collections to be utilized for scheduled payments of principal and interest in December 2018 and property taxes collected as a result of the November 2016 approval to issue school improvement bonds. Due to a delay in the issuance of the bonds as a result of a lawsuit, property taxes were collected in advance of the issuance. The bonds were issued in September 2018.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

The fund balance in the Capital Projects Fund decreased \$4.4 million to \$10.4 million due to the utilization of bond proceeds collected in prior years for various site improvements. Revenues in the Designated Special Purpose Grants Fund were primarily comprised of Federal revenue (86.9%).

Fund balance in the Nonmajor Special Revenue Fund increased \$197,015 due primarily to revenues in the Public School Activities Fund to be used for student related trips and activities in the 2018-19 school year.

Proprietary Funds

Total net position in the internal service funds decreased \$2.8 million. The decrease was primarily due to higher than anticipated medical claims in the Employee Self-Insurance Fund.

General Fund Budgetary Highlights

The 2018 fiscal year budget was adopted in June 2017, with a revised (final) budget adopted in January 2018. The budgets for the District's General Fund for the 2017-18 fiscal year included assumptions related to key factors such as inflation, funded pupil count, and increases to employee compensation as a result of the annual negotiations process. There was an increase in budgeted revenue of \$1.9 million between the original and final budget. The primary cause of this was due to the District exceeding funded pupil count estimates that were used in the development of the original budget. The District's original budget anticipated a funded pupil count increase of 90.5, while the actual increase was 375.1, a difference of 284.6. There was an increase of \$1.9 million in appropriations between the original and final budget. The cause of this increase was a negotiated one-time payment for staff due to exceeding budgeted funded pupil count and additional staffing needs that were not projected in the original budget.

On a budgetary basis, the projected fund balance presented in the final budget was approximately \$62.0 million, approximately \$2.2 million lower than actual results of \$64.2 million for the fiscal year. Actual General Fund revenue and other financing sources that occurred during the 2018 fiscal year were \$272.9 million and actual expenditures and other financing uses on a budgetary basis were approximately \$265.9 million.

District policy states that the District shall strive to maintain an appropriated reserve amount in its General Fund within the range of 3% to 5% of each fiscal year's expenditures and other financing uses. This reserve amount is intended to safeguard against unanticipated expenditures and/or unrealized revenues, as well as to help maintain a high credit rating for the District and reduce the need for short-term borrowing. In addition to this established reserve within the unassigned fund balance category, the Board also authorized a contingency reserve of 1% of General Fund expenditures and other financing uses through their annual budget resolution process.

The difference between the District's GAAP and non-GAAP fund balance is \$14,667,559. This amount relates to compensation earned as of June 30, 2018, but not paid until July 2018. In the budgetary basis fund balance, this amount is represented as assigned fund balance. The remainder of the District's fund balance (GAAP basis fund balance) is classified into nonspendable of \$550,631, restricted of \$19,160,800, assigned of \$19,862,797, and unassigned of \$9,936,010. Unassigned fund balance in the District's General Fund represents approximately 4.0% of non-GAAP basis expenditures. The ending unassigned fund balance is within the established range identified in District policy of 4% to 6% (3% to 5% appropriated reserve plus 1% Board-approved contingency reserve). In order to continue to bolster reserves to more appropriate levels, the District has budgeted to increase the Board-approved contingency reserve from 1% to 2% during the 2019 fiscal year.

**Poudre School District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

Capital Assets

By the end of fiscal year 2018, the District had invested \$471.8 million in a broad range of capital assets, including land, intangible assets (water rights), buildings, site improvements, vehicles and other equipment. This amount represents a net increase prior to depreciation of approximately \$4.4 million primarily due to various capital projects for site renovations. Total depreciation expense for the year was approximately \$12.5 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2018 and June 30, 2017.

	As of <u>June 30, 2018</u>	As of <u>June 30, 2017</u>
Land	\$ 21,530,241	\$ 21,530,241
Construction in progress	1,739,572	4,017,315
Water rights	1,855,235	1,773,451
Buildings, net	211,920,437	216,547,035
Site improvements, net	7,644,481	8,010,384
Vehicles, net	3,626,303	3,879,789
Software, net	437,057	519,985
Other equipment, net	5,204,589	5,293,823
Total capital assets, net	<u>\$ 253,957,915</u>	<u>\$ 261,572,023</u>

Additional information about the District’s capital assets is presented in Note 3 to the basic financial statements.

Long-Term Debt Activity

At year-end, the District had approximately \$167.2 million in long-term debt outstanding, \$18.3 million due within one year. The District retired debt totaling \$19.6 million during the fiscal year through the payment of scheduled principal and amortization of premium resulting in a decrease in outstanding long-term debt of approximately 10.5%.

Colorado Revised Statute (C.R.S.) 22-42-104 states that a school district shall have a limit of bonded indebtedness determined by a specified formula. The District’s outstanding debt is below the limit. See Table XI in the Statistical Section of this document for detailed computations associated with the limit.

The District maintains an “Aa2” rating from Moody’s and an “AA+” from Fitch for general obligation debt.

Additional information about the District’s long-term debt is presented in Note 4 to the basic financial statements.

Factors Bearing on the District’s Future

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future.

- Fluctuations in student enrollment directly impact the financial resources the District uses to operate since the primary source of revenue is per pupil funding. District K-12 enrollment has been relatively stable for the past five years, with modest increases in most years. After a lower than normal increase during the 2016-17 school, enrollment increased in line with normal trends again during the 2017-18 school year. The District is again anticipating enrollment growth for the 2018-19 school year and has budgeted for an estimated funded pupil count increase of 288.6.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

This growth is attributable to a number of factors, particularly the economy and desirability of living in the District. Additionally, enrollment data indicates that enrollment growth in the next several years will average approximately 1.5% per year.

- Under state law, the District may contract with individuals and organizations for the operation of schools, referred to as “charter schools,” within the District. For purposes of the Public School Finance Act, pupils enrolled in a charter school in the District are included in the pupil enrollment of the District. Such charter schools are financed in part from a portion of the District’s revenues received under the Public School Finance Act. The District is required to pay a charter school a certain percentage of per pupil revenues for each pupil enrolled in such charter school, less certain central administrative costs. The addition of new charter schools or expansion of existing charter schools could impact the District’s finances. For the 2018-19 school year, the Board of Education has contracted for a fifth District authorized charter school to open. It is expected to enroll 140 students during its first year of operation, with further enrollment increases in future years.
- The District continues to monitor the State’s financial status. While Colorado’s economic expansion continues, structural problems with the State’s budget and growing costs in education and health services are continuing to put pressure on the state budget. In addition, the outcome of the November 2018 Governor’s race could have an impact on priorities in the State’s budget. The District will monitor economic reports and forecast throughout the year to determine what potential impacts the State’s budget decisions will have on the District.
- In November 2016, the District successfully passed a \$375 million bond election to fund the District’s Long Range Plan. This plan includes the building of two new middle/high schools, a new elementary school, a permanent addition to Zach Elementary, a new shared athletic complex, a new transportation maintenance facility and some deferred maintenance at all schools. In September 2018 the District sold the bonds and will be starting projects in the near future.
- Colorado’s public-school finance laws are subject to review and examination through the judicial process and are also subject to legislative changes. Appropriation decisions regarding the State’s share of Total Program Funding are made on an annual basis by the State legislature. It is possible that the General Assembly may cut public school funding as part of overall State spending cuts in the future. As a result, the District cannot anticipate with certainty all of the factors which may influence the financing of its future activities. There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws (including but not limited to the School Finance Act), provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the District.
- The Public Employees’ Retirement Association (PERA) of Colorado, the pension plan that covers all District employees, has been increasing employer contributions for a number of years. These rate increases culminated in a rate of 20.15% in January 2018. In the May 2018, the legislature passed SB18-200 in response to continued large unfunded liabilities within PERA. While the majority of the changes due to the bill affect the state budget and employee contribution rates, the most significant change to school districts is a .25% rate increase effective July 2019. This will bring the total PERA employer contribution rate to 20.4%. The District is planning to account for this rate increase in its 2020 fiscal year budget and will continue to monitor PERA concerns for any potential legislative change in the future.
- Rising nationwide healthcare costs are a consideration as the District evaluates the benefits provided to employees. The District is cautious about how to manage increases in benefits costs

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Continued)**

that significantly exceed the increases in revenues from year to year. The District's Benefits Committee will continue to meet to discuss, analyze and recommend the level of benefits being offered to employees.

- The nation's economic situation and political climate continues to be a factor in the financial outlook of the District as it relates to federal funding resources. The District will continue to monitor potential impacts and incorporate anticipated changes into future years' operations.

In regard to the above-mentioned factors, preparation for the 2020 fiscal year budget has begun.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions about this report or requests for additional financial information should be directed to the Executive Director of Finance, Poudre School District, 2407 LaPorte Avenue, Fort Collins, CO 80521.

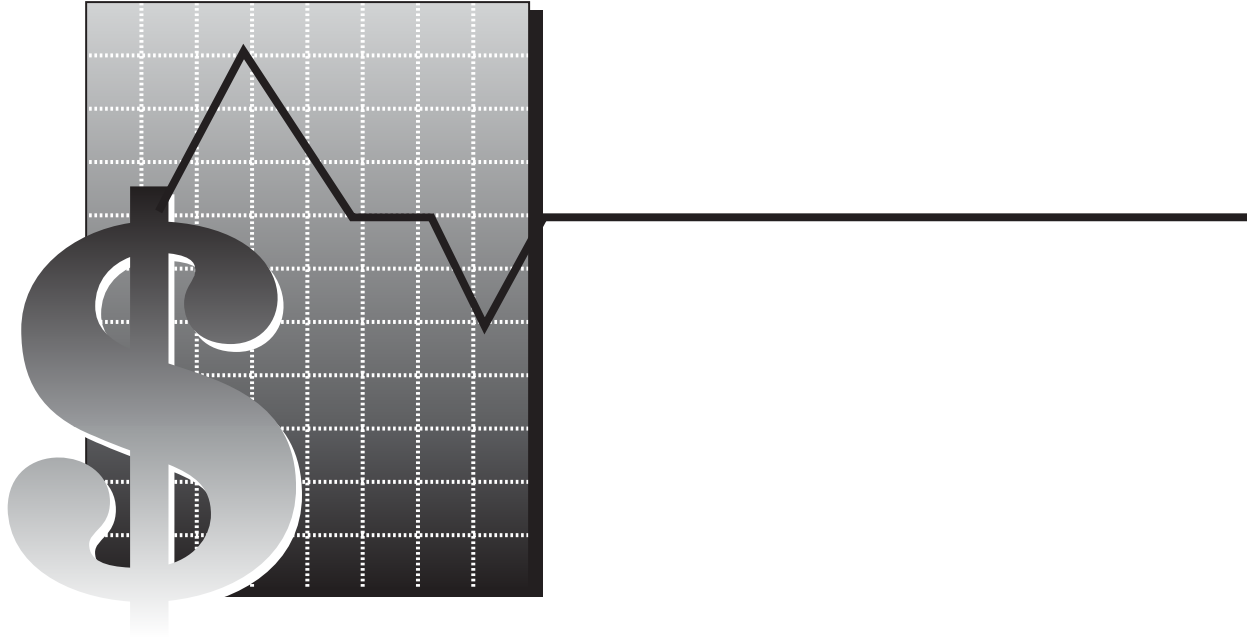
Complete financial statements for each discretely presented component unit (charter schools) are available at each school's administrative office.

Liberty Common School
1725 Sharp Point Dr
Fort Collins, CO 80525

Ridgeview Classical Schools
1800 S Lemay Ave
Fort Collins, CO 80525

Mountain Sage Community School
2310 East Prospect Rd, Suite A
Fort Collins, CO 80525

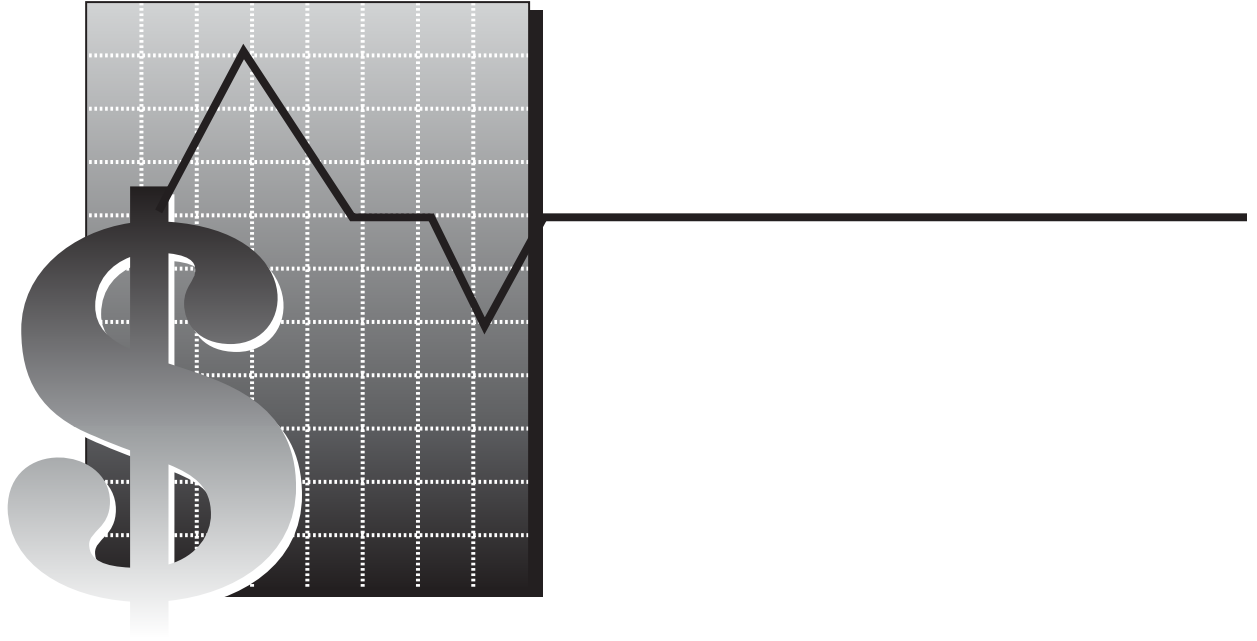
Fort Collins Montessori School
1900 S. Taft Hill Rd
Fort Collins, CO 80526





Basic Financial Statements

Financial statements presented in this section comprise the minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP.



Poudre School District
Government-Wide Statement of Net Position
June 30, 2018

	<u>Primary Governmental Activities</u>	<u>Discretely Presented Component Units</u>
ASSETS		
Cash and investments (including restricted amounts)	\$ 154,767,913	\$ 9,647,289
Cash with Larimer County Treasurer	1,932,381	—
Accrued interest	92,820	—
Property taxes receivable	3,883,413	—
Receivable from grantor agencies	4,917,538	—
Accounts receivable	2,504,444	3,096
Due from component units	10,406	—
Due from primary government	—	7,115
Prepaid items	922,155	86,831
Inventory	632,509	—
Land	21,530,241	3,228,720
Construction in progress	1,739,572	77,475
Water rights	1,855,235	12,864
Other capital assets, net of accumulated depreciation:		
Buildings and site improvements	219,564,918	21,906,458
Vehicles	3,626,303	58,638
Software	437,057	—
Other equipment	5,204,589	561,023
Total assets	423,621,494	35,589,509
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	331,236,437	20,162,510
Deferred outflows related to OPEB	976,033	96,579
Deferred charges on debt refunding	675,657	81,851
Total deferred outflows of resources	332,888,127	20,340,940
LIABILITIES		
Accounts payable	9,877,573	178,251
Due to component units	7,115	—
Due to primary government	—	10,406
Accrued salaries and benefits	16,002,791	756,152
Accrued interest	304,411	477,704
Other	—	5,000
Retirement severance payable	307,631	—
Unearned revenue	708,746	196,523
Estimated liability for unsubmitted claims	4,558,313	—
Noncurrent liabilities:		
Due within one year	18,510,000	638,320
Due in more than one year	1,318,605,220	87,128,499
Total liabilities	1,368,881,800	89,390,855
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	55,292,314	2,844,008
Deferred inflows related to OPEB	845,905	37,217
Deferred credit on debit refunding	—	59,284
Total deferred inflows of resources	56,138,219	2,940,509
NET POSITION		
Net investment in capital assets	96,955,749	1,597,300
Restricted for:		
Debt service	65,427,121	1,662,031
TABOR	8,830,000	583,088
School site acquisition, expansion and development	10,327,337	—
Construction/repair and replacement of facility	—	241,332
Public school activities	4,242,276	—
Food service activities	1,466,990	—
Payment of claims	162,738	—
Other	—	5,000
Unrestricted	(855,922,609)	(40,489,666)
Total net position	\$ (668,510,398)	\$ (36,400,915)

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

**Poudre School District
Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2018**

Activities:	Program Revenues			Capital Grants/ Restricted Investment Earnings	Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions		Governmental Activities	Component Units
Primary government:						
Governmental activities:						
Instruction	\$ 322,990,164	\$ 9,434,195	\$ 19,440,342	\$ —	\$ (294,115,627)	
Support services:						
Students	35,859,759	21,785	3,525,426	—	(32,312,548)	
Instructional staff	33,056,393	185,982	1,986,838	—	(30,883,573)	
General administration	4,293,927	545,522	60,897	—	(3,687,508)	
School administration	33,873,578	—	249,494	—	(33,624,084)	
Business	4,872,375	178,120	—	—	(4,694,255)	
Operations and maintenance of plant	30,346,479	5,070	162,434	730,935	(29,448,040)	
Student transportation	12,006,954	124,318	1,741,315	—	(10,141,321)	
Central	23,090,314	9,086,805	350,133	—	(13,653,376)	
Other	330,764	—	94,350	—	(236,414)	
Food services operations	11,127,154	3,892,012	5,322,963	—	(1,912,179)	
Community services	427,970	297,319	272,832	—	142,181	
Education for adults	86,548	—	—	—	(86,548)	
Unallocated depreciation	1,260,350	—	—	—	(1,260,350)	
Debt service	5,883,521	—	1,028,535	—	(4,854,986)	
Charter school funding	17,692,591	—	—	—	(17,692,591)	
Total primary government	\$ 537,198,841	\$ 23,771,128	\$ 34,235,559	\$ 730,935	\$ (478,461,219)	
Component units	\$ 30,702,305	\$ 1,519,883	\$ 439,920	\$ 265,019	\$ (28,477,483)	
General revenues:						
Property taxes, levied for general purposes					\$ 125,737,880	—
Property taxes, levied for debt services					45,301,367	—
Specific ownership taxes					15,283,163	—
Cash in lieu of land					1,495,540	—
Unrestricted earnings on investments					734,285	55,692
Miscellaneous					819,888	1,597,819
Equalization					110,915,760	—
Charter school funding					—	16,050,668
Total general revenues					300,287,883	17,704,179
Change in net position					(178,173,336)	(10,773,304)
Net position at beginning of year, restated					(490,337,062)	(25,627,611)
Net position at end of year					(668,510,398)	(36,400,915)

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

**Poudre School District
Governmental Funds
Balance Sheet
June 30, 2018**

	General	Debt Service	Capital Projects	Designated Special Purpose Grants	Nonmajor Special Revenue	Total Governmental Funds
ASSETS						
Cash and investments (including restricted amounts)	\$ 64,437,980	\$ 64,528,325	\$ 11,131,801	\$ —	\$ 6,454,002	\$ 146,552,108
Cash with Larimer County Treasurer	1,758,502	173,879	—	—	—	1,932,381
Accrued interest	88,083	—	4,737	—	—	92,820
Property taxes receivable	2,854,085	1,029,328	—	—	—	3,883,413
Receivable from grantor agencies	—	—	—	4,869,146	48,392	4,917,538
Accounts receivable	1,387,870	—	—	64,208	20,505	1,472,583
Prepaid items	550,631	—	—	35,527	51,813	637,971
Inventory	—	—	—	—	421,444	421,444
Due from component units	10,406	—	—	—	—	10,406
Due from other funds	3,812,669	—	—	—	—	3,812,669
Total assets	\$ 74,900,226	\$ 65,731,532	\$ 11,136,538	\$ 4,968,881	\$ 6,996,156	\$ 163,733,333
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 8,123,671	\$ —	\$ 755,225	\$ 194,360	\$ 170,737	\$ 9,243,993
Accrued salaries and benefits	14,667,559	—	—	1,019,941	315,291	16,002,791
Retirement severance payable	307,631	—	—	—	—	307,631
Unearned revenue	1,500	—	—	350,461	356,785	708,746
Due to component units	7,115	—	—	—	—	7,115
Due to other funds	—	—	—	3,368,592	444,077	3,812,669
Estimated liability for unsubmitted claims	1,342,000	—	—	—	—	1,342,000
Total liabilities	24,449,476	—	755,225	4,933,354	1,286,890	31,424,945
Deferred inflows of resources:						
Unavailable property taxes	940,512	339,097	—	—	—	1,279,609
Total liabilities and deferred inflows of resources	25,389,988	339,097	755,225	4,933,354	1,286,890	32,704,554
Fund balances:						
Nonspendable:						
Prepaid items	550,631	—	—	35,527	51,813	637,971
Inventory	—	—	—	—	421,444	421,444
Restricted for:						
TABOR - emergency reserves	8,170,000	—	—	—	—	8,170,000
TABOR - multi-year contracts	660,000	—	—	—	—	660,000
School site acquisition, expansion and development	10,327,337	—	—	—	—	10,327,337
Debt service	—	65,392,435	—	—	—	65,392,435
Capital projects	—	—	9,548,168	—	—	9,548,168
Public school activities	—	—	—	—	4,190,463	4,190,463
Food service	—	—	—	—	1,045,546	1,045,546
Payment of claims	3,463	—	—	—	—	3,463
Assigned for:						
Carryover budgets	19,862,797	—	—	—	—	19,862,797
Capital projects	—	—	833,145	—	—	833,145
Unassigned:						
Required contingency reserves	2,481,019	—	—	—	—	2,481,019
Appropriated reserve	7,454,991	—	—	—	—	7,454,991
Total fund balances	49,510,238	65,392,435	10,381,313	35,527	5,709,266	131,028,779
Total liabilities, deferred inflows of resources, and fund balances	\$ 74,900,226	\$ 65,731,532	\$ 11,136,538	\$ 4,968,881	\$ 6,996,156	\$ 163,733,333

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

Poudre School District
Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Position
June 30, 2018

Total fund balances - governmental funds \$ 131,028,779

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

Property taxes not available soon enough to pay for the current periods expenditures are not recorded in the funds 1,279,609

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Governmental capital assets	\$ 471,666,364	
Accumulated depreciation	<u>(217,761,586)</u>	253,904,778

Deferred outflows/inflows of resources are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflow on debt refunding	675,657	
Deferred outflow related to pensions	331,236,437	
Deferred outflow related to OPEB	976,033	
Deferred inflow related to pensions	(55,292,314)	
Deferred inflow related to OPEB	<u>(845,905)</u>	276,749,908

Internal service funds are used by the District's management to charge certain activities such as employee self-insurance and warehouse to individual funds. The account balances of the internal service funds are included in governmental activities. 5,923,105

Accrued interest is not due and payable in the current period and therefore not reported as a liability in the funds. (304,411)

Long-term liabilities related to governmental activities 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:

Bonds payable	(158,235,000)	
Bond premium payable	(8,990,991)	
Net pension liability	(1,142,573,549)	
Net OPEB liability	(26,091,599)	
Compensated absences	<u>(1,201,027)</u>	<u>(1,337,092,166)</u>

Total net position - governmental activities \$ (668,510,398)

The accompanying notes are an integral part of this financial statement.

**Poudre School District
Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2018**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Designated Special Purpose Grants</u>	<u>Nonmajor Special Revenue</u>	<u>Total Governmental Funds</u>
Revenues:						
Local sources	\$ 151,721,921	\$ 45,297,288	\$ 181,152	\$ 379,887	\$ 11,669,748	\$ 209,249,996
State sources	121,025,108	—	—	1,516,358	141,841	122,683,307
Federal sources	99,695	1,028,535	—	12,585,882	5,181,122	18,895,234
Total revenues	<u>272,846,724</u>	<u>46,325,823</u>	<u>181,152</u>	<u>14,482,127</u>	<u>16,992,711</u>	<u>350,828,537</u>
Expenditures:						
Current—						
Instruction	145,276,430	—	—	9,095,917	6,928,796	161,301,143
Support services:						
Students	15,807,472	—	—	2,927,743	236,998	18,972,213
Instructional staff	18,480,386	—	—	1,453,331	87,076	20,020,793
General administration	3,095,308	—	—	—	—	3,095,308
School administration	19,979,311	—	—	98,515	245,583	20,323,409
Business	3,595,803	—	—	501,082	—	4,096,885
Operation and maintenance of plant	21,942,488	—	1,208,481	93,961	60,257	23,305,187
Student transportation	8,442,588	—	—	—	113	8,442,701
Central	10,180,061	—	93,792	23,239	12,896	10,309,988
Other	246,650	—	—	—	—	246,650
Food services operations	36,537	—	1,596	—	9,179,623	9,217,756
Community services	141,753	—	—	222,812	320	364,885
Education for adults	86,548	—	—	—	—	86,548
Capital outlay	1,464,769	—	3,267,731	30,000	125,965	4,888,465
Debt service—						
Purchased services	—	3,750	—	—	—	3,750
Interest on debt	—	7,797,430	—	—	—	7,797,430
Retirement of debt	—	17,610,000	—	—	—	17,610,000
Charter school funding	17,692,591	—	—	—	—	17,692,591
Total expenditures	<u>266,468,695</u>	<u>25,411,180</u>	<u>4,571,600</u>	<u>14,446,600</u>	<u>16,877,627</u>	<u>327,775,702</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,378,029</u>	<u>20,914,643</u>	<u>(4,390,448)</u>	<u>35,527</u>	<u>115,084</u>	<u>23,052,835</u>
Other financing sources (uses):						
Transfers in	13,070	—	—	—	95,001	108,071
Transfers (out)	(95,001)	—	—	—	(13,070)	(108,071)
Total other financing sources (uses)	<u>(81,931)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>81,931</u>	<u>—</u>
Net change in fund balance	<u>6,296,098</u>	<u>20,914,643</u>	<u>(4,390,448)</u>	<u>35,527</u>	<u>197,015</u>	<u>23,052,835</u>
Fund balances at beginning of year	<u>43,214,140</u>	<u>44,477,792</u>	<u>14,771,761</u>	<u>—</u>	<u>5,512,251</u>	<u>107,975,944</u>
Fund balances at end of year	<u>\$ 49,510,238</u>	<u>\$ 65,392,435</u>	<u>\$ 10,381,313</u>	<u>\$ 35,527</u>	<u>\$ 5,709,266</u>	<u>\$ 131,028,779</u>

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

Poudre School District
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances to the Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2018

Total net changes in fund balances - governmental funds \$ 23,052,835

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

Property tax revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (69,558)

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.

