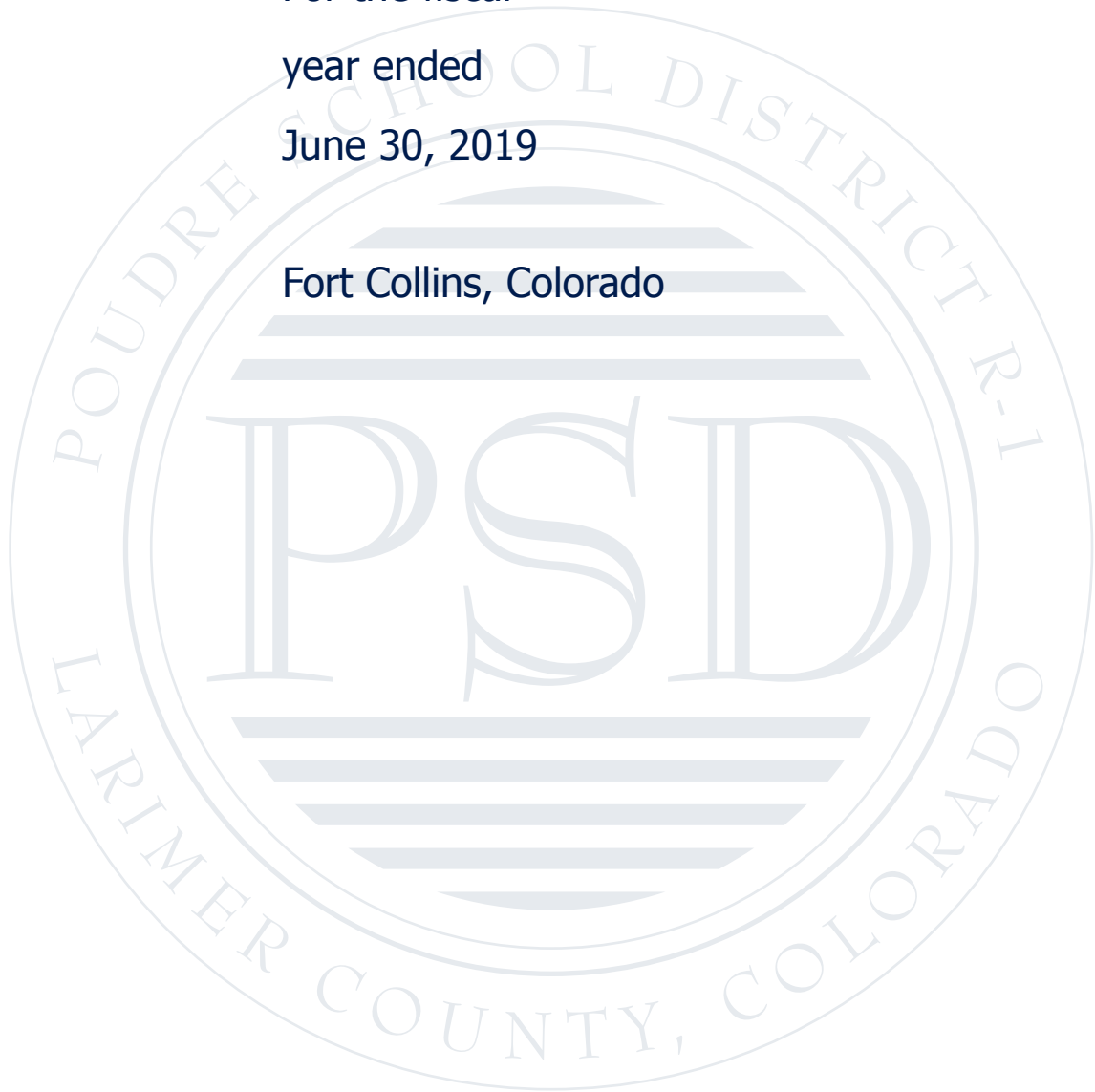




Comprehensive Annual **Financial Report** **2019**

For the fiscal
year ended
June 30, 2019

Fort Collins, Colorado





Poudre School District, Fort Collins, Colorado

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2019

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

Published December 10, 2019

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For the Fiscal Year Ended June 30, 2019
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Introductory Section



POUDRE SCHOOL DISTRICT



December 10, 2019

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, 2019.