Capital outlay	\$ 4,888,465	
Depreciation expense	<u>(12,444,258)</u>	(7,555,793)

District pension and OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured before the District's report date. Pension and OPEB expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions and OPEB, is reported in the Statement of Activities.

District pension contributions	31,200,080	
District OPEB contributions	1,685,334	
Pension expense	(241,207,286)	
OPEB expense	<u>(1,962,146)</u>	(210,284,018)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is issued, whereas these amounts are amortized in the Statement of Activities.

Amortization of premium	1,994,192	
Principal repayment	<u>17,610,000</u>	19,604,192

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the Statement of Activities, however, which is presented on an accrual basis of accounting, these expenses are reported regardless of when the financial resources are available.

Disposal of capital assets	(46,722)	
Amortization of bond related deferred outflows/inflows	(106,845)	
Accrued interest	30,312	
Compensated absences	<u>(6,384)</u>	(129,639)

Internal service funds are used by management to charge the costs of certain activities such as employee self-insurance and warehouse to individual funds. The net revenue (expense) of the internal funds is reported with governmental activities in the Statement of Activities. (2,791,355)

Change in net position - governmental activities \$ (178,173,336)

The accompanying notes are an integral part of this financial statement.

**Poudre School District
Proprietary Funds
Statement of Net Position
June 30, 2018**

	Governmental Activities Internal Service Funds Total
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 7,905,078
Cash - restricted	310,727
Accounts receivable	1,031,861
Prepaid items	284,184
Inventory	211,065
Total current assets	9,742,915
Noncurrent assets:	
Capital assets:	
Equipment	121,249
Less accumulated depreciation	(68,112)
Total capital assets (net of accumulated depreciation)	53,137
Total assets	9,796,052
LIABILITIES	
Current liabilities:	
Accounts payable	633,580
Estimated liability for unsubmitted claims	3,216,313
Total current liabilities	3,849,893
Noncurrent liabilities:	
Due in more than one year	23,054
Total noncurrent liabilities	23,054
Total liabilities	3,872,947
NET POSITION	
Investment in capital assets	53,137
Restricted for payment of claims	159,275
Unrestricted	5,710,693
Total net position	\$ 5,923,105

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

**Poudre School District
Proprietary Funds
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2018**

	Governmental Activities Internal Service Funds Total
Operating revenues:	
District Contributions	\$ 21,364,416
Employee Contributions	9,074,293
Sales	948,060
Total operating revenues	31,386,769
Operating expenses:	
Administration:	
Salaries	647,708
Employee benefits	197,318
Purchased services	1,592,528
Operating supplies	932,044
Internal charges	675
Claims	28,539,737
Premiums	2,285,728
Other	29,456
Total operating expenses	34,225,194
Operating loss	(2,838,425)
Non-operating revenues:	
Investment earnings	47,070
Total non-operating revenues	47,070
Change in net position	(2,791,355)
Total net position at beginning of year	8,714,460
Total net position at end of year	\$ 5,923,105

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

**Poudre School District
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2018**

	Governmental Activities Internal Service Funds Total
Cash flows from operating activities:	
Received from customers	\$ 31,375,802
Payments to employees	(851,502)
Payments to suppliers for goods and services	(2,719,921)
Payments for claims and insurance	(30,427,986)
Payments to other funds	(675)
Net cash used by operating activities	(2,624,282)
Cash flows from investing activities:	
Interest received	49,778
Net cash provided by investing activities	49,778
Net decrease in cash and cash equivalents	(2,574,504)
Cash and cash equivalents at beginning of year	10,790,309
Cash and cash equivalents at end of year	\$ 8,215,805
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (2,838,425)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	11,594
Accounts receivable	(214,082)
Prepaid expense	(25,050)
Inventory	34,739
Accounts payable	(351,416)
Employee compensated absences	(6,476)
Estimated liability for unsubmitted claims	764,834
Net cash used by operating activities	\$ (2,624,282)

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

**Poudre School District
Private-Purpose Trust Fund
Statement of Fiduciary Net Position
June 30, 2018**

ASSETS

Cash and investments	\$ <u>238,913</u>
Total assets	\$ <u><u>238,913</u></u>

NET POSITION

Held in trust for:	
Individuals, organizations and other governments	\$ <u>238,913</u>
Total net position	\$ <u><u>238,913</u></u>

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

**Poudre School District
Private-Purpose Trust Fund
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2018**

ADDITIONS

Contributions:	
Private donations	\$ 58,946
Interest earnings	<u>1,147</u>
Total additions	<u>60,093</u>

DEDUCTIONS

Payments in accordance with trust agreements	<u>71,129</u>
Total deductions	<u>71,129</u>
Change in net position	(11,036)
Net position at beginning of year	<u>249,949</u>
Net position at end of year	<u>\$ 238,913</u>

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

Poudre School District
Discretely Presented Component Units
Statement of Net Position
June 30, 2018

	Liberty Common School	Ridgeview Classical Schools	Mountain Sage Community School	Fort Collins Montessori School	Total Discretely Presented Component Units
ASSETS					
Cash and investments	\$ 4,643,863	\$ 1,997,317	\$ 455,849	\$ 217,851	\$ 7,314,880
Restricted cash and investments	2,135,030	197,379	—	—	2,332,409
Prepaid expense and other assets	36,995	26,673	15,163	8,000	86,831
Accounts receivable	1,599	—	—	1,497	3,096
Due from primary government	7,115	—	—	—	7,115
Land	2,443,720	785,000	—	—	3,228,720
Construction in progress	—	77,475	—	—	77,475
Water rights	12,864	—	—	—	12,864
Other capital assets, net of accumulated depreciation:					
Buildings and site improvements	15,208,033	6,627,215	71,210	—	21,906,458
Vehicles	58,638	—	—	—	58,638
Equipment	303,044	257,979	—	—	561,023
Total assets	24,850,901	9,969,038	542,222	227,348	35,589,509
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	8,820,839	6,142,237	3,172,656	2,026,778	20,162,510
Deferred outflows related to OPEB	31,773	17,862	26,076	20,868	96,579
Deferred charges on debt refunding	81,851	—	—	—	81,851
Total deferred outflows of resources	8,934,463	6,160,099	3,198,732	2,047,646	20,340,940
LIABILITIES					
Accounts payable	122,459	47,249	6,166	2,377	178,251
Due to primary government	—	2,347	7,964	95	10,406
Accrued salaries and benefits	354,404	290,071	85,102	26,575	756,152
Accrued interest	389,718	87,986	—	—	477,704
Other	—	5,000	—	—	5,000
Unearned revenue	125,629	39,328	17,631	13,935	196,523
Noncurrent liabilities:					
Due within one year	400,000	238,320	—	—	638,320
Due in more than one year	48,015,185	27,523,879	7,505,188	4,084,247	87,128,499
Total liabilities	49,407,395	28,234,180	7,622,051	4,127,229	89,390,855
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	1,212,802	1,167,883	300,044	163,279	2,844,008
Deferred inflows related to OPEB	11,200	21,687	2,803	1,527	37,217
Deferred credit on debt refunding	—	59,284	—	—	59,284
Total deferred inflows for resources	1,224,002	1,248,854	302,847	164,806	2,940,509
NET POSITION					
Net investment in capital assets	(320,275)	1,846,365	71,210	—	1,597,300
Restricted for:					
Debt service	1,503,980	158,051	—	—	1,662,031
TABOR	290,000	200,288	59,000	33,800	583,088
Repair and replacement of facility	241,332	—	—	—	241,332
Other	—	5,000	—	—	5,000
Unrestricted	(18,561,070)	(15,563,601)	(4,314,154)	(2,050,841)	(40,489,666)
Total net position	\$ (16,846,033)	\$ (13,353,897)	\$ (4,183,944)	\$ (2,017,041)	\$ (36,400,915)

The accompanying notes are an integral part of this financial statement.

**Poudre School District
Discretely Presented Component Units
Statement of Activities
For the Fiscal Year Ended June 30, 2018**

Activities:	Program Revenues			Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants/Restricted Investment Earnings	Liberty Common School	Ridgeview Classical Schools	Mountain Sage Community School	Fort Collins Montessori School	Total
Liberty Common School									
Instruction	\$ 8,142,269	\$ 184,410	\$ 238,009	\$ —	\$ (7,719,850)	\$ —	\$ —	\$ —	\$ (7,719,850)
Support services:									
Operations and maintenance of plant	1,438,709	—	—	—	(1,438,709)	—	—	—	(1,438,709)
Other support services	5,155,394	2,821	—	—	(5,152,573)	—	—	—	(5,152,573)
Total - Liberty Common School	14,736,372	187,231	238,009	—	(14,311,132)	—	—	—	(14,311,132)
Ridgeview Classical Schools									
Instruction	7,004,727	40,027	27,250	—	—	(6,937,450)	—	—	(6,937,450)
Support services:									
Operations and maintenance of plant	646,190	795,428	—	175,396	—	324,634	—	—	324,634
General administration	2,318,544	—	—	—	—	(2,318,544)	—	—	(2,318,544)
Interest on debt	238,407	—	—	—	—	(238,407)	—	—	(238,407)
Total - Ridgeview Classical Schools	10,207,868	835,455	27,250	175,396	—	(9,169,767)	—	—	(9,169,767)
Mountain Sage Community School									
Instruction	2,637,281	98,510	82,938	—	—	(2,455,833)	—	—	(2,455,833)
Support services	1,008,445	—	17,867	65,594	—	(924,984)	—	—	(924,984)
Total - Mountain Sage Community School	3,645,726	98,510	100,805	65,594	—	(3,380,817)	—	—	(3,380,817)
Fort Collins Montessori School									
Instruction	1,153,852	398,687	19,946	—	—	—	(735,219)	—	(735,219)
Support services	958,487	—	53,910	24,029	—	—	(880,548)	—	(880,548)
Total - Fort Collins Montessori School	2,112,339	398,687	73,856	24,029	—	—	(1,615,767)	—	(1,615,767)
Total component units	\$ 30,702,305	\$ 1,519,883	\$ 439,920	\$ 265,019	\$ (7,719,850)	\$ (9,169,767)	\$ (4,183,944)	\$ (2,017,041)	\$ (28,477,483)
General revenues:									
Unrestricted earnings on investments					41,573	14,119	—	—	55,692
Charter school funding					8,080,269	5,498,316	1,808,788	663,295	16,050,668
Miscellaneous					1,414,629	134,386	41,228	7,576	1,597,819
Total general revenues					9,536,471	5,646,821	1,850,016	670,871	17,704,179
Change in net position					(4,774,661)	(3,522,946)	(1,530,801)	(944,896)	(10,773,304)
Net position at beginning of year, restated					(12,071,372)	(9,830,951)	(2,653,143)	(1,072,145)	(25,627,611)
Net position at end of year					\$ (16,846,033)	\$ (13,353,897)	\$ (4,183,944)	\$ (2,017,041)	\$ (36,400,915)

The accompanying notes are an integral part of this financial statement.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Poudre School District's (the District) accounting policies conform to generally accepted accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB).

For the year ended June 30, 2018, the District implemented the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, as amended by GASB Statement No. 85, Omnibus 2017. GASB Statement No. 75 established standards for measuring and recognizing net assets or liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures related to other postemployment benefits (OPEB) provided through defined benefit OPEB plans. In addition, Statement No. 75 requires disclosure of information related to OPEB.

A. Reporting Entity

The District is a special-purpose government that a separately elected governing body governs. It is legally separate from and fiscally independent of other state and local governments. The District is the primary government financially accountable for all activities of public school instruction within the geographical area organized as Poudre School District, Larimer County, Fort Collins, Colorado. These basic financial statements present the District (the primary government) and its component units. The component units discussed below are included in the District's reporting entity because the State requires the District to report financial information for all charter schools authorized by the District.

The State of Colorado's Legislature in 1993 enacted the "Charter School Act" (C.R.S. 22-30.5-101). This Act permits the District to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as "charter schools." Charter schools are financed from a portion of the District's School Finance Act revenues and from revenues generated by the charter schools within the limits established by the Charter School Act. Charter schools have separate governing boards; however, the District's Board of Education must review all charter school applications presented to the Board of Education to seek authorization to operate from the District. As of June 30, 2018, the Poudre School District Board of Education has authorized four charter schools: Liberty Common School, Ridgeview Classical Schools, Mountain Sage Community School, and Fort Collins Montessori School.

Both Liberty Common School and Ridgeview Classical Schools have separate building corporations which were established to own and finance the buildings used by the schools through bond financing obtained through the Colorado Educational and Cultural Facilities Association. These building corporations are reported as blended component units in the charter schools' financial statements. Liberty Common School also has a discretely presented component unit, the Core Knowledge Charter School Foundation, created for charitable and educational purposes that currently provides support exclusively to Liberty Common School.

Complete financial statements for each charter school are available at each school's administrative office.

Liberty Common School
1725 Sharp Point Dr
Fort Collins, CO 80525

Ridgeview Classical Schools
1800 S Lemay Ave
Fort Collins, CO 80525

Mountain Sage Community School
2310 East Prospect Rd, Suite A
Fort Collins, CO 80525

Fort Collins Montessori School
1900 S. Taft Hill Rd
Fort Collins, CO 80526

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation

The basic financial statements include both government-wide statements and fund financial statements. The government-side statements focus on the District as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the information's usefulness.

Government-wide statements – Provide information about the primary government (the District) and its component units. These statements include a statement of net position and a statement of activities. These statements report the overall government's financial activities, except for fiduciary activities. They also distinguish between the District and its discretely presented component units. Governmental activities generally are financed through taxes and intergovernmental revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each program of the District's governmental activities. Direct expenses are those that are specifically associated with a program and, therefore, are clearly identifiable to a particular program. The District does not allocate indirect expenses to programs. Program revenues include:

- Charges to customers for goods, services or privileges provided
- Operating grants and contributions; and
- Capital grants and contributions/restricted investment earnings.

Revenues that are not classified as program revenues and all taxes are reported as general revenues.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double-counting of internal activities. The exception to this general rule are charges between the District and its discretely presented component units.

Fund financial statements – Provide information about the District's funds, including fiduciary funds. Separate statements are presented for the governmental, proprietary, and fiduciary fund categories. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Fiduciary funds are reported by fund type.

Proprietary fund revenues and expenses are classified as either operating or nonoperating. Operating revenues and expenses generally result from transactions associated with the fund's principal activity. Accordingly, revenues, such as charges for goods and services in which each party receives and gives up essentially equal values are operating revenues. Other revenues result from transactions in which the parties do not exchange equal values and are considered nonoperating revenues along with investment earnings. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets.

The District reports the following major governmental funds.

General Fund: The General Fund is the operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund: The Debt Service Fund is used to account for the accumulation of financial resources to be used for the payment of general obligation long-term debt principal, interest, and related costs

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Projects Fund: The Capital Projects Fund is used to account for bond proceeds expended for the purpose of improving, equipping, and furnishing District buildings and other property.

Designated Special Purpose Grants Fund: The Designated Special Purpose Grants Fund is primarily used to account for financial resources related to federal, state, and local grant awards.

Additionally, the District reports the following fund types:

Proprietary Funds: The Proprietary Funds are Internal Service Funds that account for activities related to the financing of goods or services to other departments of the District and to other governments and non-profit organizations on a cost-reimbursement basis as well as the District's self-insurance program for employee benefits.

Fiduciary Funds: The Fiduciary fund is a Private-Purpose Trust Fund used to account for assets held by the District in a trustee capacity for others and which cannot be used to support the District's own programs. This fund is used to report all trust arrangements under which principal and interest benefit individuals, organizations, or other governments and has been established primarily for the purpose of granting scholarships to the District's students.

C. Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The fiduciary funds are custodial in nature and do not have a measurement focus but utilize the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Under the terms of grant agreements, the District funds certain programs by a combination of grants and general revenues. Therefore, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. The District applies grant resources to such programs before using general revenues.

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are received within 60 days after year-end. The District's major revenue sources that are susceptible to accrual are property taxes, tuition, intergovernmental revenues, facilities rental, and investment earnings. Expenditures are recorded with the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgements and compensated absences, which are recognized as expenditures when they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt are reported as other financing sources.

D. Cash and Investments

For the statement of cash flows, cash and cash equivalents are considered to be cash on hand, cash with the county treasurer, demand deposits, investment in money market accounts, investment in investment pools set up under state statute as well as all highly liquid debt instruments purchased with a maturity of three months or less.

All investments, other than those in money market investments and the local government investment pool, are reported at fair value.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted cash and investments consists of money market investments held by the bond redemption fund custodian and cash held by third-party administrators for self-insurance.

E. Inventories and Prepaid Items

Inventories are recorded as assets when purchased and expenditures/expenses when consumed. Inventories are stated at cost using the weighted average method except for commodities. The United States Department of Agriculture (USDA) donates food commodities to the District which are valued at estimated acquisition value at the date of receipt.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as expenditures/expenses when consumed.

F. Property Tax Calendar

The District's property taxes, levied by January 1 on assessed valuation of the preceding year, are due and payable in the current calendar year. Assessed values are established by the county assessor. Property taxes attach as an enforceable lien on property as of January 1 of the year in which payable. Taxes are collected by the Larimer County Treasurer and are remitted to the District on the 10th of the month following collection. Final budgeted and actual property tax revenues are based on the final assessed valuation including changes recorded by the county assessor through December 10.

G. Capital Assets

Capital assets are reported at actual cost (or estimated historical if records are not available). Donated assets are reported at their estimated acquisition value on the date of donation.

The District's capital asset threshold (the dollar values above which asset acquisitions are added to the capital asset accounts) is \$5,000. Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets as follows.

Buildings and site improvements	10-40 years
Vehicles	8 years
Equipment	5-10 years
Software	Determined on a case by case basis

H. Deferred Outflows/Inflows of Resources

The statement of net position and balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized in future periods.

I. 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, 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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Defined Benefit Other Post Employment Benefit (OPEB) Plan

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

K. Fund Balance Classifications

The governmental funds' fund balances are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, such as inventories, or are legally or contractually required to be maintained intact. Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations.

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations the District's Board of Education approved, which is the highest level of decision-making authority within the District. Only the Board of Education can remove or change the constraints placed on committed fund balances.

Assigned fund balances are resources constrained by the District's intent to be used for specific purposes, but that are neither restricted nor committed. The Board of Education has authorized the superintendent or his/her designee the authority to assign resources to be used for specific purposes.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned. District policy states that the District shall strive to maintain an appropriated reserve amount in its General Fund within the range of 3% to 5% of each fiscal year's expenditures and other financing uses. In addition to this established reserve within the unassigned fund balance category, the Board also authorized a contingency reserve of 1% of General Fund expenditures and other financing uses through the annual budget resolution process.

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, the District will use restricted fund balance first. The District will use committed amounts first when disbursing unrestricted fund balances, followed by assigned amounts, and lastly unassigned amounts.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Investment Earnings

Investment earnings is composed of interest, dividends, and net changes in fair value of applicable investments.

M. Compensated Absences

Compensated absences payable consists of vacation leave employees earned based on services already rendered and is calculated using the rates in effect at the balance sheet date. Vacation benefits are accrued as a liability in the government-wide and proprietary funds' financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year-end.

Employees may accumulate an unlimited number of sick leave hours. Generally sick leave benefits provide for ordinary sick pay and are cumulative and non-licensed employees forfeit them upon terminating employment. For licensed employees who meet specific criteria, a benefit is provided based on the number of unused sick leave days at the time of retirement multiplied by a standard amount. The standard amount is based on years of service. Licensed are eligible for these benefits after meeting specified criteria, including years of service, continuous years of service and type of service. These benefits are recorded as a retirement severance payable and generally paid out over a one-year period.

N. Accrued Salaries and Benefits

Salaries of teachers and certain other employees are paid over a 12-month period ending July 31. However, most salaries are earned over the traditional school year of August through May. The difference between salary and related benefit amounts earned from August 1 through June 30 and corresponding amounts paid during this period is shown as a liability for accrued salaries and benefits.

O. Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. The estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from these estimates.

NOTE 2: DEPOSITS AND INVESTMENTS

Colorado Revised Statutes govern the District's deposits of cash. The Public Deposit Protection Act (PDPA) for banks and savings and loans require the state regulators to certify eligible depositories for public deposits. The District's policy is to follow State law.

The District is authorized by Colorado statutes to invest in: Obligations of the United States, certain U.S. government agency securities and World Bank; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; local government investment pools; obligations of the District; written repurchase agreements collateralized by certain authorized securities; certain money market funds; and guaranteed investment contracts.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

To facilitate the recording of cash transactions and maximize earnings on investments, the District has combined the cash and investments of most funds and maintains accountability for each fund's equity in the pooled cash and investments. All funds of the District are eligible for investment and may be combined in an investment instrument to maximize earnings except for the Bond Redemption Fund account, which is required to be maintained for the annual payment of principal and interest payments on general obligation bonds, and cash held by third party agencies for the payment of insurance claims. Investment earnings attributable to combined funds are distributed to each fund on a pro rata basis.

A reconciliation of cash and investments as shown on the Statement of Net Position follows:

	Primary Government	Discretely Presented Component Units
Cash, deposits, and investments:		
Cash on hand	\$ 71,156	\$ 8
Cash with Larimer County Treasurer	1,932,381	—
Amount of deposits	71,559,228	4,075,634
Amount of investments	83,137,529	5,571,647
Total	\$ 156,700,294	\$ 9,647,289

	Statement of Net Position Governmental Activities	Private Purpose Trust Fund	Discretely Presented Component Units
Deposits and cash – unrestricted	\$ 73,248,575	\$ 238,913	\$ 4,075,642
Investments – unrestricted	18,609,204	—	3,239,238
Restricted deposits held for future facility needs	—	—	2,135,030
Restricted deposits held by third party administrators	314,190	—	—
Restricted deposits and investments held by debt service custodian	64,528,325	—	197,379
Total	\$ 156,700,294	\$ 238,913	\$ 9,647,289

Deposits

Custodial credit risk – At June 30, 2018, the carrying amount of the District's deposits, including cash in the Private Purpose Trust Fund, was \$71,798,141, and the bank balance was \$73,980,267. The District only places deposits in an eligible public depository as defined by State regulators with collateral defined by the PDPA. The PDPA require the eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the state of Colorado or local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

Investments

Investments at June 30, 2018 were as follows:

	Primary Government	Discretely Presented Component Units
Investments measured by fair value level:		
Level 2:		
U.S. Treasury Securities	\$ 1,196,784	\$ 1,242,834
U.S. Agency Securities	1,995,250	—
Total investments measured by fair value level	3,192,034	1,242,834
Investments measured at amortized cost:		
Money Market Investments	64,732,574	2,332,409
Investments at net asset value:		
Colo Trust Investment Pool	15,212,921	1,996,404
Total investments	\$ 83,137,529	\$ 5,571,647

For investments categorized as Level 2, prices are determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use by pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted market prices for similar assets, quoted prices for identical or similar assets in markets that are not active or other quoted prices that are not observable.

Local Government Investment Pool – At June 30, 2018, the district had \$15,212,921 invested in the Colorado Local Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating Colotrust. The pool operates in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended, which includes the maintenance of each share equal in value to \$1.00. Investments within Colotrust are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. This district's investment in Colotrust is measured using net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Credit risk – The District invests in accordance with state law and the District does not further limit its investment choices. At June 30, 2018, credit risk for the District's investments was as follows:

Investment Type	Rating	Rating Agency	Amount
ColoTrust Investment Pool	AAAm	S&P	\$ 15,212,921
Money Market Investments	Aaa/AAA	Moody's/S&P	64,732,574
U.S. Agency Securities	Aaa/AA+	Moody's/S&P	1,995,250
U.S. Treasury Securities	Aaa/AA+	Moody's/S&P	1,196,784
			\$ 83,137,529

Custodial credit risk – For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, the District will not be able to recover the value of its investments or collateral securities that are in an outside party's possession. The District limits this type of risk by following State law and by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the District will do business using the criteria established in the investment policy.

Concentration of credit risk – The District had no investments at June 30, 2018 of 5 percent or more.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

Interest rate risk – As a means of limiting exposure to fair value losses arising from interest rates, State law limits maturities to three years or less, unless the Board of Education specifically authorizes longer maturities. The District policy is to follow State law.

At June 30, 2018, the District had the following investments in debt securities, all with maturities less than one year:

U.S. Agency Securities	\$ 1,995,250
U.S. Treasury Securities	1,196,784
Total	<u>\$ 3,192,034</u>

NOTE 3: CAPITAL ASSETS

Capital asset activity, for the primary government, for the year ended June 30, 2018 was as follows:

	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 21,530,241	\$ —	\$ —	\$ 21,530,241
Construction in progress	4,017,315	3,205,122	(5,482,865)	1,739,572
Water rights	1,773,451	81,784	—	1,855,235
Total	<u>27,321,007</u>	<u>3,286,906</u>	<u>(5,482,865)</u>	<u>25,125,048</u>
Capital assets being depreciated:				
Buildings	394,044,433	5,521,120	—	399,565,553
Site improvements	12,941,324	9,820	—	12,951,144
Vehicles	18,290,830	547,498	(56,718)	18,781,610
Software	829,277	—	—	829,277
Other equipment	13,923,626	1,008,987	(397,632)	14,534,981
Total	<u>440,029,490</u>	<u>7,087,425</u>	<u>(454,350)</u>	<u>446,662,565</u>
Less accumulated depreciation for:				
Buildings	(177,497,398)	(10,147,718)	—	(187,645,116)
Site improvements	(4,930,940)	(375,723)	—	(5,306,663)
Vehicles	(14,411,041)	(800,984)	56,718	(15,155,307)
Software	(309,292)	(82,928)	—	(392,220)
Other equipment	(8,629,803)	(1,048,499)	347,910	(9,330,392)
Total	<u>(205,778,474)</u>	<u>(12,455,852)</u>	<u>404,628</u>	<u>(217,829,698)</u>
Total capital assets, being depreciated, net	<u>234,251,016</u>	<u>(5,368,427)</u>	<u>(49,722)</u>	<u>228,832,867</u>
Governmental activities capital assets, net	<u>\$ 261,572,023</u>	<u>\$ (2,081,521)</u>	<u>(5,532,587)</u>	<u>\$ 253,957,915</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 3: CAPITAL ASSETS (Continued)

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

Governmental activities:	
Instruction	\$ 11,111,345
Food service operations	84,157
Unallocated	<u>1,260,350</u>
Total depreciation expense – governmental activities	<u>\$ 12,455,852</u>

Discretely Presented Component Units:

Capital asset activity of the discretely presented component units for the year ended June 30, 2018, was as follows:

	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets not being depreciated:				
Land	\$ 3,228,720	\$ —	\$ —	\$ 3,228,720
Construction in progress	47,382	132,223	(102,130)	77,475
Water rights	<u>12,864</u>	<u>—</u>	<u>—</u>	<u>12,864</u>
Total	<u>3,288,966</u>	<u>132,223</u>	<u>(102,130)</u>	<u>3,319,059</u>
Capital assets being depreciated:				
Buildings and site improvements	29,704,283	396,319	—	30,100,602
Vehicles	91,000	19,700	—	110,700
Other equipment	<u>829,091</u>	<u>149,342</u>	<u>—</u>	<u>978,433</u>
Total	<u>30,624,374</u>	<u>565,361</u>	<u>—</u>	<u>31,189,735</u>
Less accumulated depreciation for:				
Buildings and site improvements	(7,301,504)	(892,640)	—	(8,194,144)
Vehicles	(35,141)	(16,921)	—	(52,062)
Other equipment	<u>(315,019)</u>	<u>(102,391)</u>	<u>—</u>	<u>(417,410)</u>
Total	<u>(7,651,664)</u>	<u>(1,011,952)</u>	<u>—</u>	<u>(8,663,616)</u>
Total capital assets, being depreciated, net	<u>22,972,710</u>	<u>(446,591)</u>	<u>—</u>	<u>22,526,119</u>
Component unit capital assets, net	<u>\$ 26,261,676</u>	<u>\$ (314,368)</u>	<u>\$ (102,130)</u>	<u>\$ 25,845,178</u>

Depreciation expense was charged to programs of the discretely presented component units as follows:

Governmental activities:	
Instructional	\$ 406,634
General administration	<u>605,318</u>
Total depreciation expense – component units	<u>\$ 1,011,952</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 4: LONG-TERM LIABILITIES

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2018:

	Balance July 1, 2017 (Restated)	Additions	Reductions	Balance June 30, 2018	Due within 1 year
Governmental activities:					
General obligation bonds payable	\$ 175,845,000	\$ —	\$ 17,610,000	\$ 158,235,000	\$ 18,345,000
Premiums	10,985,183	—	1,994,192	8,990,991	—
Total bonds payable	<u>186,830,183</u>	<u>—</u>	<u>19,604,192</u>	<u>167,225,991</u>	<u>18,345,000</u>
Net pension liability	1,071,153,104	251,811,804	180,391,359	1,142,573,549	—
Net OPEB liability	26,513,459	2,167,895	2,589,755	26,091,599	—
Compensated absences payable	1,224,173	1,447,561	1,447,653	1,224,081	165,000
Total	<u>\$ 1,285,720,919</u>	<u>\$ 255,427,260</u>	<u>\$ 204,032,959</u>	<u>\$ 1,337,115,220</u>	<u>\$ 18,510,000</u>

Bonds

The District's bonded debt consists of various general obligation bonds that are generally callable with interest payable semiannually. Bond proceeds pay primarily for acquiring or constructing capital facilities. Bonds have also been issued to advance-refund previously issued bonds. The District repays general obligation bonds from voter-approved property taxes. At June 30, 2018 the District had \$375,000,000 of authorized but unissued general obligation bonds.

The following bonds were outstanding at June 30, 2018:

General Obligation Bonds:	Original amount issued	Maturity ranges	Interest rates	Outstanding principal
Improvement	\$ 60,000,000	2010-2030	3.609-6.035%	\$ 56,515,000
Improvement/Refunding	45,975,000	2012-2030	2.00-4.00%	41,465,000
Refunding	37,655,000	2014-2023	2.00-5.00%	37,325,000
Improvement	30,000,000	2016-2030	2.00-5.00%	22,930,000
				<u>\$ 158,235,000</u>

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2018:

Year ending June 30,	Principal	Interest	Total
2019	\$ 18,345,000	\$ 7,098,499	\$ 25,443,499
2020	19,005,000	6,330,224	25,335,224
2021	11,105,000	5,661,393	16,766,393
2022	11,565,000	5,170,566	16,735,566
2023	12,090,000	4,616,503	16,706,503
2024-28	53,770,000	14,729,743	68,499,743
2029-31	32,355,000	2,607,463	34,962,463
Total	<u>\$ 158,235,000</u>	<u>\$ 46,214,391</u>	<u>\$ 204,449,391</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 4: LONG-TERM LIABILITIES (Continued)

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for these defeased bonds are not included in the District's financial statements. At June 30, 2018 defeased bonds aggregating \$42,525,000 remain outstanding.

Compensated Absences

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs; approximately 95 percent are expected to be liquidated from the General Fund.

Discretely Presented Component Units

Discretely presented component unit long-term debt activity for the year ended June 30, 2018 was as follows:

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Due within 1 year
Revenue					
bonds payable	\$ 25,132,413	\$ —	\$ (616,109)	\$ 24,516,304	\$ 638,320
Discounts	(193,620)	—	7,045	(186,575)	—
Total	<u>\$ 24,938,793</u>	<u>\$ —</u>	<u>\$ (609,064)</u>	<u>\$ 24,329,729</u>	<u>\$ 638,320</u>

The bonded debt of discretely presented component units consists of various revenue bonds that are generally callable with interest payable semiannually. Bond proceeds pay primarily for acquiring, constructing, or renovating capital facilities. Bonds have also been issued to advance-refund previously issued revenue bonds. The bonds are subject to mandatory sinking fund requirements.

The following discretely presented component unit bonds were outstanding at June 30, 2018:

	Interest rates	Outstanding principal
Revenue/Refunding	3.00%-5.00%	\$ 14,070,000
Revenue	2.00%-4.00%	3,000,000
Revenue	5.625%	1,545,000
Refunding	4.00%	4,571,470
Refunding	4.00%	1,329,834
Total		<u>\$ 24,516,304</u>

The following schedule details debt service requirements to maturity for discretely presented component unit bonds payable at June 30, 2018:

Year ending June 30,	Principal	Interest	Total
2019	\$ 638,320	\$ 1,083,868	\$ 1,722,188
2020	667,947	1,059,235	1,727,182
2021	682,965	1,036,529	1,719,494
2022	708,387	1,013,270	1,721,657
2023	734,230	988,770	1,723,000
2024-28	4,144,756	4,477,484	8,622,240
2029-33	5,139,620	3,480,851	8,620,471
2034-38	5,155,079	2,299,252	7,454,331
2039-43	5,135,000	1,138,625	6,273,625
2044-46	1,510,000	91,338	1,601,338
Total	<u>\$ 24,516,304</u>	<u>\$ 16,669,222</u>	<u>\$ 41,185,526</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: DEFINED BENEFIT PENSION PLAN

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. Governmental accounting standards require the net pension liability and related amounts of the SCHDTF for financial reporting purposes be measured using the plan provisions in effect as of the SCHDTF's measurement date of December 31, 2017. As such, the following disclosures do not include the changes to plan provisions required by SB 18-200 with the exception of the section titled *Changes between the measurement date of the net pension liability and June 30, 2018*.

General Information about the Pension Plan

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

Benefits provided as of December 31, 2017. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

As of December 31, 2017, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF.

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

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

Contributions provisions as of June 30, 2018. Eligible employees of the District and its component units are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary.

The employer contribution requirements are summarized in the table below:

	For the Year Ended December 31, 2017	For the Year Ended December 31, 2018
Employer Contribution Rate ¹	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	4.50%	5.00%
Total Employer Contribution Rate to the SCHDTF ¹	18.63%	19.13%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District and its component units are statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$31,200,080 for the year ended June 30, 2018. Employer contributions recognized by the SCHDTF from discretely presented component units were \$1,733,313 for the year ended June 30, 2018.

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

At June 30, 2018, the District reported a liability of \$1,142,573,549 for its proportionate share of the net pension liability and discretely presented component units reported a liability of \$62,020,727. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll forward the total pension liability to December 31, 2017.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

The District's and its discretely presented component units' proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2017 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2017, the District's proportion was 3.53 percent, which was a decrease of .07 percent from its proportion measured as of December 31, 2016. At December 31, 2017, the discretely presented component units' proportion was 0.19 percent, which was a decrease of 0.17 percent from the proportion measured as of December 31, 2016.

For the year ended June 30, 2018 the District recognized pension expense of \$210,860,631. At June 30, 2018, 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	\$ 21,007,114	\$ —
Changes of assumption	291,741,475	1,851,321
Net difference between projected and actual earnings on pension plan investments	—	44,869,950
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,496,634	8,571,043
Contributions subsequent to the measurement date	15,991,214	—
Total	\$ 331,236,437	\$ 55,292,314

\$15,991,214 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2019	\$ 178,673,184
2020	98,680,500
2021	(520,524)
2022	(16,880,251)
Total	\$ 259,952,909

For the year ended June 30, 2018 discretely presented component units recognized pension expense of \$12,949,274. At June 30, 2018, discretely presented component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,140,298	\$ —
Changes of assumption	15,836,194	100,494
Net difference between projected and actual earnings on pension plan investments	—	2,435,613
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,256,543	307,901
Contributions subsequent to the measurement date	929,475	—
Total	\$ 20,162,510	\$ 2,844,008

\$929,475 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2019	10,624,195
2020	6,250,576
2021	428,665
2022	(914,409)
Total	\$ 16,389,027

Actuarial assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 9.70 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	5.26 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

A discount rate of 4.78 percent was used in the roll-forward calculation of the total pension liability to the measurement date of December 31, 2017.

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

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the SCHDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed 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 adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Geometric Real Rate of Return</u>
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non-U.S. Equity – Developed	18.55%	5.20%
Non-U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non-U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Bonds	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	<u>100.00%</u>	

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Discount rate. The discount rate used to measure the total pension liability was 4.78 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

Based on the above assumptions and methods, the projection test indicates the SCHDTF's fiduciary net position was projected to be depleted in 2041 and, as a result, the municipal bond index rate was used in the determination of the discount rate. The long-term expected rate of return of 7.25 percent on pension plan investments was applied to periods through 2041 and the municipal bond index rate, the December average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Bond Buyer, was applied to periods on and after 2041 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.43 percent, resulting in a discount rate of 4.78 percent.

As of the prior measurement date, the long-term expected rate of return on plan investments of 7.25 percent and the municipal bond index rate of 3.86 percent were used in the discount rate determination resulting in a discount rate of 5.26 percent, 0.48 percent higher compared to the current measurement date.

Sensitivity of the District's and its component units' 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 4.78 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 (3.78 percent) or 1-percentage-point higher (5.78 percent) than the current rate:

District:

	1% Decrease (3.78%)		Current Discount Rate (4.78%)		1% Increase (5.78%)
Proportionate share of the net pension liability	\$ 1,443,264,719	\$	1,142,573,549	\$	897,544,583

Component Units:

	1% Decrease (3.78%)		Current Discount Rate (4.78%)		1% Increase (5.78%)
Proportionate share of the net pension liability	\$ 78,342,722	\$	62,020,727	\$	48,720,158

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.

At June 30, 2018 accounts payable reported in the General Fund included \$3,777,013 payable to the SCHDTF. The payable represents the June 2018 District and employee contributions remitted to PERA in July 2018.

Changes between the measurement date of the net pension liability and June 30, 2018.

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through SB 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to the plans administered by PERA with the goal of eliminating the unfunded actuarial accrued liability of the Division Trust Funds and thereby reach a 100 percent funded ratio for each division within the next 30 years.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: DEFINED BENEFIT PENSION PLAN (Continued)

A brief description of some of the major changes to plan provisions required by SB 18-200 are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates by 0.25 percent on July 1, 2019.
- Increases employee contribution rates by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- Directs the state to allocate \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution will be allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the other divisions eligible for the direct distribution.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, modifying the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, the direct distribution from the state, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.

At June 30, 2018, the District reported a liability of \$1,142,573,549 for its proportionate share of the net pension liability which was measured using the plan provisions in effect as of the pension plan's year-end based on a discount rate of 4.78%. For comparative purposes, the following schedule presents an estimate of what the District's proportionate share of the net pension liability and associated discount rate would have been had the provisions of SB 18-200, applicable to the SCHDTF, become law on December 31, 2017. This pro forma information was prepared using the fiduciary net position of the SCHDTF as of December 31, 2017. Future net pension liabilities reported could be materially different based on changes in investment markets, actuarial assumptions, plan experience and other factors.

	Estimated Discount Rate Calculated Using Plan Provisions Required by SB 18-200 (pro forma)	Estimated Net Pension Liability Calculated Using Plan Provisions Required by SB 18-200 (pro forma)
PERA Total	7.25%	\$14,609,326,000
District Proportionate Share	7.25%	\$516,204,825

Recognizing that the changes in contribution and benefit provisions also affect the determination of the discount rate used to calculate proportionate share of the net pension liability, approximately \$533,360,470 of the estimated reduction is attributable to the use of a 7.25 percent discount rate.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 6: DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. The District does not make any contributions. For the year June 30, 2018, program members contributed \$2,334,487 for the Voluntary Investment Program.

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

General Information about the OPEB Plan

Plan description. Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, 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 the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$1,685,334 for the year ended June 30, 2018. Discretely presented component units recognized contributions of \$91,696 for the year ended June 30, 2018.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the District reported a liability of \$26,091,599 for its proportionate share of the net OPEB liability and discretely presented component units reported a liability of \$1,416,363. The net OPEB liability for the HCTF was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2017. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2017 relative to the total contributions of participating employers to the HCTF.

At December 31, 2017, the District's proportion was 2.01 percent, which was a decrease of 0.03 from its proportion measured as of December 31, 2016. At December 31, 2017, the discretely presented component units' proportion was 0.11 percent, which was an increase of 0.0025 from the proportion measured as of December 31, 2016.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

For the year ended June 30, 2018, the District recognized OPEB expense of \$1,962,146. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 123,391	\$ —
Changes of assumption or other inputs	—	—
Net difference between projected and actual earnings on OPEB investments	—	436,506
Changes in proportion and differences between contributions recognized and proportionate share of contributions	—	409,399
Contributions subsequent to the measurement date	852,642	—
Total	\$ 976,033	\$ 845,905

\$852,642 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30,	
2019	\$ (165,315)
2020	(165,315)
2021	(165,315)
2022	(165,275)
2023	(56,178)
2024	(5,116)
Total	\$ (722,514)

For the year ended June 30, 2018, discretely presented component units recognized OPEB expense of \$79,128. At June 30, 2018, discretely presented component units reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,698	\$ —
Changes of assumption or other inputs	—	—
Net difference between projected and actual earnings on OPEB investments	—	23,695
Changes in proportion and differences between contributions recognized and proportionate share of contributions	40,929	13,522
Contributions subsequent to the measurement date	48,952	—
Total	\$ 96,579	\$ 37,217

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

\$48,952 reported as deferred outflows of resources by discretely presented component units related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30,		
2019	\$	776
2020		776
2021		776
2022		778
2023		6,701
2024		603
Total	\$	<u>10,410</u>

Actuarial assumptions. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.00 percent for 2017, gradually rising to 4.25 percent in 2023

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

<u>Year</u>	<u>PERACare Medicare Plans</u>	<u>Medicare Part A Premiums</u>
2017	5.00%	3.00%
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.00%
2023	5.00%	4.25%
2024+	5.00%	4.25%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

Healthy, post-retirement mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

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

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

The following economic and demographic assumptions were specifically developed for, and used in, the measurement of the obligations for the HCTF:

- The assumed rates of PERACare participation were revised to reflect more closely actual experience.
- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.
- The percentages of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage were revised to more closely reflect actual experience.
- The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage were revised to reflect more closely actual experience.
- Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the “No Part A Subsidy” when they retire were revised to more closely reflect actual experience.
- Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, were revised to more closely reflect actual experience.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- The rates of PERACare coverage election for spouses of eligible inactive members and future retirees were revised to more closely reflect actual experience.
- The assumed age differences between future retirees and their participating spouses were revised to reflect more closely actual experience.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA’s actuary, as needed.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA’s Board on October 28, 2016.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed 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 adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30 Year Expected Geometric Real Rate of Return</u>
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	<u>100.00%</u>	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

District:	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.00%	3.00%	4.00%
Ultimate Medicare Part A trend rate	3.25%	4.25%	5.25%
Net OPEB Liability	\$25,373,718	\$26,091,599	\$26,956,239

Component Units:	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.00%	3.00%	4.00%
Ultimate Medicare Part A trend rate	3.25%	4.25%	5.25%
Net OPEB Liability	\$1,377,395	\$1,416,363	\$1,463,299

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2017, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

District:

	1% Decrease (6.25%)		Current Discount Rate (7.25%)		1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 29,335,160	\$	26,091,599	\$	23,323,131

Component Units:

	1% Decrease (6.25%)		Current Discount Rate (7.25%)		1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 1,592,438	\$	1,416,363	\$	1,266,080

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 7: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

OPEB plan fiduciary net position. Detailed information about the HCTF'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.

At June 30, 2018 accounts payable reported in the General Fund included \$38,923 payable to the HCTF. The payable represents the June 2018 District and employee contributions remitted to PERA in July 2018.

NOTE 8: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District participates in the Colorado School Districts Self Insurance Pool (CSDSIP) and pays an annual premium for risks of loss related to property, school entity liability and automobile liability. CSDSIP operates as a self insurance pool comprised of various public school districts, charter schools, BOCES, and other related public educational entities within the State of Colorado. The CSDSIP Board of Directors includes representatives from member entities. The District's Director of Records and Risk Management serves on the Board and the District's Controller serves on the Finance Committee. The District is subject to a \$100,000 deductible for property, a \$150,000 deductible for school entity liability and a \$10,000 deductible for business vehicles. Total costs for property and liability, including premiums of \$700,102, for the fiscal year ended June 30, 2018 were \$712,557.

The Employee Self Insurance Fund (an internal service fund) accounts for the financing of the risk of loss for certain health benefits (medical, dental, vision, life, disability) to eligible employees and their dependents. Under this program the fund provides coverage for up to a maximum of \$300,000 for each medical claim. Self-insurance for workers' compensation is accounted for in the District's General Fund. Under this program the fund provides coverage for up to a loss per claim limit of \$450,000. The funds purchase commercial insurance for claims in excess of these maximum amounts. Settled claims did not exceed this commercial coverage in any of the past three fiscal years.

The funds' claims payable liabilities at June 30, 2018, is the estimated ultimate cost of setting claims that have been incurred but not reported. The estimates are based on actuarial estimates. Changes in the funds' claims payable for the years ended June 30, 2017 and 2018, were as follows:

	<u>2017</u>	<u>2018</u>
Employee Self Insurance Fund:		
Claims payable, beginning of the year	\$ 2,630,920	\$ 2,451,479
Current-year claims and changes in estimates	24,188,939	28,539,737
Claim payments	<u>24,368,380</u>	<u>27,774,903</u>
Claims payable, end of year	<u>\$ 2,451,479</u>	<u>\$ 3,216,313</u>
General Fund:		
Claims payable, beginning of the year	\$ 1,052,000	\$ 1,156,000
Current-year claims and changes in estimates	592,172	830,290
Claim payments	<u>488,172</u>	<u>644,290</u>
Claims payable, end of year	<u>\$ 1,156,000</u>	<u>\$ 1,342,000</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 8: RISK MANAGEMENT (Continued)

The District continues to carry commercial insurance for other risks of loss including a fidelity bond, cyber liability, fiduciary liability, foreign liability, flood insurance and preschool accident insurance. The District had no significant reductions in insurance coverage from coverage in the prior year and had no settlements that exceeded insurance coverage for each of the past three fiscal years.

NOTE 9: INTERFUND BALANCES AND ACTIVITY

Interfund balances are expected to be repaid within one year and at June 30, 2018 were as follows.

Payable from	Payable to General Fund	Total
Designated Special Purpose Grant Fund	\$ 3,368,592	\$ 3,368,592
Nonmajor Special Revenue Fund	444,077	444,077
Total	\$ 3,812,669	\$ 3,812,669

Interfund balances were the result of (1) indirect costs due to the General Fund from the Designated Special Purpose Grant Fund and the Food Service Fund, a nonmajor special revenue fund, and (2) advances from the General Fund to the Special Purpose Grant fund to fund grants operating on a reimbursement basis.

Interfund transfers for the year ended June 30, 2018 were as follows:

Transfer from	Transfer to		
	General Fund	Nonmajor Special Revenue Fund	Total
General Fund	\$ —	\$ 95,001	\$ 95,001
Nonmajor Special Revenue Fund	13,070	—	13,070
Total	\$ 13,070	\$ 95,011	\$ 108,071

Interfund transfers between funds are used to (1) to cover the outstanding meal charges in the Food Service Fund, a nonmajor special revenue fund with General Fund resources, (2) move resources from the General Fund to support activities accounted for in the Public School Activities Fund, a nonmajor special revenue fund and (3) move resources from the Public School Activities Fund, a nonmajor special revenue fund to support activities accounted for in the General Fund.

NOTE 10: BROADBAND SPECTRUM LEASE

Effective November 15, 2017, the School District entered into an agreement with Clearwire Spectrum Holdings III LLC for the lease of excess spectrum capacity on Education Broadband Service licenses currently held by School District. These licenses were granted to the School District by the Federal Communications Commission (FCC) on January 3, 2018. The lease agreement has an initial term through June 3, 2024 with three 10 year renewal terms, provided the FCC maintains the 10-year license terms. The lease requires monthly lease payments of \$2,500 over the term of the lease. In addition, the District received an initial fee of \$300,000 as well as a \$95,000 payment representing outstanding payment obligations owed to the District. During Fiscal Year 2018, a total of \$416,774 as local revenue in the General Fund and general revenue on the Statement of Activities was recorded in relation to the lease.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 11: COMMITMENTS AND CONTINGENCIES

Encumbrances – The General Fund and Capital Projects Fund have outstanding encumbrances totaling \$5,404,714 and \$1,072,810 respectively. Bond proceeds, received in September 2015, related to the 2010 bond election, will primarily be used to fund the encumbrances in the Capital Projects Fund.

Construction Commitments – At year end, the District had construction commitments related to various capital projects for site renovations and repairs. As of June 30, 2018, \$1,629,769 of the projects were complete with estimated remaining contractual commitments of \$966,155. These projects are primarily being funded with bond proceeds (73%) and General Fund resources (27%).

Arbitrage – The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury of investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The Treasury requires payment for each issue every five years. The estimated liability is updated annually for any tax-exempt issuances or changes in yields until such time payment of the calculated liability is due. At June 30, 2018, the District had no liability for arbitrage.

Grants – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Revenue Limitations and Restriction of Fund Balance – The State of Colorado enacted a constitutional amendment effective December 31, 1992, to limit increases in government revenues. The limitation generally restricts growth in revenue of a governmental entity (excluding enterprise operations) to a base amount plus increases for growth and inflation. In addition, the amendment requires government entities to create an emergency "reserve" of 3% of annual spending excluding bonded debt service. On November 3, 1998, voter approval was given to the District to remove the restriction on growth in revenue effective beginning the fiscal year ending June 30, 1998. At June 30, 2018, the District has complied with the requirements to include emergency reserves in its budgetary basis fund balance.