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, 2019, 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, 2019, 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, 2019.

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 53 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 5 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 1.4%; K-12 enrollment was 29,686 (including charter schools) for the 2018-19 school year and is projected to increase another 1.0% to approximately 29,980 students. Approximately 12,500 of these students were transported by the District's bus services each day, and an estimated 10,700 students per day ate the regular school lunch provided by the District's food services. The District employed approximately 3,493 full-time equivalent units. Teachers average 13 years' experience and 70 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 five charter schools (Liberty Common School, Ridgeview Classical Schools, Mountain Sage Community School, Fort Collins Montessori School and Compass Community Collaborative School). 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 2018-19 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 eleven National Merit Scholar Finalists, four Boettcher Scholars, three Daniels Fund Scholars, and one National Hispanic Scholar.
- District-wide averages for students who met or exceeded expectations on standardized tests such as CMAS, PSAT, and SAT remain well ahead of state averages.
- Dropout rate was 1.0% in 2017-18, considerably less than the state average of 2.2%.
- The graduation rate was 84% for 2017-18, exceeding the statewide average of 80.7%.
- High school students consistently perform higher than students statewide on college entrance exams. 9th through 11th graders take the PSAT, while 12th graders take the SAT. 2018-19 testing shows that all grade levels continue to test well above the state average and a high percentage of PSD students are on track for college success.
- Numerous students across the District were awarded local, regional, state or national recognition.
- 18 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:

- While over 90% of PSD schools are accredited with Performance Plans, improvement strategies for schools and student sub-groups needing improvement are included in each school's Unified Improvement 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 over a decade, 2019 has seen continued expansion of the U.S. and Colorado economies. So far, in 2019, the U.S. is in the longest economic expansion in history, although the current expansion has been weaker than those of the past. Still, most leading economic indicators continue to point towards economic growth in the coming year. However, this growth is anticipated to moderate as a tight labor market, tariff concerns, and continued global economic uncertainty continue to lower business confidence. Even with these challenges, moderate economic growth is expected to continue into the short term, although concerns are mounting about downside risks in the future.

As in prior years, economic growth in Colorado continues to be among the strongest in the nation. Additionally, Colorado continues to have employment growth in most regions and across most industries. Even though oil and gas prices have remained relatively stable, the industry continues to be a major factor in Colorado's economy as well. Also, wage growth continues to outpace inflation, although some signs point to these changes in personal income as being consistent with an economy at the end of an expansion. While Colorado continues to have unemployment near historic lows, the tightening of the labor market and continued housing market concerns are 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, it continues to have a major economic impact on the area. As in previous years, the region continues to add jobs while having a low unemployment rate. These dynamics however, have led to a continued tight 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 2019-20. 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 statewide. Between fiscal year 2014-15 and 2019-20, 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 2019-20, the total Budget Stabilization factor statewide is \$572 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.

Due to continued uncertainty around K-12 funding in Colorado, 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 has a long history of good financial standing and is poised to continue that trend into the future.

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 is typically updated every 7 to 10 years, with minor adjustments being made in the interim. The current master plan was approved by the Board of Education in 2016 and calls for a new elementary school, two new 6-12 grade combination schools, an athletic complex, a transportation facility, and numerous deferred maintenance projects at District facilities.

In November 2016, voters approved a \$375 million bond package to finance these projects and improvements. When completed, these items should sustain the District until the next long-range plan is developed. After a two-year delay, the District sold the bonds in September 2018. Currently, the District is working on completing the projects authorized by this election.

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, 2018. This was the 21st 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 22nd 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, 2018

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, 2018.

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

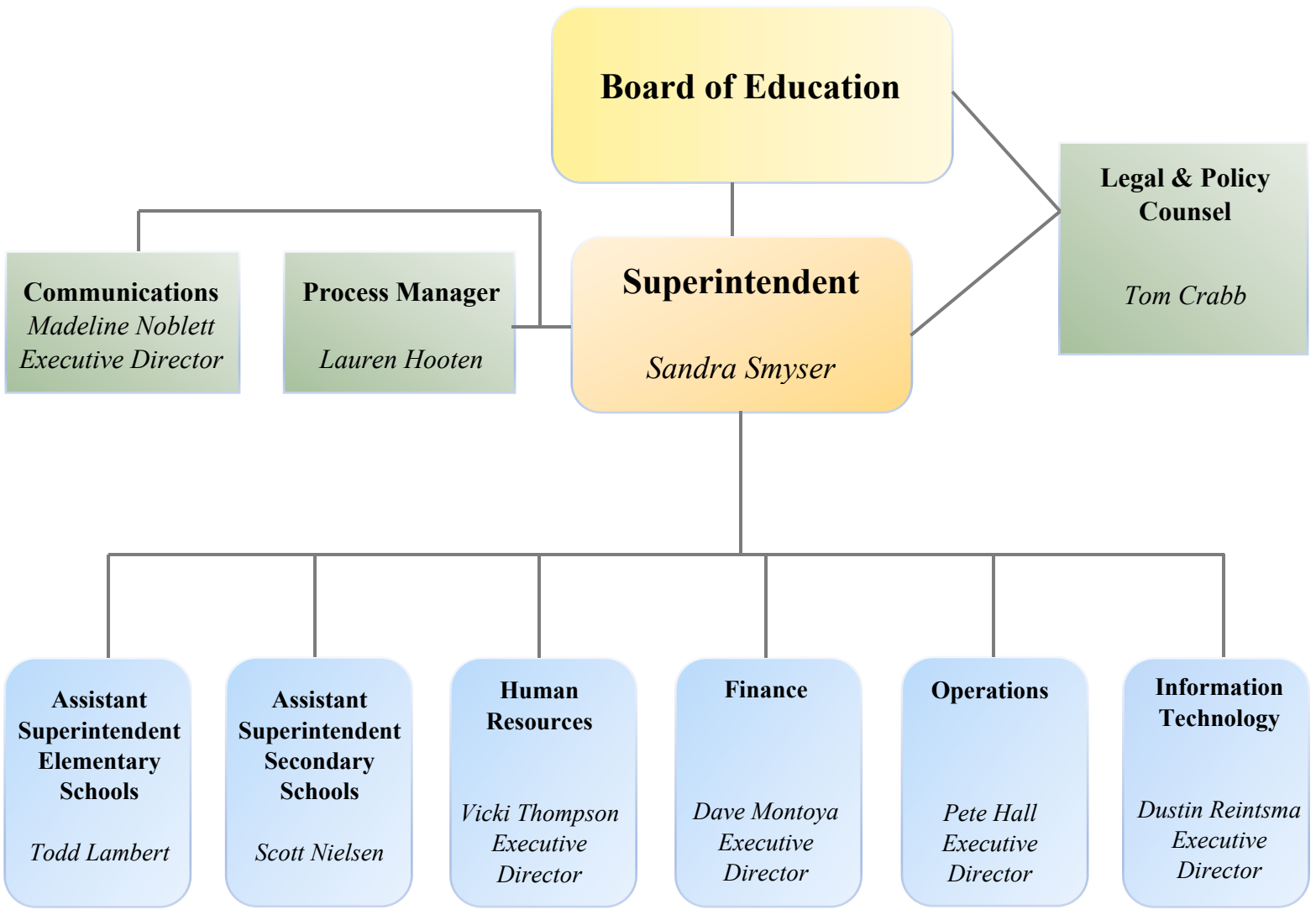
Tom Wohlleber, CSR
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer

Poudre School District Organizational Chart

2018-2019 School Year



**Poudre School District
List of Elected and Appointed Officials
June 30, 2019**

Elected Officials - Board of Education

Term Expires

President	Christophe Febvre	2021
Vice President	Rob Petterson	2019
Director	Kristen Draper	2021
Director	Nate Donovan	2019
Director	DJ Anderson	2019 (Appointed)
Director	Naomi Johnson	2019 (Appointed)
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
Executive Director of Communications	Madeline Noblett
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