Lawsuits - The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's management, based upon consultation with the District's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 12: SHORT TERM DEBT

The District participates in the interest free loan program offered by the State Treasury to alleviate temporary General Fund cash flow deficits that occur due to the timing of property tax collections. The loan is required to be repaid within one business day of receipt of property tax collections. The District repaid the loan on March 11, 2018.

<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2018</u>
\$ —	\$ 24,585,843	\$ 24,585,843	\$ —

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2018

NOTE 13: RELATED PARTY TRANSACTIONS

Charter Schools - The District provided administrative and other services for the fiscal year ended June 30, 2018 to the discretely presented component unit charter schools as follows:

Charter School	Amount
Liberty Common School	\$ 329,483
Fort Collins Montessori School	31,442
Mountain Sage Community School	95,401
Ridgeview Classical Schools	210,895
Total	\$ 667,221

Poudre School District Foundation – The District employs a classified employee which is shared with the Foundation to serve as its Executive Director. The Foundation reimburses the District the total cost of the Executive Director’s salary and benefits less \$10,000 per quarter. For the fiscal year ended June 30, 2018, the Foundation reimbursed the District \$45,904. In addition, the District provided office space and \$2,854 in supplies and mileage reimbursements to the Foundation.

NOTE 14: RESTATEMENT

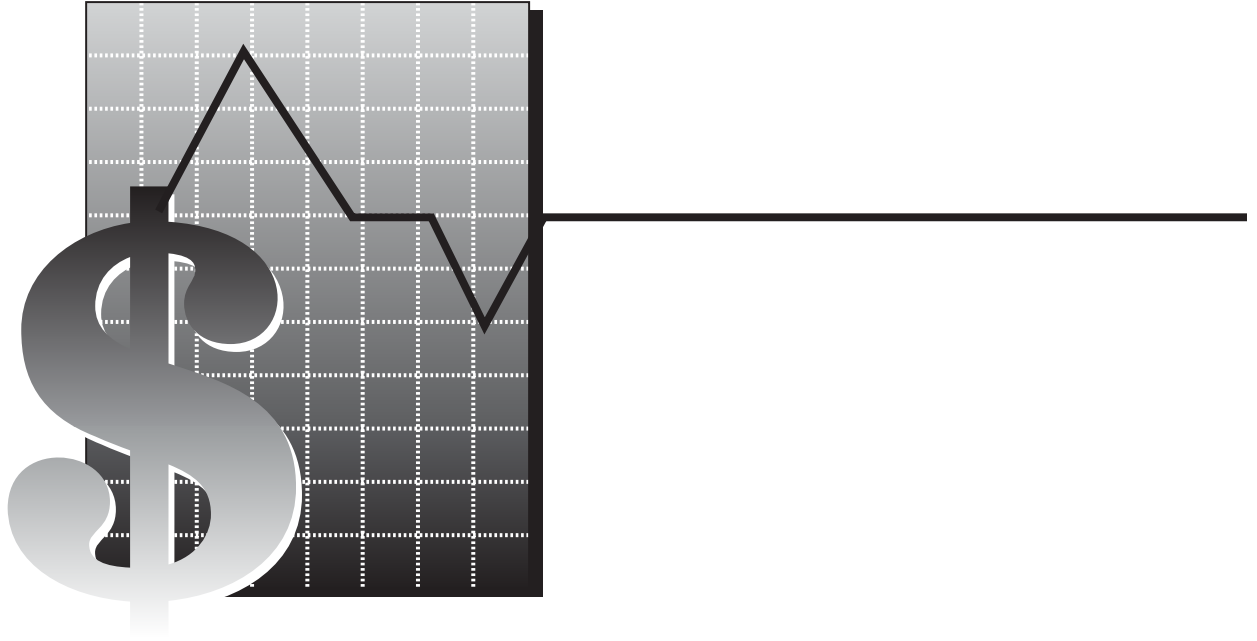
The July 1, 2017 government-wide net position has been restated due to the implementation of the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*, as amended by GASB Statement No. 85, *Omnibus 2017*. In addition, there was a reclassification of the student activities fund from a special revenue fund to an agency fund in one of the discretely presented component units.

	Governmental Activities
Primary Government:	
Net Position, as previously reported	\$ (464,652,403)
Cumulative effect of application of GASB No. 75	(25,684,659)
Net Position, as restated	\$ (490,337,062)
Component Units:	
Net Position, as previously reported	\$ (23,825,318)
Reclassification of student activities from special revenue fund to agency fund	(470,202)
Cumulative effect of application of GASB No. 75	(1,332,091)
Net Position, as restated	\$ (25,627,611)

NOTE 15: SUBSEQUENT EVENTS

On September 18, 2018, the District issued \$375,000,000 in general obligation bonds. The bonds will be used for new facilities and school improvements including a new southeast elementary school, a new middle/high school in Wellington, a new east middle/high school, an addition to Zach Elementary School, a new athletic complex and a new transportation maintenance facility.

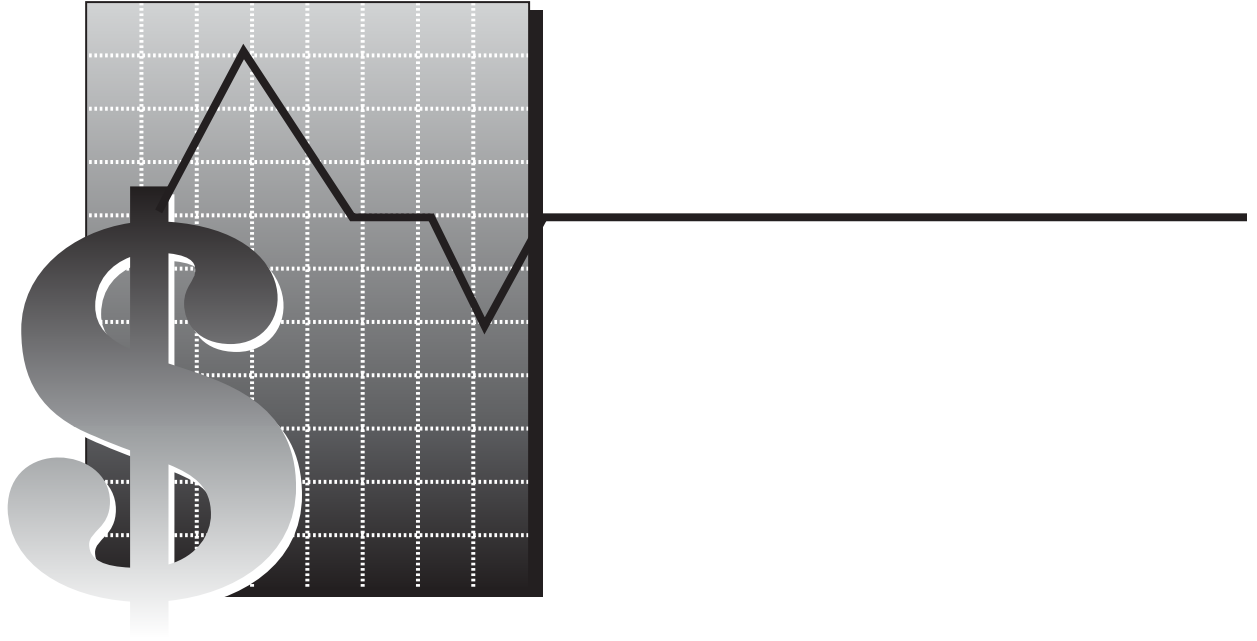
The District’s Board of Education approved a new charter school, Compass Community Collaborative School (CCCS), on February 13, 2018. In the fall of 2018, CCCS began its first year of operation with a student enrollment of approximately 140 funded pupils and offers a learner-centered, design thinking education model for students in grades 6-12.

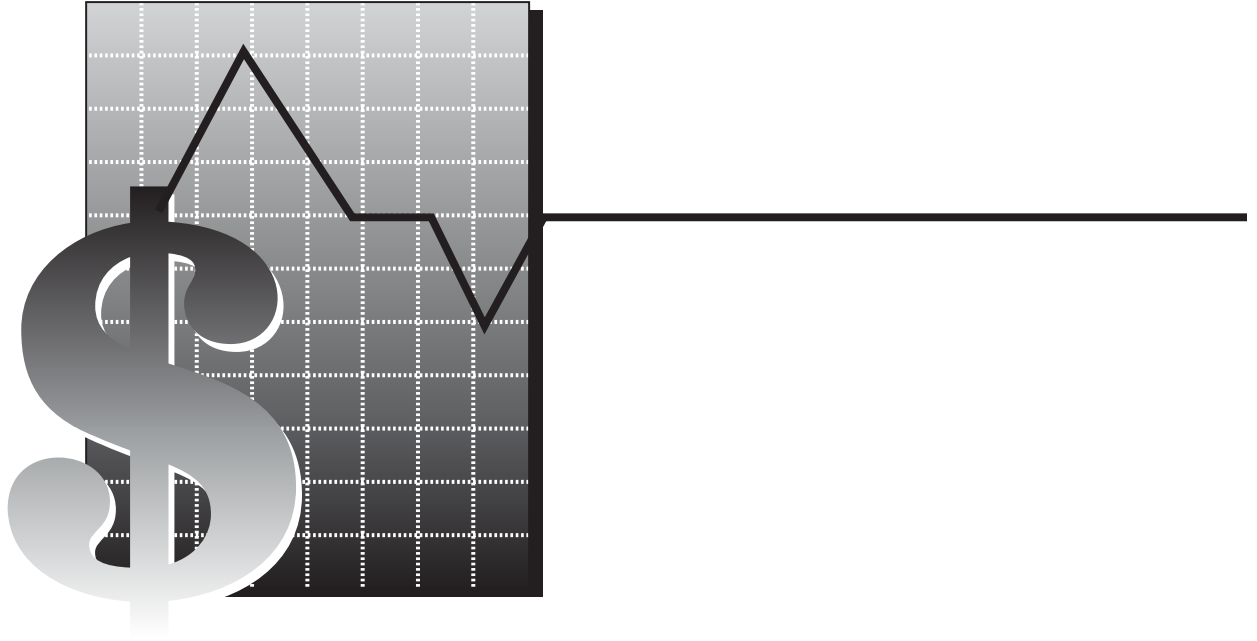




Required Supplementary Information

Budget-to-actual information found in this section of the document for the District's general fund and major special revenue fund are required to be included as required supplementary information if it is not already presented as part of the basic financial statements.





**Poudre School District
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances—Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018**

	Budgeted Amounts		Actual (Non-GAAP Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local:				
Property taxes	\$ 122,522,722	\$ 124,264,757	\$ 124,420,647	\$ 155,890
Specific ownership taxes	14,188,688	14,717,533	15,283,163	565,630
Delinquent taxes and penalties and interest on taxes	1,300,000	1,300,000	1,295,546	(4,454)
Interest on investments	180,000	180,000	640,380	460,380
Building and other rental	450,000	400,000	711,593	311,593
Athletic support	180,000	180,000	180,430	430
Student fees	800,000	800,000	891,036	91,036
Services to charter schools	685,817	667,641	667,220	(421)
Indirect and overhead costs	700,000	1,000,000	945,159	(54,841)
E-rate	175,000	175,000	293,586	118,586
Cash in lieu of land	1,800,000	1,900,000	1,495,540	(404,460)
Tuition	2,725,000	2,750,000	2,880,531	130,531
Other	1,480,000	2,055,000	2,017,090	(37,910)
	<u>147,187,227</u>	<u>150,389,931</u>	<u>151,721,921</u>	<u>1,331,990</u>
Total local sources				
State:				
Equalization	112,851,306	111,277,788	110,915,761	(362,027)
Vocational education	979,110	1,170,267	1,170,267	—
Special education	4,382,637	4,386,318	4,374,030	(12,288)
At-Risk funding	—	—	117,987	117,987
Career success pilot	—	—	58,661	58,661
Transportation	1,711,497	1,736,480	1,730,343	(6,137)
ELPA	808,440	887,616	887,616	—
Gifted and talented	279,688	275,618	275,618	—
READ Act funding	848,143	841,660	841,660	—
Charter school capital construction	599,073	537,693	558,079	20,386
Small attendance center	105,000	105,000	88,185	(16,815)
Other	120,000	120,000	6,901	(113,099)
	<u>122,684,894</u>	<u>121,338,440</u>	<u>121,025,108</u>	<u>(313,332)</u>
Total state sources				
Federal:				
National Forest Reserve Act	135,000	135,000	99,695	(35,305)
	<u>135,000</u>	<u>135,000</u>	<u>99,695</u>	<u>(35,305)</u>
Total federal sources				
	<u>270,007,121</u>	<u>271,863,371</u>	<u>272,846,724</u>	<u>983,353</u>
Total revenues				

Continued

**Poudre School District
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances—Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(Continued)**

	Budgeted Amounts		Actual (Non-GAAP Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current—				
Instruction	\$ 144,255,868	\$ 145,774,627	\$ 144,917,643	\$ 856,984
Support services:				
Students	15,682,670	15,847,781	15,762,148	85,633
Instructional staff	18,177,079	18,368,451	18,251,251	117,200
General administration	3,087,140	3,119,642	3,103,690	15,952
School administration	19,881,181	20,090,494	19,965,260	125,234
Business	3,581,082	3,618,785	3,595,767	23,018
Operation and maintenance of plant	21,832,253	22,062,108	21,944,027	118,081
Student transportation	8,372,323	8,460,469	8,400,092	60,377
Central	10,150,516	10,257,382	10,185,335	72,047
Other	246,971	249,571	247,047	2,524
Food services operations	24,697	24,957	36,537	(11,580)
Community services	148,183	149,743	141,753	7,990
Education for adults	74,092	74,871	86,548	(11,677)
Total current expenditures	<u>245,514,055</u>	<u>248,098,881</u>	<u>246,637,098</u>	<u>1,461,783</u>
Capital outlay—				
Support services:				
Operation and maintenance of plant	296,365	299,486	289,021	10,465
Student transportation	518,639	524,100	530,632	(6,532)
Central	98,788	99,829	101,449	(1,620)
Facilities acquisition and construction	<u>543,337</u>	<u>549,057</u>	<u>543,667</u>	<u>5,390</u>
Total capital outlay	<u>1,457,129</u>	<u>1,472,472</u>	<u>1,464,769</u>	<u>7,703</u>
Payments to charter schools	<u>18,367,428</u>	<u>17,694,273</u>	<u>17,692,591</u>	<u>1,682</u>
Operating contingencies	<u>59,315,961</u>	<u>62,005,206</u>	<u>—</u>	<u>62,005,206</u>
Total expenditures	<u>324,654,573</u>	<u>329,270,832</u>	<u>265,794,458</u>	<u>63,476,374</u>
Excess of revenues over (under) expenditures	<u>(54,647,452)</u>	<u>(57,407,461)</u>	<u>7,052,266</u>	<u>64,459,727</u>
Other financing sources (uses):				
Transfers in	300,000	200,000	13,070	(186,930)
Transfers (out)	<u>—</u>	<u>—</u>	<u>(95,001)</u>	<u>(95,001)</u>
Total other financing (uses)	<u>300,000</u>	<u>200,000</u>	<u>(81,931)</u>	<u>(281,931)</u>
Net change in fund balance	(54,347,452)	(57,207,461)	6,970,335	64,177,796
Fund balances at beginning of year	<u>54,347,452</u>	<u>57,207,461</u>	<u>57,207,461</u>	<u>—</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 64,177,796</u>	<u>\$ 64,177,796</u>

**Poudre School District
General Fund
Reconciling Schedule of Actual Revenues, Expenditures and Changes in
Fund Balances—GAAP Basis to Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2018**

	Actual (GAAP Basis)	Adjustments from GAAP to Non-GAAP Budgetary Basis	Actual (Non-GAAP Budgetary Basis)
Revenues:			
Local:			
Property taxes	\$ 124,420,647	\$ —	\$ 124,420,647
Specific ownership taxes	15,283,163	—	15,283,163
Delinquent taxes and penalties and interest on taxes	1,295,546	—	1,295,546
Interest on investments	640,380	—	640,380
Building and other rental	711,593	—	711,593
Athletic support	180,430	—	180,430
Student fees	891,036	—	891,036
Services to charter schools	667,220	—	667,220
Indirect and overhead costs	945,159	—	945,159
E-rate	293,586	—	293,586
Cash in lieu of land	1,495,540	—	1,495,540
Tuition	2,880,531	—	2,880,531
Other	2,017,090	—	2,017,090
	<u>151,721,921</u>	<u>—</u>	<u>151,721,921</u>
Total local sources	<u>151,721,921</u>	<u>—</u>	<u>151,721,921</u>
State:			
Equalization	110,915,761	—	110,915,761
Vocational education	1,170,267	—	1,170,267
Special education	4,374,030	—	4,374,030
At-risk funding	117,987	—	117,987
Career success pilot	58,661	—	58,661
Transportation	1,730,343	—	1,730,343
ELPA	887,616	—	887,616
Gifted and talented	275,618	—	275,618
READ Act funding	841,660	—	841,660
Charter school capital construction	558,079	—	558,079
Small attendance center	88,185	—	88,185
Other	6,901	—	6,901
	<u>121,025,108</u>	<u>—</u>	<u>121,025,108</u>
Total state sources	<u>121,025,108</u>	<u>—</u>	<u>121,025,108</u>
Federal:			
National Forest Reserve Act	99,695	—	99,695
	<u>99,695</u>	<u>—</u>	<u>99,695</u>
Total federal sources	<u>99,695</u>	<u>—</u>	<u>99,695</u>
	<u>272,846,724</u>	<u>—</u>	<u>272,846,724</u>
Total revenues	<u>272,846,724</u>	<u>—</u>	<u>272,846,724</u>

Continued

**Poudre School District
General Fund
Reconciling Schedule of Actual Revenues, Expenditures and Changes in
Fund Balances—GAAP Basis to Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2018
(Continued)**

	Actual (GAAP Basis)	Adjustments from GAAP to Non-GAAP Budgetary Basis	Actual (Non-GAAP Budgetary Basis)
Expenditures:			
Current—			
Instruction	\$ 145,276,430	\$ (358,787)	\$ 144,917,643
Support services:			
Students	15,807,472	(45,324)	15,762,148
Instructional staff	18,480,386	(229,135)	18,251,251
General administration	3,095,308	8,382	3,103,690
School administration	19,979,311	(14,051)	19,965,260
Business	3,595,803	(36)	3,595,767
Operation and maintenance of plant	21,942,488	1,539	21,944,027
Student transportation	8,442,588	(42,496)	8,400,092
Central	10,180,061	5,274	10,185,335
Other	246,650	397	247,047
Food services operations	36,537	—	36,537
Community services	141,753	—	141,753
Education for adults	86,548	—	86,548
	<u>247,311,335</u>	<u>(674,237)</u>	<u>246,637,098</u>
Total current expenditures			
Capital outlay—			
Support services:			
Operation and maintenance of plant	289,021	—	289,021
Student transportation	530,632	—	530,632
Central	101,449	—	101,449
Facilities acquisition and construction	543,667	—	543,667
	<u>1,464,769</u>	<u>—</u>	<u>1,464,769</u>
Total capital outlay			
Charter school funding	17,692,591	—	17,692,591
	<u>266,468,695</u>	<u>(674,237)</u>	<u>265,794,458</u>
Total expenditures			
Excess of revenues over expenditures	6,378,029	674,237	7,052,266
Other financing sources (uses):			
Transfers in	13,070	—	13,070
Transfers (out)	(95,001)	—	(95,001)
	<u>(81,931)</u>	<u>—</u>	<u>(81,931)</u>
Total other financing (uses)			
Net change in fund balance	6,296,098	674,237	6,970,335
Fund balances at beginning of year	43,214,140	13,993,321	57,207,461
Fund balances at end of year	<u>\$ 49,510,238</u>	<u>\$ 14,667,558</u>	<u>\$ 64,177,796</u>

**Poudre School District
Designated Special Purpose Grants Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance—Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Local sources	\$ 500,000	\$ 379,887	\$ (120,113)
State sources	500,000	1,516,358	1,016,358
Federal sources	<u>15,000,000</u>	<u>12,585,882</u>	<u>(2,414,118)</u>
Total revenues	<u>16,000,000</u>	<u>14,482,127</u>	<u>(1,517,873)</u>
Expenditures:			
Current—			
Instruction	10,000,030	9,095,917	904,113
Support services:			
Students	2,942,121	2,927,743	14,378
Instructional staff	2,039,700	1,453,331	586,369
School administration	11,143	98,515	(87,372)
Business	633,558	501,082	132,476
Operation and maintenance of plant	4,908	93,961	(89,053)
Central	64,142	23,239	40,903
Community services	<u>250,853</u>	<u>222,812</u>	<u>28,041</u>
Total current expenditures	<u>15,946,455</u>	<u>14,416,600</u>	<u>1,529,855</u>
Capital outlay—			
Support services:			
Operation and maintenance of plant	<u>53,545</u>	<u>30,000</u>	<u>23,545</u>
Total capital outlay	<u>53,545</u>	<u>30,000</u>	<u>23,545</u>
Total expenditures	<u>16,000,000</u>	<u>14,446,600</u>	<u>1,553,400</u>
Net change in fund balance	—	35,527	35,527
Fund balance at beginning of year	<u>—</u>	<u>—</u>	<u>—</u>
Fund balance at end of year	<u>\$ —</u>	<u>\$ 35,527</u>	<u>\$ 35,527</u>

Poudre School District
NOTES TO BUDGETARY COMPARISON SCHEDULE
June 30, 2018

NOTE 1: BUDGETS AND BUDGETARY CONTROL

Annual budgets are established for all funds of the District as required by Colorado statutes. Budget appropriations lapse at the end of each fiscal year.

The Board of Education is required to adopt an annual budget on or before June 30. If, after adoption of the budget, the District receives unanticipated revenues or revenues not assured at the time of the adoption of the budget from any source other than the local government's property tax mill levy, the Board of Education may authorize the expenditure of such funds by enacting a supplemental budget and appropriation.

Budget amounts included in the financial statements are based on the final budget as adopted by the Board of Education on January 23, 2018. Original budgets for all funds were adopted by the Board of Education on June 13, 2017.

The following is a summary of the significant dates and procedures used in establishing budgeted data reflected in the financial statements:

- On or before May 31, the Executive Director of Finance (not an elected official) submits to the Board of Education a proposed budget for the succeeding fiscal year.
- Within ten days after submission of the proposed budget, public notice is published stating the time and place of public hearing(s) to be conducted to obtain taxpayer comments on the budget prior to adoption.
- On or before June 30, the budget is adopted by formal resolution.
- December 15, school districts certify to county commissioners, copied to CDE, the mill levies for the various property tax-supported funds of the District.
- On or before January 31, a revised budget is adopted by formal resolution.

NOTE 2: BUDGETARY BASIS OF ACCOUNTING

Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles, except for the following General Fund items:

- Salaries and benefits are budgeted on a cash basis. State statute allow cash basis budgeting for salaries and benefits, eliminating the need to fund accrued salaries, benefits and related liabilities in the current year.
- Prepaid items are budgeted in the year prepaid.
- Net changes in fair value of investments are not budgeted.

Poudre School District
Schedule of the District's Proportionate Share of the Net Pension Liability
Defined Benefit Pension Plan
Last Ten Fiscal Years *

Measurement Date (December 31)	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Cumulative Proportion of the Net Pension Liability	3.53%	3.60%	3.59%	3.50%
District's Cumulative Proportionate Share of the Net Pension Liability	\$ 1,142,573,549	\$ 1,071,153,104	\$ 549,208,215	\$ 474,471,702
District's Covered Payroll	\$ 162,891,337	\$ 161,469,108	\$ 156,489,325	\$ 152,097,457
District's Cumulative Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	701.43%	663.38%	350.96%	311.95%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	43.96%	43.10%	59.20%	62.80%

* Information is not available prior to 2014. In future reports, additional years will be added until 10 years historical data are presented.

**Poudre School District
Schedule of District Contributions
Defined Benefit Pension Plan
Last Ten Fiscal Years ***

Fiscal Year Ended (June 30)	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 31,200,080	\$ 29,755,681	\$ 28,479,916	\$ 25,679,649	\$ 22,618,176
Contributions in Relation to the Statutorily Required Contributions	<u>(31,200,080)</u>	<u>(29,755,681)</u>	<u>(28,479,916)</u>	<u>(25,679,649)</u>	<u>(22,618,176)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 165,228,762	\$ 161,883,105	\$ 160,609,358	\$ 152,097,457	\$ 141,513,227
Contributions as a Percentage of Covered Payroll	18.88%	18.38%	17.73%	16.88%	15.98%

* Information is not available prior to 2014. In future reports, additional years will be added until 10 years of historical data are presented.

Poudre School District
Schedule of the District's Proportionate Share of the Net OPEB Liability
Last Ten Fiscal Years *

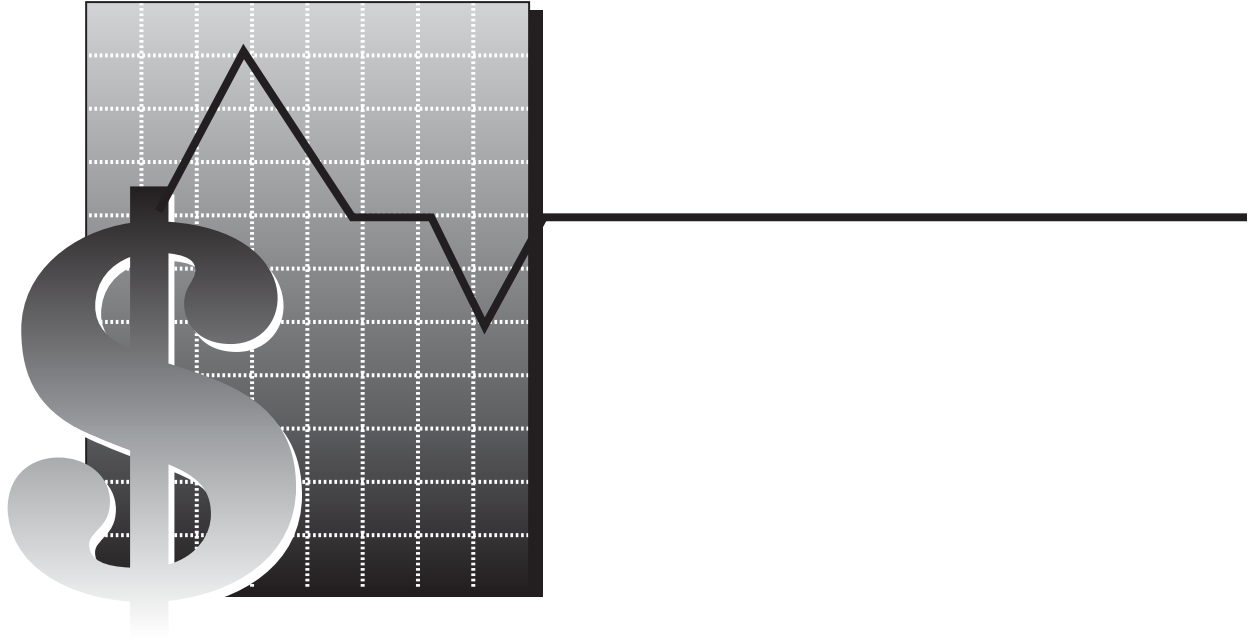
Measurement Date (December 31)	<u>2017</u>	<u>2016</u>
District's Cumulative Proportion of the Net OPEB Liability	2.01%	2.04%
District's Cumulative Proportionate Share of the Net OPEB Liability	\$ 26,091,559	\$ 26,513,459
District's Covered Payroll	\$ 162,891,337	\$ 161,469,108
District's Cumulative Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	16.02%	16.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	17.53%	16.72%

* Information is not available prior to 2016. In future reports, additional years will be added until 10 years historical data are presented.

**Poudre School District
Schedule of OPEB Contributions and Related Ratios
Last Ten Fiscal Years ***

Fiscal Year Ended (June 30)	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 1,685,334	\$ 1,651,208	\$ 1,638,215	\$ 1,551,394
Contributions in Relation to the Statutorily Required Contributions	<u>(1,685,334)</u>	<u>(1,651,208)</u>	<u>(1,638,215)</u>	<u>(1,551,394)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 165,228,762	\$ 161,883,105	\$ 160,609,358	\$ 152,097,457
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%

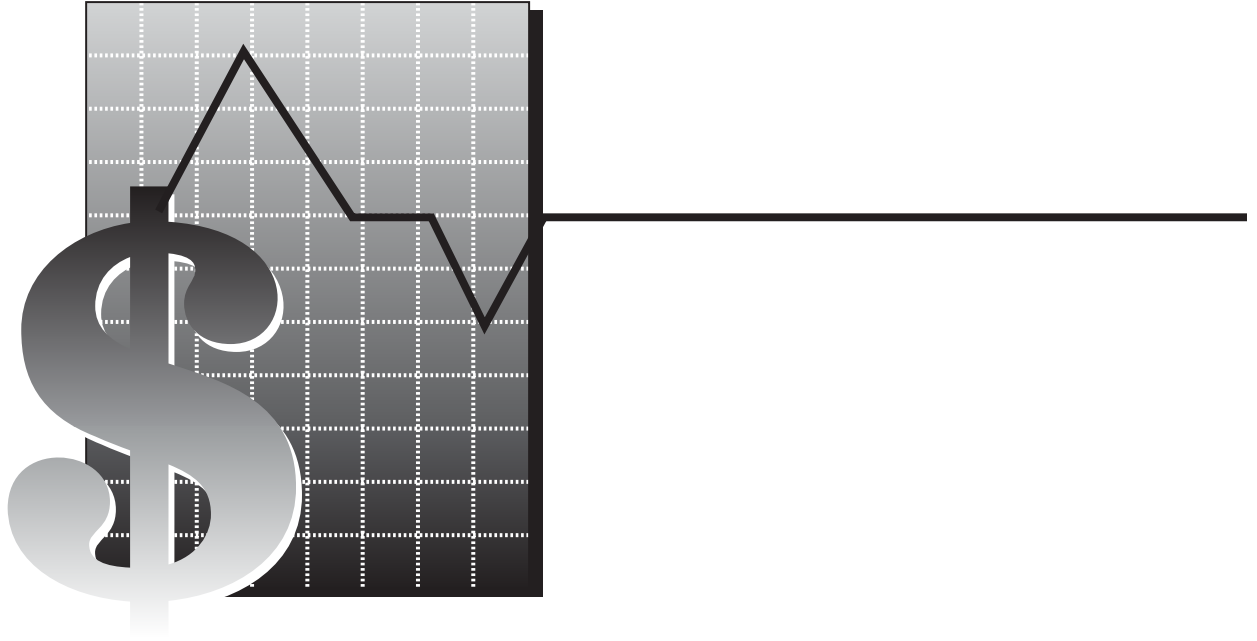
* Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.





Supplementary Information

Information included in this Supplementary Information Section of the document is designed to further explain and support the financial statements, including combining schedules. Also included in this section is budget-to-actual information for all funds of the District, as required by state law (except for the District's general fund and major special revenue funds which are included in the Required Supplementary Information Section).



**Poudre School District
Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances—Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources—				
Property taxes	\$ 41,574,014	\$ 45,487,947	\$ 44,921,410	\$ (566,537)
Delinquent taxes and penalties and interest on taxes	—	—	375,878	375,878
Federal sources—				
Build America Bonds Subsidy	<u>1,046,847</u>	<u>1,028,535</u>	<u>1,028,535</u>	<u>—</u>
Total revenues	<u>42,620,861</u>	<u>46,516,482</u>	<u>46,325,823</u>	<u>(190,659)</u>
Expenditures:				
Debt service—				
Purchased services	4,750	3,750	3,750	—
Interest on debt	7,797,430	7,797,430	7,797,430	—
Retirement of bonds	<u>17,610,000</u>	<u>17,610,000</u>	<u>17,610,000</u>	<u>—</u>
Total debt service	<u>25,412,180</u>	<u>25,411,180</u>	<u>25,411,180</u>	<u>—</u>
Contingency	<u>61,627,303</u>	<u>65,583,094</u>	<u>—</u>	<u>65,583,094</u>
Total expenditures	<u>87,039,483</u>	<u>90,994,274</u>	<u>25,411,180</u>	<u>65,583,094</u>
Net change in fund balance	(44,418,622)	(44,477,792)	20,914,643	65,392,435
Fund balance at beginning of year	<u>44,418,622</u>	<u>44,477,792</u>	<u>44,477,792</u>	<u>—</u>
Fund balance at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 65,392,435</u>	<u>\$ 65,392,435</u>

**Poudre School District
Capital Projects Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balances—Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Local sources—			
Interest on investments	\$ 100,000	\$ 181,152	\$ 81,152
Total revenues	<u>100,000</u>	<u>181,152</u>	<u>81,152</u>
Expenditures:			
Current—			
Support services:			
Operation and maintenance of plant	1,682,886	1,208,481	474,405
Central	124,833	93,792	31,041
Food services operations	<u>5,239</u>	<u>1,596</u>	<u>3,643</u>
Total current expenditures	<u>1,812,958</u>	<u>1,303,869</u>	<u>509,089</u>
Capital outlay—			
Support services:			
Operation and maintenance of plant	270,307	258,185	12,122
Central	230,000	224,620	5,380
Food services operations	195,766	—	195,766
Facilities acquisition and construction	<u>10,490,969</u>	<u>2,784,926</u>	<u>7,706,043</u>
Total capital outlay	<u>11,187,042</u>	<u>3,267,731</u>	<u>7,919,311</u>
Total expenditures	<u>13,000,000</u>	<u>4,571,600</u>	<u>8,428,400</u>
(Deficiency) of revenues (under) expenditures	<u>(12,900,000)</u>	<u>(4,390,448)</u>	<u>8,509,552</u>
Net change in fund balance	(12,900,000)	(4,390,448)	8,509,552
Fund balance at beginning of year	<u>12,900,000</u>	<u>14,771,761</u>	<u>1,871,761</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ 10,381,313</u>	<u>\$ 10,381,313</u>



NONMAJOR SPECIAL REVENUE FUNDS

Food Service Fund

This fund is used to account for the District's food service program. The District provides meals to students. User charges (lunch sales) and Federal revenues under the National School Lunch Program are the primary source of revenue in this fund.

Public School Activities Fund

This fund is used primarily to record the financial transactions related to school-sponsored activities. The activities are generally supported by student fees, donations/contributions and fundraising activities.

**Poudre School District
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2018**

	<u>Food Service</u>	<u>Public School Activities</u>	<u>Nonmajor Special Revenue Funds Total</u>
ASSETS			
Cash and investments (including restricted amounts)	\$ 2,023,249	\$ 4,430,753	\$ 6,454,002
Receivable from grantor agencies	48,392	—	48,392
Accounts receivable	—	20,505	20,505
Prepaid items	—	51,813	51,813
Inventory	<u>421,444</u>	<u>—</u>	<u>421,444</u>
Total assets	<u>\$ 2,493,085</u>	<u>\$ 4,503,071</u>	<u>\$ 6,996,156</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 39,121	\$ 131,616	\$ 170,737
Accrued salaries and benefits	186,112	129,179	315,291
Unearned revenue	356,785	—	356,785
Due to other Funds	<u>444,077</u>	<u>—</u>	<u>444,077</u>
Total liabilities	<u>1,026,095</u>	<u>260,795</u>	<u>1,286,890</u>
Fund balances:			
Nonspendable	421,444	51,813	473,257
Restricted	<u>1,045,546</u>	<u>4,190,463</u>	<u>5,236,009</u>
Total fund balances	<u>1,466,990</u>	<u>4,242,276</u>	<u>5,709,266</u>
Total liabilities and fund balances	<u>\$ 2,493,085</u>	<u>\$ 4,503,071</u>	<u>\$ 6,996,156</u>

Poudre School District
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2018

	Food Service	Public School Activities	Nonmajor Special Revenue Funds Total
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Local sources	\$ 3,843,431	\$ 7,826,317	\$ 11,669,748
State sources	141,841	—	141,841
Federal sources	5,181,122	—	5,181,122
	<u>9,166,394</u>	<u>7,826,317</u>	<u>16,992,711</u>
Expenditures:			
Current—			
Instruction	—	6,928,796	6,928,796
Support services:			
Students	—	236,998	236,998
Instructional staff	—	87,076	87,076
School administration	—	245,583	245,583
Operation and maintenance of plant	—	60,257	60,257
Student transportation	—	113	113
Central	—	12,896	12,896
Food services operations	9,179,623	—	9,179,623
Community services	—	320	320
Capital outlay	66,392	59,573	125,965
	<u>9,246,015</u>	<u>7,631,612</u>	<u>16,877,627</u>
(Deficiency) of revenues (under) expenditures	<u>(79,621)</u>	<u>194,705</u>	<u>115,084</u>
Other financing sources (uses):			
Transfers in	81,927	13,074	95,001
Transfers (out)	<u>—</u>	<u>(13,070)</u>	<u>(13,070)</u>
	<u>81,927</u>	<u>4</u>	<u>81,931</u>
Net change in fund balances	2,306	194,709	197,015
Fund balances at beginning of year	<u>1,464,684</u>	<u>4,047,567</u>	<u>5,512,251</u>
Fund balances at end of year	<u>\$ 1,466,990</u>	<u>\$ 4,242,276</u>	<u>\$ 5,709,266</u>

**Poudre School District
Food Service Special Revenue Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balances—Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources—				
Interest on investments	\$ 10,000	\$ 10,000	\$ 5,423	\$ (4,577)
Other Revenue	—	50,000	95,916	45,916
Food sales	3,900,000	4,100,000	3,742,092	(357,908)
State sources	130,000	140,000	141,841	1,841
Federal sources—				
Federal Reimbursement	4,500,000	4,500,000	4,435,292	(64,708)
Commodities	600,000	700,000	745,830	45,830
	<u>9,140,000</u>	<u>9,500,000</u>	<u>9,166,394</u>	<u>(333,606)</u>
Expenditures:				
Current—				
Food services operations				
Salaries and benefits	3,790,000	3,750,000	3,646,411	103,589
Food	4,500,000	4,550,000	4,626,383	(76,383)
Non-food	850,000	1,200,000	906,829	293,171
Total current expenditures	<u>9,140,000</u>	<u>9,500,000</u>	<u>9,179,623</u>	<u>320,377</u>
Capital outlay	—	—	66,392	(66,392)
Contingency	1,582,849	1,464,684	—	1,464,684
Total Expenditures	10,722,849	10,964,684	9,246,015	1,718,669
(Deficiency) of revenues (under) expenditures	<u>(1,582,849)</u>	<u>(1,464,684)</u>	<u>(79,621)</u>	<u>1,385,063</u>
Other financing sources (uses):				
Transfers in	—	—	81,927	81,927
Total other financing sources	<u>—</u>	<u>—</u>	<u>81,927</u>	<u>81,927</u>
Net change in fund balances	(1,582,849)	(1,464,684)	2,306	1,466,990
Fund balances at beginning of year	<u>1,582,849</u>	<u>1,464,684</u>	<u>1,464,684</u>	<u>—</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,466,990</u>	<u>\$ 1,466,990</u>

**Poudre School District
Public School Activities Special Revenue Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balances—Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Local sources—			
Gifts and Donations	\$ 1,800,000	\$ 2,347,450	\$ 547,450
Activity Revenue	6,500,000	3,415,545	(3,084,455)
Tuition and Fees	350,000	1,879,054	1,529,054
Other local sources	<u>500,000</u>	<u>184,268</u>	<u>(315,732)</u>
Total revenues	<u>9,150,000</u>	<u>7,826,317</u>	<u>(1,323,683)</u>
Expenditures:			
Current—			
Instruction	8,199,200	6,928,796	1,270,404
Support services:			
Students	294,150	236,998	57,152
Instructional staff	209,050	87,076	121,974
School administration	355,200	245,583	109,617
Operation and maintenance of plant	66,600	60,257	6,343
Student transportation	—	113	(113)
Central	11,100	12,896	(1,796)
Community services/other	<u>925</u>	<u>320</u>	<u>605</u>
Total current expenditures	<u>9,136,225</u>	<u>7,572,039</u>	<u>1,564,186</u>
Capital outlay	113,775	59,573	54,202
Contingency	<u>4,224,657</u>	<u>—</u>	<u>4,224,657</u>
Total expenditures	<u>13,474,657</u>	<u>7,631,612</u>	<u>5,843,045</u>
(Deficiency) of revenues over (under) expenditures	<u>(4,324,657)</u>	<u>194,705</u>	<u>4,519,362</u>
Other financing sources (uses):			
Transfers in	100,000	13,074	(86,926)
Transfers (out)	<u>—</u>	<u>(13,070)</u>	<u>(13,070)</u>
Total other financing sources	<u>100,000</u>	<u>4</u>	<u>(99,996)</u>
Net change in fund balance	(4,224,657)	194,709	4,419,366
Fund balances at beginning of year	<u>4,224,657</u>	<u>4,047,567</u>	<u>(177,090)</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ 4,242,276</u>	<u>\$ 4,242,276</u>



INTERNAL SERVICE FUNDS

Employee Self-Insurance Fund

This fund is used to account for the funding and administration of employee health and dental benefits and life insurance. The District contributes, on behalf of its employees, sufficient amounts to offset claim and administrative costs of the benefit plan. Employees also may elect to include eligible dependents under the plan at their own expense.

Warehouse Fund

This fund is used to account for revenues and costs associated with providing warehouse services for general supplies to schools, other District sites, and other governmental and non-profit entities.

**Poudre School District
Internal Service Funds
Combining Statement of Net Position
June 30, 2018**

	<u>Employee Self-Insurance</u>	<u>Warehouse</u>	<u>Internal Service Funds Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 7,839,817	\$ 65,261	\$ 7,905,078
Cash - restricted	310,727	—	310,727
Accounts receivable	1,031,861	—	1,031,861
Prepaid items	278,575	5,609	284,184
Inventory	<u>—</u>	<u>211,065</u>	<u>211,065</u>
Total current assets	<u>9,460,980</u>	<u>281,935</u>	<u>9,742,915</u>
Noncurrent assets:			
Capital assets:			
Vehicles	—	121,249	121,249
Less accumulated depreciation	<u>—</u>	<u>(68,112)</u>	<u>(68,112)</u>
Total capital assets (net of accumulated depreciation)	<u>—</u>	<u>53,137</u>	<u>53,137</u>
Total assets	<u>9,460,980</u>	<u>335,072</u>	<u>9,796,052</u>
LIABILITIES			
Current liabilities:			
Accounts payable	630,632	2,948	633,580
Estimated liability for unsubmitted claims	<u>3,216,313</u>	<u>—</u>	<u>3,216,313</u>
Total current liabilities	<u>3,846,945</u>	<u>2,948</u>	<u>3,849,893</u>
Noncurrent liabilities:			
Employee compensated absences	<u>19,808</u>	<u>3,246</u>	<u>23,054</u>
Total noncurrent liabilities	<u>19,808</u>	<u>3,246</u>	<u>23,054</u>
Total liabilities	<u>3,866,753</u>	<u>6,194</u>	<u>3,872,947</u>
NET POSITION			
Investment in capital assets	—	53,137	53,137
Restricted for payment of claims	159,275	—	159,275
Unrestricted	<u>5,434,952</u>	<u>275,741</u>	<u>5,710,693</u>
Total net position	<u>\$ 5,594,227</u>	<u>\$ 328,878</u>	<u>\$ 5,923,105</u>

**Poudre School District
Internal Service Funds
Combining Statement of Revenues, Expenses
and Changes in Net Position
For the Fiscal Year Ended June 30, 2018**

	<u>Employee Self-Insurance</u>	<u>Warehouse</u>	<u>Internal Service Funds Total</u>
Operating revenues:			
District Contributions	\$ 21,364,416	\$ —	\$ 21,364,416
Employee Contributions	9,074,293	—	9,074,293
Sales	<u>—</u>	<u>948,060</u>	<u>948,060</u>
 Total operating revenues	 <u>30,438,709</u>	 <u>948,060</u>	 <u>31,386,769</u>
Operating expenses:			
Administration:			
Salaries	547,038	100,670	647,708
Employee benefits	160,762	36,556	197,318
Purchased services	1,578,665	13,863	1,592,528
Operating supplies	92,039	840,005	932,044
Internal charges	675	—	675
Claims	28,539,737	—	28,539,737
Premiums	2,285,728	—	2,285,728
Other	<u>17,862</u>	<u>11,594</u>	<u>29,456</u>
 Total operating expenses	 <u>33,222,506</u>	 <u>1,002,688</u>	 <u>34,225,194</u>
 Operating loss	 <u>(2,783,797)</u>	 <u>(54,628)</u>	 <u>(2,838,425)</u>
Non-operating revenues:			
Investment earnings	<u>46,819</u>	<u>251</u>	<u>47,070</u>
 Total non-operating revenues	 <u>46,819</u>	 <u>251</u>	 <u>47,070</u>
 Change in net position	 (2,736,978)	 (54,377)	 (2,791,355)
 Total net position at beginning of year	 <u>8,331,205</u>	 <u>383,255</u>	 <u>8,714,460</u>
 Total net position at end of year	 <u>\$ 5,594,227</u>	 <u>\$ 328,878</u>	 <u>\$ 5,923,105</u>

**Poudre School District
Employee Self-Insurance Internal Service Fund
Schedule of Revenues, Expenses
and Changes in Fund Net Position—Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Operating revenues:			
District contributions	\$ 21,630,000	\$ 21,364,416	\$ (265,584)
Employee contributions	8,750,000	9,074,293	324,293
Total operating revenues	30,380,000	30,438,709	58,709
Operating expenses:			
Administration:			
Salaries	525,000	547,038	(22,038)
Employee benefits	149,000	160,762	(11,762)
Purchased services	1,519,000	1,578,665	(59,665)
Operating supplies	124,000	92,039	31,961
Internal charges	1,000	675	325
Claims	26,055,000	28,539,737	(2,484,737)
Premiums	2,065,000	2,285,728	(220,728)
Other	17,000	17,862	(862)
Contingency	7,442,989	—	7,442,989
Total operating expenses	37,897,989	33,222,506	4,675,483
Operating loss	(7,517,989)	(2,783,797)	4,734,192
Non-operating revenues:			
Investment earnings	75,000	46,819	(28,181)
Total non-operating revenues	75,000	46,819	(28,181)
Change in net position	(7,442,989)	(2,736,978)	4,706,011
Total net position at beginning of year	7,442,989	8,331,205	888,216
Total net position at end of year	\$ —	\$ 5,594,227	\$ 5,594,227

**Poudre School District
Warehouse Internal Service Fund
Schedule of Revenues, Expenses
and Changes in Fund Net Position—Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operating revenues:			
Sales	\$ 1,030,000	\$ 948,060	\$ (81,940)
Total operating revenues	<u>1,030,000</u>	<u>948,060</u>	<u>(81,940)</u>
Operating expenses:			
Administration:			
Salaries	109,000	100,670	8,330
Employee benefits	39,400	36,556	2,844
Purchased services	4,400	13,863	(9,463)
Operating supplies	865,800	840,005	25,795
Other	11,650	11,594	56
Contingency	<u>415,596</u>	<u>—</u>	<u>415,596</u>
Total operating expenses	<u>1,445,846</u>	<u>1,002,688</u>	<u>443,158</u>
Operating loss	<u>(415,846)</u>	<u>(54,628)</u>	<u>361,218</u>
Non-operating revenues:			
Investment earnings	<u>250</u>	<u>251</u>	<u>1</u>
Total non-operating revenues	<u>250</u>	<u>251</u>	<u>1</u>
Change in net position	(415,596)	(54,377)	361,219
Total net position at beginning of year	<u>415,596</u>	<u>383,255</u>	<u>(32,341)</u>
Total net position at end of year	<u>\$ —</u>	<u>\$ 328,878</u>	<u>\$ 328,878</u>

**Poudre School District
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2018**

	Employee Self- Insurance	Warehouse	Total
	<u> </u>	<u> </u>	<u> </u>
Cash flows from operating activities:			
Received from customers	\$ 30,427,742	\$ 948,060	\$ 31,375,802
Payments to employees	(713,885)	(137,617)	(851,502)
Payments to suppliers for goods and services	(1,888,846)	(831,075)	(2,719,921)
Payments for claims and insurance	(30,427,986)	—	(30,427,986)
Payments to other funds	(675)	—	(675)
	<u> </u>	<u> </u>	<u> </u>
Net cash used by operating activities	(2,603,650)	(20,632)	(2,624,282)
Cash flows from investing activities:			
Interest received	49,527	251	49,778
	<u> </u>	<u> </u>	<u> </u>
Net cash provided by investing activities	49,527	251	49,778
Net decrease in cash and cash equivalents	(2,554,123)	(20,381)	(2,574,504)
Cash and cash equivalents at beginning of year	<u>10,704,667</u>	<u>85,642</u>	<u>10,790,309</u>
Cash and cash equivalents at end of year	<u>\$ 8,150,544</u>	<u>\$ 65,261</u>	<u>\$ 8,215,805</u>
Reconciliation of operating loss to net cash used by operating activities:			
Operating loss	\$ (2,783,797)	\$ (54,628)	\$ (2,838,425)
Adjustments to reconcile operating loss to net cash used by operating activities:			
Depreciation expense	—	11,594	11,594
Accounts receivable	(214,082)	—	(214,082)
Prepaid items	(19,541)	(5,509)	(25,050)
Inventory	—	34,739	34,739
Accounts payable	(344,979)	(6,437)	(351,416)
Employee compensated absences	(6,085)	(391)	(6,476)
Estimated liability for unsubmitted claims	764,834	—	764,834
	<u> </u>	<u> </u>	<u> </u>
Net cash used by operating activities	<u>\$ (2,603,650)</u>	<u>\$ (20,632)</u>	<u>\$ (2,624,282)</u>

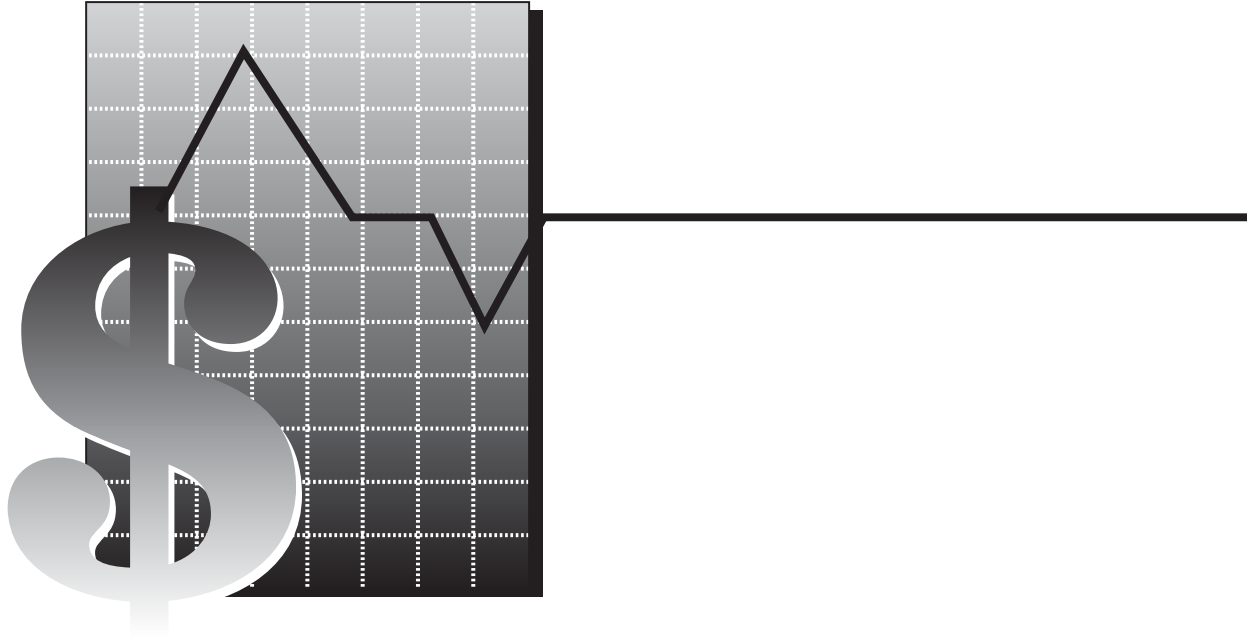
**Poudre School District
Private-Purpose Trust Fund
Schedule of Changes in Fiduciary Net Position—Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
ADDITIONS			
Contributions:			
Private donations	\$ 100,000	\$ 58,946	\$ (41,054)
Interest earnings	500	1,147	647
	<u>100,500</u>	<u>60,093</u>	<u>(40,407)</u>
Total additions			
	<u>100,500</u>	<u>60,093</u>	<u>(40,407)</u>
DEDUCTIONS			
Payments in accordance with trust agreements	100,500	71,129	29,371
Contingency	230,585	—	230,585
	<u>331,085</u>	<u>71,129</u>	<u>259,956</u>
Total deductions			
	<u>331,085</u>	<u>71,129</u>	<u>259,956</u>
Change in net position	(230,585)	(11,036)	219,549
Net position at beginning of year	<u>230,585</u>	<u>249,949</u>	<u>19,364</u>
Net position at end of year	<u>\$ —</u>	<u>\$ 238,913</u>	<u>\$ 238,913</u>



Statistical Section

The statistical section is provided to reflect social and economic data, financial trends and the fiscal capacity of the District.