POUDRE SCHOOL DISTRICT



Financial Section



POUDRE SCHOOL DISTRICT



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, 2019, 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, Fort Collins Montessori School, and Compass Community Collaborative School which represent 66 percent, 3 percent, 1 percent, and 4 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, Fort Collins Montessori School, Compass Community Collaborative 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, Fort Collins Montessori School and Compass Community Collaborative 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, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 15-25, the analysis and budgetary comparison information on pages 78-83, the District's proportionate share of the net pension liability and schedule of employer contributions on pages 84-85, and the District's proportionate share of the net OPEB liability and schedule of employer contributions on pages 86-87 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 10, 2019 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 results 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 10, 2019



POUDRE SCHOOL DISTRICT



Management's Discussion and Analysis



POUDRE SCHOOL DISTRICT

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019**

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, 2019. 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 increased \$85.5 million to a deficit of \$583.0 million, which represents a 12.8% increase from the prior year. This increase is primarily due to the statutory requirement that the State of Colorado make an annual direct distribution to the Public Employees' Retirement Association (PERA) starting July 1, 2018. The amount of the distribution allocated to the School Division Trust Fund for 2018 was \$126.5 million which resulted in a decrease in the District's net pension liability.
- General revenues, primarily property taxes and state equalization, accounted for \$317.7 million in revenue or 81.9% 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 \$70.0 million or 18.1% of total current fiscal year revenues.
- Among major funds, the General Fund had \$301.0 million in current fiscal year revenues, which primarily consisted of property taxes and state aid, and \$299.0 million in expenditures. The General Fund's fund balance increased \$1.9 million over the prior year primarily due to schools and sites retaining a portion of allocated resources for future projects.
- The District retired debt totaling \$18.3 million during the fiscal year through the payment of scheduled principal and refunded \$45.5 million in general obligation debt for a reduction in debt service payments of \$3.7 million.
- The fund balance of the Capital Projects Fund increased from \$10.4 million to \$425.4 million due to the issuance of \$375.0 million in general obligation bonds and \$49.3 million in bond premium to be used for new school facilities and school improvements, including a new elementary school, two new middle/high schools, a new athletic complex and a new transportation maintenance facility.
- Revenues in the Designated Special Purpose Grants Fund increased \$1.3 million over the prior year due primarily to a new Twenty-First Century Community Learning Centers grant, an increase in Charter Schools grant funding, an increase in Title I funding for design and implementation of school improvement and the receipt of state grants to support mental health.
- In the Nonmajor Special Revenue Fund, fund balance decreased by \$489,507 primarily due to the utilization of resources collected in fiscal year 2018 to fund fiscal year 2019 expenditures.

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

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

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.

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 five 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.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

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 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 other post-employment benefits (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. At the end of the 2019 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 \$788.9 million. This resulted in a total deficit net position of \$583.0 million, an increase of \$85.5 million.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

The following table provides a summary of the District's net position at June 30, 2019 and June 30, 2018.

	As of June 30, 2019	As of June 30, 2018	Percent Change
Current assets	\$ 605,072,836	\$ 169,663,579	256.6%
Capital assets, net	256,579,097	253,957,915	1.0%
Total assets	<u>861,651,933</u>	<u>423,621,494</u>	103.4%
Deferred outflows of resources	173,450,034	332,888,127	(47.9%)
Current liabilities	42,996,771	31,766,580	35.3%
Long-term liabilities	1,151,513,509	1,337,115,220	(13.9%)
Total liabilities	<u>1,194,510,280</u>	<u>1,368,881,800</u>	(12.7%)
Deferred inflows of resources	423,597,652	56,138,219	654.6%
Net position			
Net investment in capital assets	113,576,842	96,955,749	17.1%
Restricted	92,348,194	90,456,462	2.1%
Unrestricted	(788,931,001)	(855,922,609)	7.8%
Total net position	<u>\$ (583,005,965)</u>	<u>\$ (668,510,398)</u>	12.8%

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 \$14.4 million in capital assets through various site improvements and equipment purchases.
- The issuance of \$375.0 million in general obligation bonds, \$49.3 million in bond premium, and issuance of \$41.6 in refunding general obligation bonds to refund \$45.5 million in general obligation bonds.
- The principal retirement of \$18.3 million through scheduled bond payments and amortization of \$4.7 million in premium.
- A decrease in the net pension liability due primarily to the statutory requirement that the State of Colorado make an annual direct distribution to the Public Employees' Retirement Association (PERA).

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

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

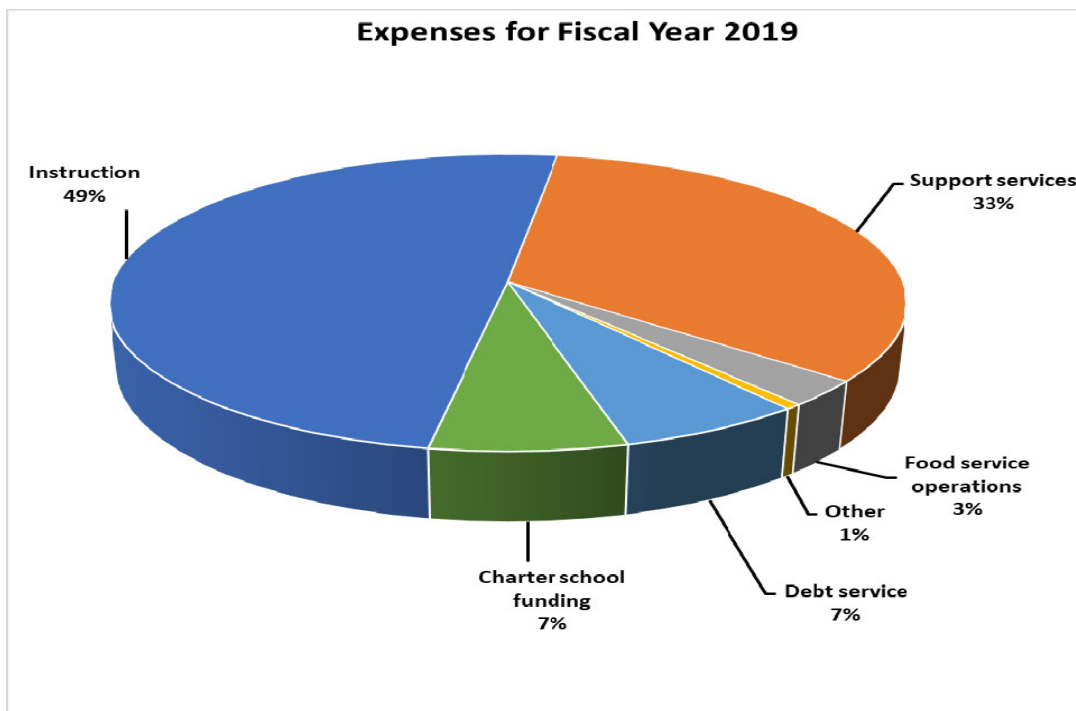
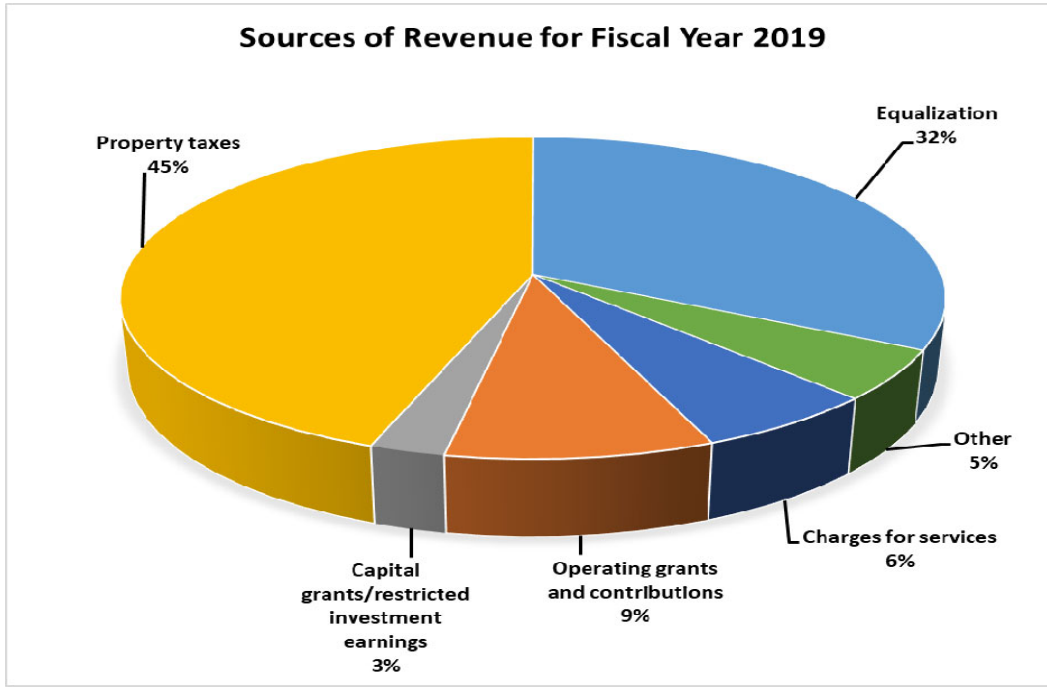
	Year Ended June 30, 2019	Year Ended June 30, 2018	Percent Change
Revenues			
Program Revenues			
Charges for services	\$ 24,424,479	\$ 23,771,128	2.7%
Operating grants and contributions	35,551,776	34,235,559	3.8%
Capital grants/restricted investment earnings	10,060,213	730,935	1,276.3%
General revenues			
Property taxes	172,421,440	171,039,247	0.8%
Equalization	125,600,955	110,915,760	13.2%
Other	19,684,325	18,332,876	7.4%
Total revenues	<u>387,743,188</u>	<u>359,025,505</u>	8.0%
Expenses			
Instruction	150,272,868	322,990,164	(53.5%)
Support services:			
Students	16,528,182	35,859,759	(53.9%)
Instructional staff	15,921,478	33,056,393	(51.8%)
General administration	2,452,659	4,293,927	(42.9%)
School administration	16,693,783	33,873,578	(50.7%)
Business	3,225,488	4,872,375	(33.8%)
Operations and maintenance of plant	21,544,359	30,346,479	(29.0%)
Student transportation	7,160,700	12,006,954	(40.4%)
Central	17,737,598	23,090,314	(23.2%)
Other	215,403	330,764	(34.9%)
Food service operations	8,717,233	11,127,154	(21.7%)
Other	1,697,756	1,774,868	(4.3%)
Debt service	18,830,354	5,883,521	220.5%
Charter school funding	21,240,894	17,692,591	20.1%
Total expenses	<u>302,238,755</u>	<u>537,198,841</u>	(43.7%)
Change in net position	85,504,433	(178,173,336)	148.0%
Net position, beginning of year	<u>(668,510,398)</u>	<u>(490,337,062)</u>	(36.3%)
Net position, end of year	\$ <u>(583,005,965)</u>	\$ <u>(668,510,398)</u>	12.8%