Poudre School District Statistical Section

This part of the District's Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents	Tables
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	I-IV
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, property tax.	V-IX
Debt Capacity These schedules 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.	X-XII
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	XIII-XIV
Operating Information These schedules contain service and capital asset data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	XV-XVIII

Table I
Poudre School District
Net Position by Component
(Accrual basis of accounting)
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2018	2017	2016	2015
Governmental activities				
Net investment in capital assets	\$ 96,955,749	\$ 89,615,195	\$ 69,088,476	\$ 57,185,046
Restricted	89,983,205	67,269,078	62,861,134	55,324,165
Unrestricted ⁽¹⁾	<u>(855,449,352)</u>	<u>(621,536,676)</u>	<u>(435,864,904)</u>	<u>(395,589,297)</u>
Total governmental activities net position	<u>\$ (668,510,398)</u>	<u>\$ (464,652,403)</u>	<u>\$ (303,915,294)</u>	<u>\$ (283,080,086)</u>
Business-type activities ⁽²⁾				
Net investment in capital assets	\$ —	\$ —	\$ —	\$ —
Unrestricted	—	—	—	—
Total business-type activities net position	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Primary government				
Net investment in capital assets	\$ 96,955,749	\$ 89,615,195	\$ 69,088,476	\$ 57,185,046
Restricted	89,983,205	67,269,078	62,861,134	55,324,165
Unrestricted	<u>(855,449,352)</u>	<u>(621,536,676)</u>	<u>(435,864,904)</u>	<u>(395,589,297)</u>
Total primary government net position	<u>\$ (668,510,398)</u>	<u>\$ (464,652,403)</u>	<u>\$ (303,915,294)</u>	<u>\$ (283,080,086)</u>

⁽¹⁾ For the year ended June 30, 2015, the District implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.*

⁽²⁾ Beginning in fiscal year 2015, the Food Service Fund was reclassified and reported with Governmental activities rather than Business-type activities.

Continued on next page

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$	50,986,099	\$ 45,419,623	\$ 43,614,298	\$ 37,691,167	\$ 30,979,145	\$ 25,247,992
	50,899,116	50,722,325	47,722,851	56,620,442	43,060,438	41,649,764
	57,355,476	61,012,485	61,034,007	55,507,549	57,289,627	45,603,416
\$	<u>159,240,691</u>	<u>157,154,433</u>	<u>152,371,156</u>	<u>149,819,158</u>	<u>131,329,210</u>	<u>112,501,172</u>
\$	431,892	\$ 428,894	\$ 274,726	\$ 50,672	\$ 65,632	\$ 85,910
	1,703,582	2,002,993	2,312,761	2,362,068	1,584,083	1,394,506
\$	<u>2,135,474</u>	<u>2,431,887</u>	<u>2,587,487</u>	<u>2,412,740</u>	<u>1,649,715</u>	<u>1,480,416</u>
\$	51,417,991	\$ 45,848,517	\$ 43,889,024	\$ 37,741,839	\$ 31,044,777	\$ 25,333,902
	50,899,116	50,722,325	47,722,851	56,620,442	43,060,438	41,649,764
	59,059,058	63,015,478	63,346,768	57,869,617	58,873,710	46,997,922
\$	<u>161,376,165</u>	<u>159,586,320</u>	<u>154,958,643</u>	<u>152,231,898</u>	<u>132,978,925</u>	<u>113,981,588</u>

Table II
Poudre School District
Changes in Net Position
(Accrual basis of accounting)
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2018	2017	2016	2015
Expenses				
Governmental activities:				
Instruction	\$ 322,990,164	\$ 280,101,081	\$ 187,152,364	\$ 170,920,008
Support services				
Students	35,859,759	31,580,295	20,060,394	17,679,219
Instructional staff	33,056,393	35,167,240	22,789,005	21,661,354
General administration	4,293,927	5,197,005	3,312,293	3,258,028
School administration	33,873,578	34,914,666	21,833,308	20,028,914
Business	4,872,375	5,231,692	4,807,707	3,098,427
Operations and maintenance of plant	30,346,479	33,043,216	24,089,053	25,185,436
Student transportation	12,006,954	12,922,562	8,282,372	7,854,413
Central	23,090,314	21,094,984	19,688,095	18,057,591
Other	330,764	420,874	208,744	243,262
Food service operations ⁽¹⁾	11,127,154	12,044,275	9,904,744	8,666,611
Other	1,774,868	2,326,453	3,085,632	3,191,063
Debt service	5,883,521	6,606,717	7,654,857	9,493,756
Charter school funding	17,692,591	17,327,644	16,683,753	15,412,916
Total governmental activities expenses	<u>537,198,841</u>	<u>497,978,704</u>	<u>349,552,321</u>	<u>324,750,998</u>
Business-type activities:				
Food service operations ⁽¹⁾	—	—	—	—
Total primary government expenses	<u>\$ 537,198,841</u>	<u>\$ 497,978,704</u>	<u>\$ 349,552,321</u>	<u>\$ 324,750,998</u>
Program Revenues				
Governmental activities:				
Charges for services				
Instruction	\$ 9,434,195	\$ 10,116,912	\$ 9,995,214	\$ 4,892,838
Support services	10,147,602	8,862,432	8,983,384	7,833,533
Food service operations	3,892,012	3,921,050	1,137,848	3,479,640
Community services	297,319	378,495	209,678	187,483
Education for adults	—	—	—	—
Operating grants and contributions				
Instruction	19,440,342	18,080,298	16,425,968	20,864,365
Support services	8,170,887	6,990,431	7,900,997	8,623,679
Food service operations ⁽¹⁾	5,322,963	5,253,231	7,687,477	4,991,334
Community services	272,832	210,699	188,170	205,959
Education for adults	—	—	—	—
Other uses	1,028,535	1,045,723	1,046,847	1,041,230
Capital grants/restricted investment earnings				
Support services	—	—	—	—
Operations and maintenance of plant	730,935	599,073	544,745	331
Total governmental activities program revenues	<u>58,737,622</u>	<u>55,458,344</u>	<u>54,120,328</u>	<u>52,120,392</u>

Continued on next page

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$	146,846,816	\$ 146,165,952	\$ 136,611,274	\$ 132,152,533	\$ 130,604,347	\$ 130,790,934
	15,772,945	14,975,448	14,441,020	14,161,384	14,364,960	13,300,548
	17,782,490	16,134,084	15,959,911	15,648,388	15,347,485	13,998,883
	2,798,230	2,645,082	2,585,270	2,679,711	3,019,637	2,858,297
	16,296,488	15,621,363	14,037,045	13,588,419	14,137,445	13,471,551
	2,361,805	2,126,703	2,360,098	2,333,169	2,474,295	2,489,433
	22,613,583	21,916,989	21,667,219	20,111,197	21,284,032	23,634,584
	7,257,434	6,854,130	6,770,350	6,428,610	6,972,476	7,206,812
	17,686,921	13,774,881	17,306,811	15,565,647	12,585,177	14,380,076
	175,346	198,910	232,080	299,665	356,253	596,064
	56,328	139,829	183,739	39,160	39,173	42,612
	3,144,226	3,427,451	5,396,697	2,373,119	2,465,839	2,573,668
	11,182,085	11,899,236	12,261,003	11,209,028	9,858,073	8,331,059
	13,694,681	11,783,210	11,506,662	10,876,836	9,182,166	8,563,579
	<u>277,669,378</u>	<u>267,663,268</u>	<u>261,319,179</u>	<u>247,466,866</u>	<u>242,691,358</u>	<u>242,238,100</u>
	<u>8,091,533</u>	<u>7,673,977</u>	<u>7,407,160</u>	<u>6,564,602</u>	<u>6,474,067</u>	<u>6,440,740</u>
\$	<u>285,760,911</u>	<u>275,337,245</u>	<u>268,726,339</u>	<u>254,031,468</u>	<u>249,165,425</u>	<u>248,678,840</u>
\$	3,609,196	\$ 3,173,314	\$ 3,097,556	\$ 2,957,620	\$ 2,891,531	\$ 2,522,029
	7,243,889	6,694,130	6,737,420	6,728,928	6,072,773	7,275,920
	—	—	—	—	—	—
	164,724	158,716	131,520	117,193	144,743	109,018
	—	—	—	—	21,149	33,630
	20,270,693	18,565,565	18,316,957	26,613,109	19,398,546	19,052,381
	8,149,080	7,672,971	7,538,844	9,477,298	9,116,593	6,435,027
	493	574	453	159	63,224	30,602
	247,156	337,311	287,368	302,250	305,657	210,300
	—	—	12	12	—	7,145
	1,042,354	1,074,366	1,123,226	546,018	—	—
	—	—	—	—	420,285	456,818
	309	214	—	—	10,549	211,135
	<u>40,727,894</u>	<u>37,677,161</u>	<u>37,233,356</u>	<u>46,742,587</u>	<u>38,445,050</u>	<u>36,344,005</u>

Continued on next page

Table II
Poudre School District
Changes in Net Position
(Accrual basis of accounting)
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2018	2017	2016	2015
Business-type activities: ⁽¹⁾				
Charges for services - food services	—	—	—	—
Operating grants and contributions - food services	—	—	—	—
Total business-type activities program revenues	—	—	—	—
Total primary government program revenues	\$ <u>58,737,622</u>	\$ <u>55,458,344</u>	\$ <u>54,120,328</u>	\$ <u>52,120,392</u>
Net (Expense)/Revenue				
Governmental activities	\$ (478,461,219)	\$ (442,520,360)	\$ (295,431,993)	\$ (272,630,606)
Business-type activities ⁽¹⁾	—	—	—	—
Total primary government net expense	\$ <u>(478,461,219)</u>	\$ <u>(442,520,360)</u>	\$ <u>(295,431,993)</u>	\$ <u>(272,630,606)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general and debt purposes	\$ 171,039,247	\$ 152,692,336	\$ 149,368,884	\$ 129,411,406
Specific ownership taxes	15,283,163	13,754,704	11,942,335	11,426,061
Cash in lieu of land	1,495,540	2,437,047	1,593,732	1,902,550
Unrestricted earnings on investments	734,285	365,548	447,503	324,064
Miscellaneous	819,888	356,903	586,806	1,104,632
Gain/loss on asset disposal	—	—	—	(65,977)
Equalization	110,915,760	112,176,713	110,657,525	110,698,549
Extraordinary item ⁽²⁾	—	—	—	—
Total governmental activities	<u>300,287,883</u>	<u>281,783,251</u>	<u>274,596,785</u>	<u>254,801,285</u>
Business-type activities: ⁽¹⁾				
Unrestricted earnings on investments	—	—	—	—
Gain/loss on asset disposal	—	—	—	—
Miscellaneous	—	—	—	—
Total business-type activities	—	—	—	—
Total primary government	\$ <u>300,287,883</u>	\$ <u>281,783,251</u>	\$ <u>274,596,785</u>	\$ <u>254,801,285</u>
Change in Net Position ⁽³⁾				
Governmental activities	(178,173,336)	(160,737,109)	(20,835,208)	(17,829,321)
Business-type activities	—	—	—	—
Total primary government	\$ <u>(178,173,336)</u>	\$ <u>(160,737,109)</u>	\$ <u>(20,835,208)</u>	\$ <u>(17,829,321)</u>

⁽¹⁾ Beginning in fiscal year 2015, the Food Service Fund was reclassified and reported with Governmental activities rather than Business-type activities.

⁽²⁾ Fiscal Year 2009 - loss on investment. Fiscal Year 2014 - loss due to expenditures incurred related to flood net of insurance recoveries.

⁽³⁾ For the year ended June 30, 2015, the District implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

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	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
	3,276,336	3,019,987	3,287,904	3,405,656	3,238,065	3,039,859
	<u>4,515,813</u>	<u>4,471,983</u>	<u>4,292,028</u>	<u>3,920,295</u>	<u>3,403,758</u>	<u>3,110,052</u>
	<u>7,792,149</u>	<u>7,491,970</u>	<u>7,579,932</u>	<u>7,325,951</u>	<u>6,641,823</u>	<u>6,149,911</u>
\$	<u><u>48,520,043</u></u>	<u><u>45,169,131</u></u>	<u><u>44,813,288</u></u>	<u><u>54,068,538</u></u>	<u><u>45,086,873</u></u>	<u><u>42,493,916</u></u>
\$	(236,941,484)	(229,986,107)	(224,085,823)	(200,724,279)	(204,246,308)	(205,894,095)
	<u>(299,384)</u>	<u>(182,007)</u>	<u>172,772</u>	<u>761,349</u>	<u>167,756</u>	<u>(290,829)</u>
\$	<u><u>(237,240,868)</u></u>	<u><u>(230,168,114)</u></u>	<u><u>(223,913,051)</u></u>	<u><u>(199,962,930)</u></u>	<u><u>(204,078,552)</u></u>	<u><u>(206,184,924)</u></u>
\$	127,400,081	128,253,445	124,105,741	118,774,939	115,327,587	110,076,553
	10,272,642	8,962,377	8,253,845	7,874,996	8,120,314	8,713,638
	1,956,301	1,597,350	867,123	426,771	—	—
	476,355	76,203	139,554	154,395	89,958	896,197
	1,448,621	1,385,386	1,177,008	1,667,291	1,456,046	1,033,966
	31,125	277,465	13,041	657,386	—	—
	99,266,299	94,217,158	92,081,509	89,658,449	98,080,441	92,373,829
	<u>(187,644)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,274,077)</u>
	<u>240,663,780</u>	<u>234,769,384</u>	<u>226,637,821</u>	<u>219,214,227</u>	<u>223,074,346</u>	<u>211,820,106</u>
	2,971	4,464	1,975	1,676	1,143	16,376
	—	21,943	—	—	—	—
	—	—	—	—	400	—
	<u>2,971</u>	<u>26,407</u>	<u>1,975</u>	<u>1,676</u>	<u>1,543</u>	<u>16,376</u>
\$	<u><u>240,666,751</u></u>	<u><u>234,795,791</u></u>	<u><u>226,639,796</u></u>	<u><u>219,215,903</u></u>	<u><u>223,075,889</u></u>	<u><u>211,836,482</u></u>
	3,722,296	4,783,277	2,551,998	18,489,948	18,828,038	5,926,011
	<u>(296,413)</u>	<u>(155,600)</u>	<u>174,747</u>	<u>763,025</u>	<u>169,299</u>	<u>(274,453)</u>
\$	<u><u>3,425,883</u></u>	<u><u>4,627,677</u></u>	<u><u>2,726,745</u></u>	<u><u>19,252,973</u></u>	<u><u>18,997,337</u></u>	<u><u>5,651,558</u></u>

Table III
Poudre School District
Fund Balance, Governmental Funds
(Modified accrual basis of accounting)
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2018	2017	2016	2015
General Fund				
Nonspendable	\$ 550,631	\$ 85,080	\$ 580,951	\$ 347,759
Restricted	19,160,800	17,453,772	14,626,076	14,932,256
Assigned	19,862,797	16,825,357	21,395,280	22,453,840
Unassigned	9,936,010	8,849,931	8,086,205	12,206,743
Total General Fund	<u>\$ 49,510,238</u>	<u>\$ 43,214,140</u>	<u>\$ 44,688,512</u>	<u>\$ 49,940,598</u>
All Other Governmental Funds				
Nonspendable	\$ 508,784	\$ 364,141	\$ 401,773	\$ —
Restricted ⁽¹⁾	80,176,612	63,716,755	71,441,936	46,186,810
Assigned	833,145	680,908	871,833	718,486
Total all other governmental funds	<u>\$ 81,518,541</u>	<u>\$ 64,761,804</u>	<u>\$ 72,715,542</u>	<u>\$ 46,905,296</u>

(1) Effective July 1, 2015, the Food Service Fund, in accordance with the State Board of Education Financial Policies and Procedures Handbook, was reclassified and reported as a Special Revenue Fund rather than an Enterprise Fund. As such, the fund balance is included with restricted fund balance beginning in fiscal year 2015. Prior fiscal years have not been restated in this table.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 150,352	\$ 463,730	\$ 130,423	\$ 446,248	\$ 149,557	\$ 91,817
12,429,706	10,273,096	8,075,746	6,600,000	6,550,000	6,350,000
26,280,103	26,097,242	24,292,674	26,497,194	18,679,227	18,083,697
15,714,968	15,931,917	20,934,082	15,062,957	11,382,004	5,993,344
<u>\$ 54,575,129</u>	<u>\$ 52,765,985</u>	<u>\$ 53,432,925</u>	<u>\$ 48,606,399</u>	<u>\$ 36,760,788</u>	<u>\$ 30,518,858</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
59,270,732	77,423,345	68,964,950	103,562,038	49,952,786	50,913,483
603,599	440,807	316,075	671,148	—	—
<u>\$ 59,874,331</u>	<u>\$ 77,864,152</u>	<u>\$ 69,281,025</u>	<u>\$ 104,233,186</u>	<u>\$ 49,952,786</u>	<u>\$ 50,913,483</u>

Table IV
Poudre School District
Changes in Fund Balance, Governmental Funds
(Modified accrual basis of accounting)
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2018	2017	2016	2015
Revenues:				
Local sources	\$ 209,249,996	\$ 189,367,441	\$ 181,105,140	\$ 160,547,794
State sources	122,683,307	122,953,358	120,874,490	120,549,250
Federal sources	18,895,234	18,290,256	18,614,912	19,132,467
Total revenues ⁽¹⁾⁽²⁾	<u>350,828,537</u>	<u>330,611,055</u>	<u>320,594,542</u>	<u>300,229,511</u>
Expenditures:				
Instruction	161,301,143	158,576,752	155,522,554	149,556,293
Support services:				
Students	18,972,213	18,113,389	17,426,484	16,374,787
Instructional staff	20,020,793	20,491,215	19,951,728	20,171,679
General administration	3,095,308	3,357,808	3,003,320	3,100,104
School administration	20,323,409	19,895,822	19,062,729	18,525,691
Business	4,096,885	3,958,308	3,594,553	2,943,192
Operation and maintenance of plant	23,305,187	22,809,911	22,934,992	24,131,913
Student transportation	8,442,701	7,646,429	7,371,639	7,333,824
Central	10,309,988	9,190,524	9,659,177	10,352,572
Other	246,650	258,592	208,744	226,472
Food service operations ⁽²⁾	9,217,756	9,256,856	9,287,441	8,306,827
Community services	364,885	361,615	374,071	379,352
Education for adults	86,548	80,825	95,647	50,954
Facilities acquisition and construction	—	265,246	385,633	1,388,698
Other uses	—	—	—	—
Capital outlay	4,888,465	11,580,043	18,970,669	13,019,892
Debt service:				
Purchased services	3,750	4,500	246,783	292,536
Interest on debt	7,797,430	8,781,292	10,735,033	10,314,608
Retirement of debt	17,610,000	28,110,000	18,937,540	17,964,526
Payment to escrow agent	—	—	—	—
Charter school funding	17,692,591	17,327,644	16,683,753	15,412,916
Total expenditures	<u>\$ 327,775,702</u>	<u>\$ 340,066,771</u>	<u>\$ 334,452,490</u>	<u>\$ 319,846,836</u>
Deficiency of revenues under expenditures	<u>\$ 23,052,835</u>	<u>\$ (9,455,716)</u>	<u>\$ (13,857,948)</u>	<u>\$ (19,617,325)</u>

(1) See Revenues by Source (Table IX) for greater detail.

(2) Effective July 1, 2015, the Food Service Fund, in accordance with the State Board of Education Financial Policies and Procedures Handbook, was reclassified and reported as a Special Revenue Fund rather than an Enterprise Fund. Prior fiscal years have not been restated in this table.

Continued on next page

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$	154,301,143	\$ 151,084,387	\$ 151,525,792	\$ 141,239,188	\$ 135,547,025	\$ 130,758,660
	107,650,226	101,245,687	99,353,409	96,692,010	105,355,912	99,711,428
	13,847,421	13,592,823	13,683,806	23,790,808	15,466,426	12,942,044
	<u>275,798,790</u>	<u>265,922,897</u>	<u>264,563,007</u>	<u>261,722,006</u>	<u>256,369,363</u>	<u>243,412,132</u>
	136,724,962	138,325,096	128,565,305	124,625,333	122,795,409	122,316,339
	15,693,239	15,115,703	14,463,459	14,246,425	14,413,254	13,131,796
	17,744,833	16,408,486	15,969,255	15,710,896	15,391,931	13,936,890
	2,781,822	2,650,426	2,614,291	2,672,459	3,020,213	2,838,297
	16,218,202	15,747,993	14,049,089	13,653,091	14,169,142	13,431,064
	2,707,557	2,455,558	2,312,025	2,633,495	2,620,759	2,283,836
	22,501,291	22,041,500	28,954,631	21,458,935	22,553,761	23,537,186
	7,205,599	6,939,291	6,781,484	6,488,231	7,013,415	7,156,700
	10,618,405	8,374,688	11,592,980	9,938,422	7,454,872	9,002,722
	174,862	200,342	233,093	303,011	361,226	595,064
	56,328	139,829	183,739	39,160	48,301	42,612
	418,353	519,052	465,782	475,662	503,201	407,258
	41,784	—	67,861	89,688	103,077	89,599
	1,428,185	1,645,370	3,479,795	378,752	478,237	714,041
	—	—	—	—	—	125,521
	14,023,941	20,201,012	16,997,238	3,425,110	3,752,726	6,342,667
	3,850	362,850	3,600	445,629	38,587	325,719
	11,979,215	12,388,051	12,890,374	11,915,879	10,937,805	10,427,004
	17,805,839	17,079,687	23,577,412	16,876,756	16,262,705	16,410,000
	—	58,764	—	—	—	—
	<u>13,694,681</u>	<u>11,783,210</u>	<u>11,506,662</u>	<u>10,876,836</u>	<u>9,182,166</u>	<u>8,563,579</u>
\$	<u>291,822,948</u>	<u>292,436,908</u>	<u>294,708,075</u>	<u>256,253,770</u>	<u>251,100,787</u>	<u>251,677,894</u>
\$	<u>(16,024,158)</u>	<u>(26,514,011)</u>	<u>(30,145,068)</u>	<u>5,468,236</u>	<u>5,268,576</u>	<u>(8,265,762)</u>

Continued on next page

Table IV
Poudre School District
Changes in Fund Balance, Governmental Funds
(Modified accrual basis of accounting)
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2018	2017	2016	2015
Other financing sources (uses):				
Proceeds from sale of assets	\$ —	\$ 27,606	\$ —	\$ 18,445
Premium on bonds and certificates of participation	—	—	4,416,108	6,210,514
Issuance of bonds	—	—	30,000,000	—
Issuance of refunding bonds and certificates of participation	—	—	—	37,655,000
Payment to escrow agent	—	—	—	(43,573,782)
Transfers in	108,071	143,167	5,618,524	1,213,106
Transfers (out)	(108,071)	(143,167)	(5,618,524)	(1,213,106)
Total other financing sources (uses)	<u>—</u>	<u>27,606</u>	<u>34,416,108</u>	<u>310,177</u>
Net change in fund balance before extraordinary item	23,052,835	(9,428,110)	20,558,160	(19,307,148)
Extraordinary item ⁽³⁾	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total net change in fund balance	<u>\$ 23,052,835</u>	<u>\$ (9,428,110)</u>	<u>\$ 20,558,160</u>	<u>\$ (19,307,148)</u>
Debt service as a percentage of non-capital expenditures	7.87%	11.23%	9.41%	9.22%

⁽³⁾ Fiscal Year 2009 - loss on investment. Fiscal Year 2014 - loss due to expenditures incurred related to flood damage, net of insurance recoveries.