Property taxes and equalization account for most of the District's revenue, contributing about 45 cents and 32 cents respectively of every dollar raised. These revenues directly relate to the level of District enrollment. Another 9.2% came from operating 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.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

The following charts display revenues and expenses by program.



**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

The increase in net position for governmental activities in the 2019 fiscal year was approximately \$85.5 million. Key elements of the increase in net position for governmental activities are as follows:

- The cost of all governmental activities in the 2019 fiscal year was \$301.4 million.
- Users of the District's programs financed some of the costs (\$24.4 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 \$35.6 million.
- District and state taxpayers financed most of the District's costs, with revenue from taxes (property taxes and specific ownership taxes) of approximately \$188.2 million and revenue from equalization of approximately \$125.6 million. Equalization increased 13.2% primarily due to an increase in the state funding formula.
- Capital Grants/Restricted Investment Earnings increased \$9.3 million or 1,276.3% due to earnings on the investment of \$375.0 million in bond proceeds restricted for bond projects.
- Significant decreases in expenses between the 2019 and the 2018 fiscal year occurred primarily due to the impact of the statutory requirement that the State of Colorado make an annual direct distribution to the Public Employees' Retirement Association (PERA) on District pension expense.
- The \$12.1 million increase in Debt service expenses is due to the \$13.4 million interest payment related to the \$375.0 million in general obligation bonds.