Continued on next page

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$	31,125	\$ 283,545	\$ 19,433	\$ 657,775	\$ 12,657	\$ 16,648
	—	6,212,785	—	—	—	1,779,508
	—	30,000,000	—	60,000,000	—	—
	—	15,975,000	—	—	—	41,770,000
	—	(18,041,132)	—	—	—	(43,232,351)
	1,337,577	1,404,916	1,474,942	1,324,327	4,849,205	1,199,721
	<u>(1,337,577)</u>	<u>(1,404,916)</u>	<u>(1,474,942)</u>	<u>(1,324,327)</u>	<u>(4,849,205)</u>	<u>(1,199,721)</u>
	<u>31,125</u>	<u>34,430,198</u>	<u>19,433</u>	<u>60,657,775</u>	<u>12,657</u>	<u>333,805</u>
	(15,993,033)	7,916,187	(30,125,635)	66,126,011	5,281,233	(7,931,957)
	<u>(187,644)</u>	—	—	—	—	<u>(1,274,077)</u>
\$	<u><u>(16,180,677)</u></u>	<u><u>7,916,187</u></u>	<u><u>(30,125,635)</u></u>	<u><u>66,126,011</u></u>	<u><u>5,281,233</u></u>	<u><u>(9,206,034)</u></u>
	10.72%	10.82%	13.13%	11.39%	11.00%	10.94%

Table V
Poudre School District
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Tax Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2018	\$ 171,652,017	\$ 169,342,057	98.65 %	\$ —	\$ 169,342,057	98.65 %
2017	153,959,402	151,713,220	98.54	1,671,424	153,384,644	99.63
2016	150,037,894	146,893,157	97.90	1,599,145	148,492,302	98.97
2015	130,277,061	128,743,917	98.82	1,192,403	129,936,320	99.74
2014	128,012,376	125,771,498	98.25	1,065,615	126,837,113	99.08
2013	128,277,687	125,753,595	98.03	2,213,908	127,967,503	99.76
2012	122,537,402	119,683,245	97.67	2,163,358	121,846,603	99.44
2011	120,422,776	116,293,034	96.57	3,765,114	120,058,148	99.70
2010	114,783,277	110,873,419	96.59	3,371,236	114,244,655	99.53
2009	111,188,436	106,907,720	96.15	3,274,333	110,182,053	99.09

Taxes Levied for the Fiscal Year represent the net tax generated (gross tax less Downtown Development Authority tax incremental finance portion).

Source: Larimer County Assessor's Office

Table VI
Poudre School District
Property Tax Rates (Mills) - All Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Poudre School District Rates			Overlapping Rates			
	General Fund	Debt Service	Total Direct Rate	Larimer County	Fort Collins	Other Cities and Towns	Other Special Districts
2018	38.683	13.947	52.630	22.092	9.797	41.742	333.536
2017	39.561	13.069	52.630	22.521	9.797	41.951	341.540
2016	39.558	13.072	52.630	21.882	9.797	42.039	333.988
2015	41.569	11.061	52.630	22.459	9.797	42.510	340.243
2014	41.672	11.091	52.763	22.424	9.797	42.590	345.723
2013	42.256	12.430	54.686	22.520	9.797	42.766	335.731
2012	40.861	11.339	52.200	22.472	9.797	42.766	334.989
2011	38.881	12.119	51.000	22.524	9.797	42.766	325.875
2010	35.286	12.703	47.989	22.435	9.797	42.756	323.348
2009	35.384	12.605	47.989	22.395	9.797	42.756	316.979

Source: Larimer County Assessor's Office

Table VII
Poudre School District
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	Vacant Land	State Assessed Utilities	Agriculture
2018	\$ 1,861,372,889	\$ 993,427,637	\$ 351,049,381	\$ 114,564,800	\$ 83,440,166	\$ 17,776,571
2017	1,631,785,926	875,933,933	353,386,543	90,554,368	82,096,300	16,157,049
2016	1,592,050,932	867,828,079	298,049,921	100,571,925	80,292,700	15,608,709
2015	1,352,303,790	748,520,280	274,252,310	84,939,400	76,401,600	13,050,780
2014	1,318,731,350	748,203,440	249,042,560	83,456,660	75,306,200	13,033,350
2013	1,319,008,640	749,681,480	252,080,580	83,298,710	75,306,200	13,030,990
2012	1,272,050,920	737,291,910	219,321,280	89,394,430	69,972,300	12,645,970
2011	1,274,007,290	741,309,410	230,742,710	127,072,140	64,699,340	11,946,770
2010	1,264,091,800	759,926,880	239,382,030	135,568,180	62,977,610	12,439,720
2009	1,231,701,870	704,737,820	244,746,340	134,857,360	60,811,850	13,265,120

Fiscal Year Ended June 30,	Natural Resources	Oil and Gas	Total Taxable Assessed Value	Total Direct Rate⁽¹⁾	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Value
2018	\$ 3,725,980	\$ 860,750	\$ 3,426,218,174	52.630	\$ 31,246,995,539	10.96 %
2017	4,112,318	1,113,811	3,055,140,248	52.630	25,405,291,282	12.03
2016	4,664,800	4,649,858	2,963,716,924	52.630	24,720,953,012	11.99
2015	3,945,160	5,844,660	2,559,257,980	52.630	21,139,024,995	12.11
2014	3,796,540	5,220,255	2,496,790,355	52.763	20,618,814,547	12.11
2013	3,797,240	5,220,255	2,501,424,095	54.686	19,896,867,909	12.57
2012	3,019,590	4,634,488	2,408,330,888	52.200	19,784,732,071	12.17
2011	2,844,750	2,119,840	2,454,742,250	51.000	20,072,516,406	12.23
2010	2,920,340	5,139,708	2,482,446,268	47.989	20,071,509,026	12.37
2009	4,007,900	4,139,524	2,398,267,784	47.989	19,487,920,503	12.31

⁽¹⁾ General fund and bond fund mill levies.

The actual value on residential properties is reappraised every two years in odd-numbered years to coincide with current market value. The assessment rate is also set every two years by the Colorado legislature. Currently nonresidential property is fixed at 29% of actual value and residential property is projected to be 7.2% of actual value.

Source: Larimer County Assessor's Office

**Table VIII
Poudre School District
Principal Property Taxpayers
Current Fiscal Year and Ten Years Prior
(Unaudited)**

<u>Taxpayer</u>	<u>2018</u>			<u>2009</u>		
	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Taxable Assessed Valuation</u>	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Taxable Assessed Valuation</u>
Avago Technologies	\$ 138,020,663	1	4.03 %	\$ 23,004,180	3	0.96 %
Anheuser-Busch, Inc.	72,027,245	2	2.10	94,892,600	1	3.96
Ramco-Gershenson Properties LP	31,691,432	3	0.92	—	—	—
Walton Foothills Holdings	29,222,125	4	0.85	—	—	—
Woodward Governor Company	26,540,750	5	0.77	—	—	—
Public Service Company of Colorado	24,209,118	6	0.71	12,979,230	6	0.54
Qwest Corporation	22,282,879	7	0.65	24,656,600	2	1.03
Amcap Harmony LLC	15,705,327	8	0.46	—	—	—
Hewlett Packard	11,600,000	9	0.34	19,681,070	4	0.82
BNSF Railway Company	10,473,375	10	0.31	—	—	—
New Belgium Brewery	—	—	—	9,411,870	8	0.39
GGP-Foothills LLC	—	—	—	14,738,480	5	0.61
Intel Corporation	—	—	—	9,985,610	7	0.42
F.C. Timberline Development	—	—	—	9,163,940	9	0.38
LSI Logic (formerly Symbios Logic)	—	—	—	9,045,160	10	0.38
Total	<u>\$ 381,772,914</u>		<u>11.14 %</u>	<u>\$ 227,558,740</u>		<u>9.49 %</u>

Percentage of Taxable Assessed Valuation based on Poudre School District 2017 gross assessed valuation of \$3,426,218,174 (for taxes collected in 2018), and 2008 gross assessed valuation of \$2,398,267,784 (for taxes collected in 2009), respectively.

Source: Larimer County Assessor's Office

Table IX
Poudre School District
Revenues by Source, Governmental Funds
(Modified accrual basis of accounting)
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2018	2017	2016	2015
Revenues:				
Local:				
Property taxes	\$ 169,342,057	\$ 151,713,220	\$ 146,893,157	\$ 128,743,917
Specific ownership taxes	15,283,163	13,754,704	11,942,335	11,426,061
Delinquent taxes and penalties and interest on taxes	1,671,424	1,599,145	1,192,403	1,065,615
Interest on investments	821,532	252,373	347,251	240,489
Building and other rental	711,593	378,496	419,357	374,967
Athletic support	180,430	173,147	162,531	130,421
Student fees	891,036	757,394	485,388	438,822
Services to charter schools	667,220	662,820	602,186	532,341
Food service	3,843,431	3,961,046	3,752,541	3,482,090
Indirect and overhead	945,159	1,114,647	1,281,823	226,523
Other	14,892,951	15,000,449	14,026,168	13,886,548
Total local sources	209,249,996	189,367,441	181,105,140	160,547,794
Percent of total revenue provided by local sources	59.64%	57.28%	56.49%	53.48%
Percent change in local source revenue	10.50%	4.56%	12.80%	1.88%
State:				
Equalization	110,915,761	112,176,713	110,657,525	110,698,549
Vocational education	1,170,267	950,941	853,284	822,307
Special education	4,374,030	4,249,374	4,268,796	4,223,447
At-risk funding	117,987	112,882	118,888	—
Transportation	1,730,343	1,611,817	1,749,927	1,716,606
ELPA	887,616	786,420	780,458	793,178
Gifted and talented	275,618	272,070	266,829	262,308
READ Act funding	841,660	825,042	880,511	803,461
Small attendance center	88,185	105,502	88,812	77,740
Charter capital construction	558,079	599,073	544,745	344,680
School nutrition programs	141,841	141,343	136,514	135,829
Other	1,581,920	1,122,181	528,201	671,145
Total state sources	122,683,307	122,953,358	120,874,490	120,549,250
Percent of total revenue provided by state sources	34.97%	37.19%	37.70%	40.15%
Percent change in state source revenue	-0.22%	1.72%	0.27%	11.87%
Federal:				
Medicaid	—	—	—	—
National Forest Reserve Act	99,695	17,810	218,598	—
School nutrition programs	5,181,122	5,111,888	4,897,571	4,842,809
Other	13,614,417	13,160,558	13,498,743	14,289,658
Total federal sources	18,895,234	18,290,256	18,614,912	19,132,467
Percent of total revenue provided by federal sources	5.39%	5.53%	5.81%	6.37%
Percent change in federal source revenue	3.31%	-1.74%	-2.71%	4.83%
Total revenues	\$ 350,828,537	\$ 330,611,055	\$ 320,594,542	\$ 300,229,511

Most of the district's revenue is derived from local property taxes and state equalization. Grants and contributions also account for a large portion of the district's revenue - grants and contributions are shown in the above table as Other Federal Sources.

	2014	2013	2012	2011	2010	2009
\$	125,771,498	\$ 125,753,595	\$ 119,683,245	\$ 116,293,034	\$ 110,709,895	\$ 106,907,720
	10,272,642	8,962,377	8,253,845	7,874,996	8,120,314	8,713,638
	2,213,908	2,163,358	3,765,114	3,371,236	3,437,857	2,734,474
	409,266	7,461	107,822	119,252	70,528	940,554
	329,449	317,431	263,040	234,386	289,486	218,036
	113,856	140,079	149,316	155,151	146,596	140,212
	422,746	395,533	393,897	407,045	343,598	348,443
	445,537	369,152	365,537	380,034	369,749	328,415
	3,231,279	3,041,181	3,287,903	3,405,656	3,238,064	3,039,859
	504,051	467,703	429,445	702,107	602,544	317,623
	13,866,218	12,512,912	18,116,506	11,703,623	11,458,001	10,125,921
	<u>157,580,450</u>	<u>154,130,782</u>	<u>154,815,670</u>	<u>144,646,520</u>	<u>138,786,632</u>	<u>133,814,895</u>
	55.57%	56.37%	56.89%	53.76%	52.78%	53.62%
	2.24%	-0.44%	7.03%	4.22%	3.72%	-1.86%
	99,266,300	94,217,158	92,081,509	89,658,449	98,080,441	92,373,829
	739,717	625,412	646,205	574,597	572,581	687,330
	4,284,015	3,718,717	3,688,982	3,751,521	3,979,252	4,169,861
	—	—	—	—	—	—
	1,738,573	1,616,537	1,609,591	1,634,798	1,766,098	1,600,276
	282,384	266,701	238,756	231,220	213,257	177,046
	254,141	253,784	247,250	241,813	242,022	228,455
	283,762	—	—	—	—	—
	83,753	63,541	64,511	67,739	76,578	82,679
	181,672	146,583	131,099	—	—	—
	112,044	108,073	106,069	99,092	99,046	92,008
	535,909	337,254	645,506	531,873	425,683	391,952
	<u>107,762,270</u>	<u>101,353,760</u>	<u>99,459,478</u>	<u>96,791,102</u>	<u>105,454,958</u>	<u>99,803,436</u>
	38.00%	37.07%	36.55%	35.98%	40.10%	39.99%
	6.32%	1.90%	2.76%	-8.22%	5.66%	8.45%
	—	—	—	18,734	103,696	190,356
	117,567	118,462	128,526	138,421	141,862	16,543
	4,403,769	4,363,909	4,185,960	3,821,203	3,304,712	3,018,044
	13,729,854	13,474,361	13,555,280	23,633,653	15,220,868	12,735,145
	<u>18,251,190</u>	<u>17,956,732</u>	<u>17,869,766</u>	<u>27,612,011</u>	<u>18,771,138</u>	<u>15,960,088</u>
	6.44%	6.57%	6.57%	10.26%	7.14%	6.39%
	1.64%	0.49%	-35.28%	47.10%	17.61%	5.48%
\$	<u>283,593,910</u>	<u>273,441,274</u>	<u>272,144,914</u>	<u>269,049,633</u>	<u>263,012,728</u>	<u>249,578,419</u>

Table X
Poudre School District
Ratios of Debt Outstanding and Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

General Bonded Debt						
Fiscal Year	Gross Bonded Debt Outstanding	Debt Service Resources	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Valuation⁽¹⁾	Net Bonded Debt Per Capita⁽²⁾	Net Bonded Debt Per Student (K-12)⁽²⁾
2018	\$ 167,225,991	\$ 65,427,121	\$ 101,798,870	0.33 %	\$ 470	\$ 3,487
2017	186,830,183	44,478,087	142,352,096	0.56	665	4,947
2016	217,090,995	42,367,073	174,723,922	0.71	831	6,107
2015	204,326,223	34,124,920	170,201,303	0.81	827	6,045
2014	215,727,067	34,094,558	181,632,509	0.88	895	6,589
2013	233,532,906	35,907,610	197,625,296	0.99	993	7,311
2012	220,492,593	35,308,619	185,183,974	0.94	953	6,942
2011	237,045,005	36,492,010	200,552,995	1.00	1,038	7,679
2010	192,966,761	34,955,836	158,010,925	0.79	834	6,171
2009	208,314,466	30,696,262	177,618,204	0.91	939	7,044

Fiscal Year	Other Governmental Activities Debt		Total Primary Government Debt Outstanding⁽³⁾	Percentage of Actual Taxable Valuation⁽¹⁾	Total Debt Per Capita⁽²⁾	Total Debt Per Student (K-12)⁽²⁾	Percentage of Personal Income⁽⁴⁾
	Certificates of Participation	Capital Leases					
2018	\$ —	\$ —	\$ 167,225,991	0.54 %	\$ 772	\$ 5,729	— %
2017	—	—	186,830,183	0.74	872	6,492	1.02
2016	—	—	217,090,995	0.88	1,033	7,588	1.23
2015	—	—	204,326,223	0.97	993	7,257	1.22
2014	—	—	215,727,067	1.05	1,063	7,826	1.53
2013	—	—	233,532,906	1.17	1,173	8,639	1.72
2012	7,025,000	—	227,517,593	1.15	1,171	8,529	1.77
2011	7,025,000	—	244,070,005	1.22	1,264	9,345	2.01
2010	7,980,000	—	200,946,761	1.00	1,060	7,848	1.73
2009	8,895,000	—	217,209,466	1.11	1,149	8,615	1.92

⁽¹⁾ See Table VII for taxable property information.

⁽²⁾ See Table XIII for population and K-12 student enrollment data.

⁽³⁾ Includes general bonded debt and other governmental activities debt.

⁽⁴⁾ See Table XIII for personal income data, data not available for fiscal year 2018.

More detailed information about the district's outstanding long-term debt is presented in the *Notes to Basic Financial Statements* section. The district does not have debt outstanding for business-type activities.

**Table XI
Poudre School District
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)**

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	\$ 3,426,218,174
Debt limit (20% of assessed value)	685,243,635
Debt applicable to limit:	
General obligation bonds	158,235,000
Less debt service funds available	<u>65,427,121</u>
Total net debt applicable to limit	<u>92,807,879</u>
Legal debt margin	<u>\$ 592,435,756</u>

Actual value	\$ 31,246,995,539
Debt limit (6% of actual value)	1,874,819,732
Debt applicable to limit:	
General obligation bonds	158,235,000
Less debt service funds available	<u>65,427,121</u>
Total net debt applicable to limit	<u>92,807,879</u>
Legal debt margin	<u>\$ 1,782,011,853</u>

	Fiscal Year				
	2018	2017	2016	2015	2014
Debt limit on actual valuation	\$ 1,874,819,732	\$ 1,524,317,477	\$ 1,483,257,181	\$ 1,268,341,500	\$ 1,237,128,873
Total net debt applicable to limit	<u>92,807,879</u>	<u>131,366,913</u>	<u>161,587,927</u>	<u>158,767,620</u>	<u>181,632,509</u>
Legal debt margin ⁽¹⁾	<u>\$ 1,782,011,853</u>	<u>\$ 1,392,950,564</u>	<u>\$ 1,321,669,254</u>	<u>\$ 1,109,573,880</u>	<u>\$ 1,055,496,364</u>
Total net debt applicable to limit as a percentage of debt limit	4.95%	8.62%	10.89%	12.52%	14.68%

	Fiscal Year				
	2013	2012	2011	2010	2009
Debt limit on actual valuation	\$ 1,193,812,075	\$ 1,187,083,924	\$ 1,204,350,984	\$ 1,204,350,984	\$ 1,169,275,230
Total net debt applicable to limit	<u>197,625,296</u>	<u>185,183,974</u>	<u>200,552,995</u>	<u>158,010,925</u>	<u>177,618,204</u>
Legal debt margin ⁽¹⁾	<u>\$ 996,186,779</u>	<u>\$ 1,001,899,950</u>	<u>\$ 1,003,797,989</u>	<u>\$ 1,046,340,059</u>	<u>\$ 991,657,026</u>
Total net debt applicable to limit as a percentage of debt limit	15.60%	16.65%	13.12%	15.19%	15.19%

⁽¹⁾ Under Colorado Revised Statute 22-42-104, a school district shall have a limit of bonded indebtedness of the greater of the following:

^(a) twenty percent of the latest valuation for assessment of the taxable property in such district, as certified by the county assessor to the Board of County Commissioners; or twenty-five percent of the latest valuation of assessment of the taxable property in such district if the funded pupil count for the preceding three fiscal years has increased by a minimum of two and one-half percent each year. (See Table XIII for funded pupil count information.)

^(b) six percent of the most recent determination of the actual value of taxable property in the district, as certified by the county assessor to the Board of County Commissioners.

Table XII
Poudre School District
Direct and Overlapping Governmental Activities Debt
As of June 30, 2018
(Unaudited)

<u>Taxing District</u>	<u>Debt Outstanding⁽¹⁾</u>	<u>Estimated Percentage Applicable to the District⁽²⁾</u>	<u>Estimated Share of Overlapping Debt Outstanding</u>
City of Fort Collins	\$ 46,982,000	100.00 %	\$ 46,982,000
Mall Metro District	72,950,000	100.00	72,950,000
Harmony Tech Park No. 2	10,930,000	100.00	10,930,000
Northern Colorado Water Conservancy	3,511,645	62.68	2,201,099
Smithfield Public Improvement District No. 60	2,290,000	100.00	2,290,000
South Timnath Metropolitan District No. 1	14,805,225	100.00	14,805,225
Town of Wellington	450,915	100.00	450,915
Windsor Highlands Metro District No. 4	8,854,282	2.00	177,086
Windsor-Severance Fire Protection District	2,065,000	5.06	104,489
Total overlapping debt	<u>162,839,067</u>		<u>150,890,814</u>
Poudre School District direct debt	167,225,991	100.00 %	<u>167,225,991</u>
Total direct and overlapping debt			<u>\$ 318,116,805</u>

⁽¹⁾ Includes only general obligation debt supported by general property taxes.

⁽²⁾ Determined by ratio of assessed valuation of taxable property within Poudre School District to assessed valuation of the overlapping unit.

Source: Larimer County Assessor's Office and individual taxing entities.

**Table XIII
Poudre School District
Demographic Information
Last Ten Fiscal Years
(Unaudited)**

Year	Larimer County			Poudre School District					
	Total Personal Income ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Unemployment Rate ⁽¹⁾	Estimated Population ⁽²⁾	School Enrollment (K-12) ⁽³⁾	Increase in School Enrollment	Funded Pupil Count ⁽³⁾	Increase/Decrease in Funded Pupil Count	Cost Per Student ⁽⁴⁾
2018	\$ —	\$ —	2.6%	216,705	29,190	1.43%	28,354.7	1.19%	\$ 10,492
2017	18,401,684,072	53,497	2.1%	214,196	28,778	0.58%	28,021.4	0.40%	10,406
2016	17,699,695,587	52,059	3.1%	210,154	28,611	1.62%	27,909.0	1.71%	10,232
2015	15,116,879,000	45,318	3.8%	205,886	28,156	2.15%	27,438.8	2.20%	10,141
2014	14,126,667,000	43,584	4.2%	202,918	27,564	1.97%	26,849.1	1.91%	9,237
2013	13,545,018,000	42,866	6.2%	199,100	27,032	1.34%	26,345.5	1.28%	9,199
2012	12,826,581,000	41,311	6.7%	194,317	26,675	2.13%	26,012.7	2.03%	9,277
2011	12,149,896,000	39,767	6.9%	193,167	26,118	2.00%	25,496.0	2.14%	8,770
2010	11,585,090,000	38,546	7.3%	189,507	25,605	1.55%	24,960.6	1.51%	8,818
2009	11,291,870,000	37,844	7.0%	189,077	25,214	1.03%	24,590.0	1.67%	8,886

⁽¹⁾ Personal income information and the unemployment rate are not available for the population within the boundaries of Poudre School District. The district is located in Larimer County and primarily in Fort Collins, CO. The Unemployment Rate data is for Fort Collins, CO and comes from the Bureau of Labor Statistics.

Personal income information and Per Capita Personal Income was obtained from regional data from the Larimer County 2017 Consolidated Annual Financial Report.

⁽²⁾ Estimated population is based on the ratio of Poudre School District population to Larimer County population as determined by the 2000 census.

⁽³⁾ Includes charter schools.

⁽⁴⁾ Based on operating expenditures (total expenditures less debt service and capital outlay).

Sources: U.S. Bureau of Economic Analysis (total and per capita personal income) and Larimer County (unemployment rate and estimated population).

Table XIV
Poudre School District
Major Employers
Current Fiscal Year and Ten Years Ago
(Unaudited)

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Estimated Population⁽¹⁾</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Estimated Population⁽¹⁾</u>
Colorado State University	7,829	1	3.61 %	6,948	1	3.78 %
University of Colorado Health ⁽¹⁾	3,600	2	1.66	3,020	4	1.64
Poudre School District	3,378	3	1.56	3,673	2	2.00
City of Fort Collins	1,992	4	0.92	1,864	6	1.01
Larimer County	1,855	5	0.86	1,467	7	0.80
Avago Technologies/Broadcom Ltd.	1,244	6	0.57	—		—
Woodward, Inc.	1,201	7	0.55	—		—
Employment Solutions Personnel	868	8	0.40	—		—
Otter Products, LLC	826	9	0.38	—		—
Department of Agriculture	789	10	0.36	—		—
Hewlett-Packard	—		—	3,182	3	1.73
Walmart Super Center	—		—	909	8	0.49
Advanced Energy	—		—	825	9	0.45
Agilent Technologies	—		—	2,800	5	1.52
Anheuser Busch	—		—	760	10	0.41
Total	<u>23,582</u>		<u>10.87 %</u>	<u>25,448</u>		<u>13.83 %</u>

⁽¹⁾University of Colorado Health (UCHealth) acquired Poudre Valley Health System.

Estimated population is based on the ratio of Poudre School District population to Larimer County population from Larimer County estimated county population. Sources include Larimer County's FY 2017 CAFR, the City of Fort Collins' FY 2017 CAFR and information collected directly from area employers.

Table XV
Poudre School District
Building Statistics
Last Ten Fiscal Years
(Unaudited)

School/Location	Service Start Date	Fiscal Year									
		2018 As of October 2017	2017 As of October 2016	2016 As of October 2015	2015 As of October 2014	2014 As of October 2013	2013 As of October 2012	2012 As of October 2011	2011 As of October 2010	2010 As of October 2009	2009 As of October 2008
Elementary Schools											
Bacon	2003										
Square Footage		65,299	65,299	65,299	65,299	65,299	65,299	65,299	65,299	65,299	65,299
Enrollment		500	525	524	519	503	519	519	474	433	485
Bauder	1968										
Square Footage		63,156	63,156	63,156	63,156	63,156	63,156	63,156	63,156	63,156	63,156
Enrollment		501	494	496	520	535	539	539	546	322	368
Beattie	1972										
Square Footage		45,655	45,655	45,655	45,655	45,655	45,655	45,655	45,655	45,655	45,655
Enrollment		276	303	294	280	282	288	288	292	289	358
Bennett	1963										
Square Footage		50,492	50,492	50,492	50,492	50,492	50,492	50,492	50,492	50,492	50,492
Enrollment		485	496	494	509	492	478	478	468	454	485
Bethke	2008										
Square Footage		62,691	62,691	62,691	62,691	62,691	62,691	62,691	62,691	62,691	62,691
Enrollment		633	616	590	569	543	435	435	363	323	277
Cache La Poudre	1963										
Square Footage		53,993	53,993	53,993	53,993	53,993	53,993	53,993	53,993	53,993	53,993
Enrollment		317	313	313	293	314	313	313	288	296	366
Dunn	1949										
Square Footage		45,957	45,957	45,957	45,957	45,957	45,957	45,957	45,957	45,957	45,957
Enrollment		413	398	410	410	415	400	400	408	411	451
Eyestone	1973										
Square Footage		62,708	62,708	62,708	62,708	62,708	62,708	62,708	62,708	62,708	62,708
Enrollment		587	562	506	494	443	463	463	458	501	541
Harris Bilingual	1919										
Square Footage		38,599	38,599	38,599	38,599	38,599	38,599	38,599	38,599	38,599	38,599
Enrollment		297	290	296	296	289	288	288	291	300	351
Irish	1968										
Square Footage		52,291	52,291	52,291	52,291	52,291	52,291	52,291	52,291	52,291	52,291
Enrollment		322	337	325	309	305	326	326	321	337	348
Johnson	1988										
Square Footage		56,396	56,396	56,396	56,396	56,396	56,396	56,396	56,396	56,396	56,396
Enrollment		388	401	405	419	413	454	454	452	480	502
Kruse	1992										
Square Footage		51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384
Enrollment		488	496	520	524	524	517	517	498	468	534
Lab School (Washington) ⁽¹⁾	1919										
Square Footage		—	—	—	—	—	—	—	—	18,018	18,018
Enrollment		—	—	—	—	—	—	—	—	113	122
Laurel	1993										
Square Footage		51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384
Enrollment		448	445	436	423	421	406	406	382	355	400
Linton	1989										
Square Footage		51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384
Enrollment		406	430	449	446	420	439	439	447	416	500
Livermore	1953										
Square Footage		11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292	11,292
Enrollment		30	35	41	44	42	42	42	43	44	68
Lopez	1986										
Square Footage		57,639	57,639	57,639	57,639	57,639	57,639	57,639	57,639	57,639	57,639
Enrollment		375	381	393	411	404	382	382	372	371	450
McGraw	1992										
Square Footage		51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384
Enrollment		421	441	452	473	475	466	466	494	462	524
O'Dea	1964										
Square Footage		48,018	48,018	48,018	48,018	48,018	48,018	48,018	48,018	48,018	48,018
Enrollment		465	446	459	424	412	382	382	336	327	395
Olander	1990										
Square Footage		51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384	51,384
Enrollment		409	429	430	431	427	419	419	367	348	382
Polaris (Moore) ⁽²⁾	1956										
Square Footage		51,670	51,670	51,670	51,670	51,670	51,670	51,670	51,670	51,670	51,670
Enrollment		403	399	278	—	—	—	—	—	223	258

Continued on next page

Table XV
Poudre School District
Building Statistics
Last Ten Fiscal Years
(Unaudited)

School/Location	Service Start Date	Fiscal Year									
		2018 As of October 2017	2017 As of October 2016	2016 As of October 2015	2015 As of October 2014	2014 As of October 2013	2013 As of October 2012	2012 As of October 2011	2011 As of October 2010	2010 As of October 2009	2009 As of October 2008
Putnam	1956										
Square Footage		59,101	59,101	59,101	59,101	59,101	59,101	59,101	59,101	59,101	59,101
Enrollment		297	279	329	317	318	332	332	356	322	368
Red Feather	1985										
Square Footage		9,001	9,001	9,001	9,001	9,001	9,001	9,001	9,001	9,001	9,001
Enrollment		38	46	41	36	27	27	27	31	35	34
Rice	2007										
Square Footage		62,691	62,691	62,691	62,691	62,691	62,691	62,691	62,691	62,691	62,691
Enrollment		458	461	444	439	400	373	373	347	329	316
Riffenburgh	1968										
Square Footage		48,433	48,433	48,433	48,433	48,433	48,433	48,433	48,433	48,433	48,433
Enrollment		542	491	470	425	373	313	313	272	290	336
Shepardson	1978										
Square Footage		50,516	50,516	50,516	50,516	50,516	50,516	50,516	50,516	50,516	50,516
Enrollment		406	385	387	364	351	347	347	342	328	403
Stove Prairie	1896										
Square Footage		7,849	7,849	7,849	7,849	7,849	7,849	7,849	7,849	7,849	7,849
Enrollment		36	39	49	43	46	46	46	51	40	51
Tavelli	1968										
Square Footage		62,537	62,537	62,537	62,537	62,537	62,537	62,537	62,537	62,537	62,537
Enrollment		589	579	595	582	550	520	520	540	537	637
Timnath	1919										
Square Footage		66,232	66,232	66,232	66,232	66,232	66,232	66,232	66,232	66,232	66,232
Enrollment		343	350	302	305	299	300	300	303	320	427
Traut	1998										
Square Footage		50,871	50,871	50,871	50,871	50,871	50,871	50,871	50,871	50,871	50,871
Enrollment		448	447	451	451	449	453	453	468	468	525
Werner	1987										
Square Footage		50,300	50,300	50,300	50,300	50,300	50,300	50,300	50,300	50,300	50,300
Enrollment		528	489	538	541	555	560	560	502	462	512
Zach	2002										
Square Footage		63,092	63,092	63,092	63,092	63,092	63,092	63,092	63,092	63,092	63,092
Enrollment		604	602	638	666	641	609	609	607	609	621
Middle Schools											
Blevins	1968										
Square Footage		104,635	104,635	104,635	104,635	104,635	104,635	104,635	104,635	104,635	104,635
Enrollment		652	583	598	557	545	511	511	526	551	551
Boltz	1972										
Square Footage		85,120	85,120	85,120	85,120	85,120	85,120	85,120	85,120	85,120	85,120
Enrollment		591	590	580	623	614	570	570	592	641	636
Cache La Poudre	1949										
Square Footage		73,913	73,913	73,913	73,913	73,913	73,913	73,913	73,913	73,913	73,913
Enrollment		323	303	324	301	304	329	329	346	365	380
Kinard	2006										
Square Footage		112,735	112,735	112,735	112,735	112,735	112,735	112,735	112,735	112,735	112,735
Enrollment		813	806	822	807	774	761	761	781	800	856
Leshner	1960										
Square Footage		93,686	93,686	93,686	93,686	93,686	93,686	93,686	93,686	93,686	93,686
Enrollment		761	769	754	766	733	693	693	683	667	613
Lincoln	1974										
Square Footage		100,660	100,660	100,660	100,660	100,660	100,660	100,660	100,660	100,660	100,660
Enrollment		568	532	548	504	488	506	506	478	436	409
Preston	1994										
Square Footage		127,966	127,966	127,966	127,966	127,966	127,966	127,966	127,966	127,966	127,966
Enrollment		1,146	1,154	1,095	1,113	1,058	889	889	753	746	775
Webber	1990										
Square Footage		122,787	122,787	122,787	122,787	122,787	122,787	122,787	122,787	122,787	122,787
Enrollment		809	814	786	804	799	762	762	761	795	831
Wellington	1925										
Square Footage		59,556	59,556	59,556	59,556	59,556	59,556	59,556	59,556	59,556	59,556
Enrollment		552	507	461	450	423	385	385	360	345	380

Continued on next page

Table XV
Poudre School District
Building Statistics
Last Ten Fiscal Years
(Unaudited)

School/Location	Service Start Date	Fiscal Year									
		2018 As of October 2017	2017 As of October 2016	2016 As of October 2015	2015 As of October 2014	2014 As of October 2013	2013 As of October 2012	2012 As of October 2011	2011 As of October 2010	2010 As of October 2009	2009 As of October 2008
Senior High Schools											
Centennial	1907										
Square Footage		39,967	39,967	39,967	39,967	39,967	39,967	39,967	39,967	39,967	39,967
Enrollment		129	150	150	132	139	146	146	150	147	146
Fort Collins	1995										
Square Footage		286,552	286,552	286,552	286,552	286,552	286,552	286,552	286,552	286,552	286,552
Enrollment		1,788	1,687	1,621	1,599	1,499	1,655	1,655	1,661	1,727	1,137
Fossil Ridge	2004										
Square Footage		296,375	296,375	296,375	296,375	296,375	296,375	296,375	296,375	296,375	296,375
Enrollment		1,995	1,956	1,970	1,930	2,085	1,959	1,959	1,912	1,746	1,201
Poudre	1962										
Square Footage		274,263	274,263	274,263	274,263	274,263	274,263	274,263	274,263	274,263	274,263
Enrollment		1,805	1,781	1,840	1,727	1,756	1,798	1,798	1,833	1,899	1,672
Rocky Mountain	1973										
Square Footage		291,858	291,858	291,858	291,858	291,858	291,858	291,858	291,858	291,858	291,858
Enrollment		1,979	1,981	1,972	1,954	1,935	1,962	1,962	2,001	2,093	1,681
Other Locations											
Barton (Early Childhood)	1957										
Square Footage		30,530	30,530	30,530	30,530	30,530	30,530	30,530	30,530	30,530	30,530
Fullana Learning Center	1975										
Square Footage		24,109	24,109	24,109	24,109	24,109	24,109	24,109	24,109	24,109	24,109
Mountain View / PCA	1906										
Square Footage		22,434	22,434	22,434	22,434	22,434	22,434	22,434	22,434	22,434	22,434
Other District Structures (on and off campus)	N/A										
Square Footage ⁽³⁾		302,361	302,361	302,361	302,361	302,361	302,361	304,544	303,144	303,144	303,144

⁽¹⁾ The Washington (Lab) School was sold in 2011.

⁽²⁾ Moore Elementary was closed in 2011 and became Polaris Expeditary Learning School.

⁽³⁾ Cooper Home was sold in 2013, a reduction of 2,183 square feet.

Changes in square footage are the result of modular additions or permanent additions to buildings.

Enrollment data as of October, since actual student count (enrollment) occurs on October 1.

Source: Poudre School District Operations Department (square footage and service start date).

Table XVI
Poudre School District
Full-Time Equivalent District Employees
Last Ten Fiscal Years
(Unaudited)

Function	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Instruction	2,053.49	2,027.82	2,049.25	2,003.09	1,932.78	1,920.83	1,858.68	1,779.39	1,858.25	1,870.02
Support Services:										
Students	303.83	279.61	274.81	266.96	257.28	254.72	245.10	233.57	242.61	226.53
Instructional Staff	195.95	216.23	222.32	221.34	206.98	208.15	200.54	196.00	207.71	199.39
General Administration	11.00	9.00	7.00	14.12	14.00	13.00	11.50	11.50	13.81	14.81
School Administration	227.41	226.67	208.47	211.48	195.89	200.04	181.02	176.15	183.52	180.04
Business Services	32.50	32.32	31.32	30.31	27.01	27.51	26.91	27.16	31.02	31.28
Operations and Maintenance	226.42	223.39	228.38	229.27	227.39	229.27	227.14	227.82	238.07	243.99
Transportation	154.52	150.69	151.79	147.24	146.29	145.16	147.16	139.54	154.20	158.30
Central	60.86	59.67	58.48	58.87	52.13	49.55	46.30	43.28	44.78	52.40
Other	2.00	15.48	15.05	4.80	4.17	4.92	5.48	5.73	7.24	10.99
Food Service Operations	107.22	110.12	109.92	107.15	105.04	101.66	96.67	98.80	99.79	106.25
Community Services	2.80	2.80	3.50	3.50	3.50	3.50	3.50	3.50	3.86	3.86
Property	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50	4.00
Total	3,378.00	3,354.80	3,361.29	3,299.13	3,173.46	3,159.31	3,051.00	2,943.44	3,086.36	3,101.86

A Full-time Equivalent (FTE) is considered to be an employee who is assigned 8 hours per day for the respective position's calendar. For example, a teacher working 8 hours per day on a 186 day calendar is considered 1.0 FTE. An Instructional Para Professional working 8 hours per day on a 185 day calendar is also considered 1.0 FTE.

Source: Poudre School District Human Resources

**Table XVII
Poudre School District
Certified Staff Data
June 30, 2018
(Unaudited)**

All staff that instruct, direct, or supervise instruction are required to possess a valid Colorado teaching certificate or license. To obtain a certificate or license, an individual must apply to the Colorado Department of Education and meet all the requirements for a teaching license or administrative license. The requirements for each license endorsement are determined by Colorado Revised Statutes and Colorado Department of Education Regulations. The district's contract with certified employees is conditional upon the staff having in full force and effect a valid Colorado teaching certificate or license at all times during the term of the contract.

Colorado certificate or license requirements include:

- Appropriate degree from an accredited college.
- Completion of an approved educator preparation program or participation in an approved alternative Licensure Program.
- Demonstrated competencies in basic skills, liberal arts, subject area, and pedagogy as determined by accepted content exams.
- Background check based on fingerprints.
- Ongoing professional development for professional license renewal. Professional Development is not required for initial license renewal

Poudre School District's current certified staff averages 12.51 years in-district experience with the following educational level distribution:

Bachelor's Degree	Master's Degree	Doctorate Degree
32.1%	66.2%	1.7%

Funded pupil count per instructional staff was 12.04 for the 2017-18 school year. Certified staffing positions represent 1.000 FTE for a full-time, school year employee, including classroom teachers, counselors, media specialists, etc. On average, certified compensation at 1.000 FTE was approximately \$74,936.

Table XVIII
Poudre School District
Free and Reduced Student Lunch Participation by School
(Unaudited)

School	Enrollment ¹	Free Participation	Percent of Enrollment on Free	Reduced Participation	Percent of Enrollment on Reduced	Percent of Enrollment on Free and Reduced
High School						
Fort Collins	1,796	470	26.17%	116	6.46%	32.63%
Fossil Ridge	2,003	140	6.99%	41	2.05%	9.04%
Poudre	1,821	572	31.41%	155	8.51%	39.92%
Rocky Mountain	2,033	414	20.36%	184	9.05%	29.41%
Total	7,653	1,596	20.85%	496	6.48%	27.33%
Middle School						
Blevins	652	233	35.74%	59	9.05%	44.79%
Boltz	591	185	31.30%	61	10.32%	41.62%
Cache La Poudre	323	76	23.53%	36	11.15%	34.68%
Kinard	813	50	6.15%	20	2.46%	8.61%
Leshar	761	229	30.09%	59	7.75%	37.84%
Lincoln	568	354	62.32%	48	8.45%	70.77%
Preston	1,146	97	8.46%	46	4.01%	12.47%
Webber	809	153	18.91%	63	7.79%	26.70%
Wellington	552	145	26.27%	52	9.42%	35.69%
Total	6,215	1,522	24.49%	444	7.14%	31.63%
Elementary						
Bacon	500	70	14.00%	29	5.80%	19.80%
Bauder	501	257	51.30%	55	10.98%	62.28%
Beattie	276	106	38.41%	28	10.14%	48.55%
Bennett	485	121	24.95%	42	8.66%	33.61%
Bethke	633	20	3.16%	5	0.79%	3.95%
Cache La Poudre	317	94	29.65%	17	5.36%	35.01%
Dunn	413	80	19.37%	20	4.84%	24.21%
Eyestone	587	167	28.45%	61	10.39%	38.84%
Harris Bilingual	297	134	45.12%	37	12.46%	57.58%
Irish	322	208	64.60%	34	10.56%	75.16%
Johnson	388	72	18.56%	20	5.15%	23.71%
Kruse	488	110	22.54%	35	7.17%	29.71%
Laurel	448	226	50.45%	29	6.47%	56.92%
Linton	406	198	48.77%	27	6.65%	55.42%
Livermore	30	0	0.00%	0	0.00%	0.00%
Lopez	375	102	27.20%	44	11.73%	38.93%
McGraw	421	68	16.15%	18	4.28%	20.43%
O'Dea	465	171	36.77%	46	9.89%	46.66%
Olander	409	125	30.56%	21	5.13%	35.69%
Putnam	297	241	81.14%	22	7.41%	88.55%
Red Feather	38	0	0.00%	0	0.00%	0.00%
Rice	458	98	21.40%	33	7.21%	28.61%
Riffenburgh	542	123	22.69%	44	8.12%	30.81%
Shepardson	406	67	16.50%	19	4.68%	21.18%
Stove Prairie	36	0	0.00%	0	0.00%	0.00%
Tavelli	589	196	33.28%	51	8.66%	41.94%
Timnath	343	100	29.15%	21	6.12%	35.27%
Traut Core Knowledge	448	32	7.14%	19	4.24%	11.38%
Werner	528	70	13.26%	22	4.17%	17.43%
Zach	604	29	4.80%	8	1.32%	6.12%
Total	12,050	3,285	27.26%	807	6.70%	33.96%
Alternative						
Centennial	131	44	33.59%	13	9.92%	43.51%
Polaris	411	81	19.71%	35	8.52%	28.23%
Poudre Community Academy	150	80	53.33%	23	15.33%	68.66%
Poudre Global Academy	211	46	21.80%	13	6.16%	27.96%
PSD Options	145	29	20.00%	8	5.52%	25.52%
Total	1,048	280	26.72%	92	8.78%	35.50%
Grand Total	26,966	6,683	24.78%	1,839	6.82%	31.60%

¹ Enrollment is from the Colorado Department of Education 2017-2018 K-12 Pupil Membership Free and Reduced Eligibility by School Report. Charter schools and Preschools are not included.

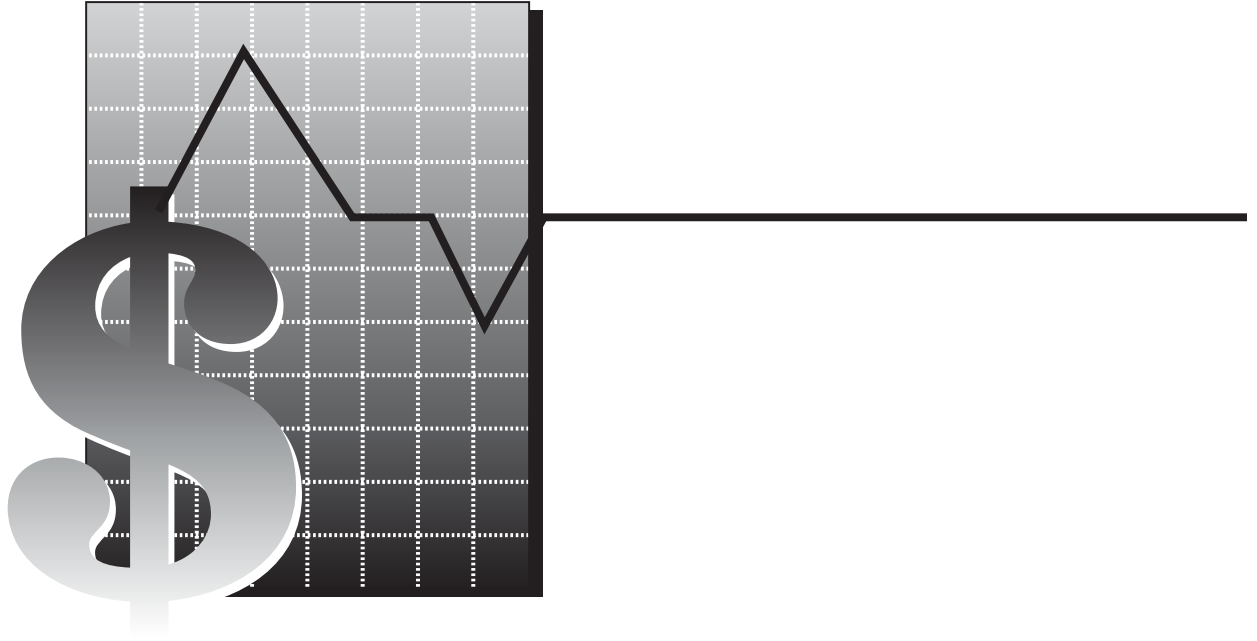
Source: Colorado Department of Education



Colorado State Mandated Schedule Section

Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures

The District is required to transmit financial data electronically to the Colorado Department of Education. To ensure data accuracy, it is mandated that this report be included in the Comprehensive Annual Financial Report and that it be verified by independent auditors specifically trained in state coding requirements.



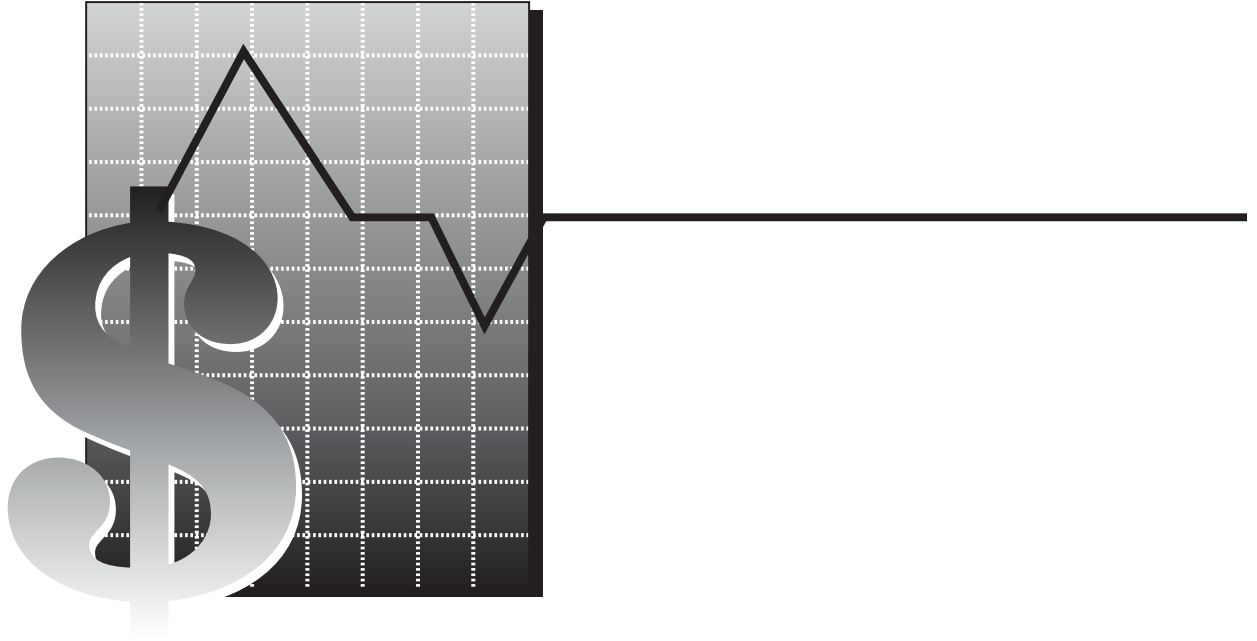


Colorado Department of Education
Auditors Integrity Report
 District: 1550 - POUDRE R-1
 Fiscal Year 2017-18
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	43,214,140	257,375,916	251,079,818	49,510,238
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	43,214,140	257,375,916	251,079,818	49,510,238
11 Charter School Fund	4,686,881	19,711,756	18,872,943	5,525,695
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
21 Food Service Spec Revenue Fund	1,464,685	9,248,321	9,246,015	1,466,990
22 Govt Designated-Purpose Grants Fund	0	14,482,127	14,446,600	35,527
23 Pupil Activity Special Revenue Fund	4,047,567	7,826,320	7,631,612	4,242,276
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	44,477,792	46,325,824	25,411,180	65,392,435
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	14,771,761	181,152	4,571,600	10,381,313
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	112,662,826	355,151,416	331,259,768	136,554,474
Proprietary				
50 Other Enterprise Funds	1,789,647	216,159	185,783	1,820,023
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	8,714,459	9,211,686	12,003,040	5,923,105
Totals	10,504,106	9,427,845	12,188,823	7,743,128
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	249,949	60,093	71,128	238,913
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	249,949	60,093	71,128	238,913

FINAL



Mission

Educate...

Every Child, Every Day

Vision

Poudre School District
exists to support and
inspire every child
to think, to learn, to
care, and to graduate
prepared to be successful
in a changing world.



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