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 \$419.1 million, primarily due to the issuance of \$375.0 million in general obligation bonds to be utilized for the construction of new schools, an athletic complex and transportation maintenance facility.

The General Fund is the principal operating fund of the District. The General Fund comprises 9.3% of the total fund balance. Approximately \$11.2 million or 21.9% of the General Fund's fund balance is unassigned. The increase in fund balance of \$1.9 million to \$51.4 is primarily due to schools and sites retaining a portion of allocated resources for future projects.

Among the other major funds, the Debt Service Fund had \$41.5 million in current fiscal year revenues, primarily comprised of property taxes, and \$39.2 million in debt service expenditures. The Debt Service Fund's fund balance increased \$2.7 million to \$68.1 million.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

The fund Next balance in the Capital Projects Fund increased \$415.0 million to \$425.4 million due to the issuance of \$375.0 million in general obligation bonds and \$49.3 million in premium.

Revenues in the Designated Special Purpose Grants Fund were primarily comprised of Federal revenue (85.1%).

Fund balance in the Nonmajor Special Revenue Fund decreased by \$489,507 primarily due to the utilization of resources collected in fiscal year 2018 to fund fiscal year 2019 expenditures in the Public School Activities Fund, a nonmajor special revenue fund.

Proprietary Funds

Total net position in the internal service funds increased \$4.5 million. The increase was primarily due to the restoration of net assets in the Employee Self-Insurance Fund that were utilized in the 2018 fiscal year for higher than anticipated medical claims.

General Fund Budgetary Highlights

The 2019 fiscal year budget was adopted in June 2018, with a revised (final) budget adopted in January 2019. The budgets for the District's General Fund for the 2018-19 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 \$847,925 between the original and final budget.

On a budgetary basis, the projected fund balance presented in the final budget was approximately \$68.0 million, \$187,044 higher than actual results of \$67.8 million for the fiscal year. Actual General Fund revenue and other financing sources that occurred during the 2019 fiscal year were \$301.0 million and actual expenditures and other financing uses on a budgetary basis were approximately \$297.4 million.

The difference between the District's GAAP and non-GAAP fund balance is \$16.3 million. This amount relates to compensation earned as of June 30, 2019, but not paid until July 2019. 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 restricted of \$18.9 million, assigned of \$21.3 million, and unassigned of \$11.2 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. At June 30, 2019, the reserve was 2.3%. Per policy, the shortage must be replenished over a period of time not to exceed one year. The shortage is expected to be replenished by June 30, 2020 through the retention of a portion of the 2016 Mill Levy property tax override revenues collected during fiscal year 2020. In addition to this established reserve within the unassigned fund balance category, the Board also authorized a contingency reserve of 2% of General Fund expenditures and other financing uses through their annual budget resolution process.

Capital Assets

By the end of fiscal year 2019, the District had invested \$486.2 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 \$14.4 million primarily due to various capital projects for site renovations. Total depreciation expense for the year was approximately \$12.6 million.

**Poudre School District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2019 and June 30, 2018.

	As of June 30, 2019	As of June 30, 2018
Land	\$ 26,434,368	\$ 21,530,241
Construction in progress	7,869,807	1,739,572
Water rights	1,855,235	1,855,235
Buildings, net	204,295,910	211,920,437
Site improvements, net	7,335,723	7,644,481
Vehicles, net	3,680,962	3,626,303
Software, net	354,129	437,057
Other equipment, net	4,752,963	5,204,589
Total capital assets, net	<u>\$ 256,579,097</u>	<u>\$ 253,957,915</u>

Additional information about the District’s capital assets is presented in Note 4 to the basic financial statements.

Long-Term Debt Activity

At year-end, the District had approximately \$571.4 million in long-term debt outstanding, \$30.8 million due within one year. The District issued \$375.0 million in general obligation bonds, retired debt totaling \$63.9 million through the payment of scheduled principal and the issuance of refunding bonds. Combined with the amortization of premium, these activities resulted in an increase in outstanding long-term debt of approximately 241.7%.

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 5 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 an increase of 264 in school year 2018-19, the District is again anticipating enrollment growth for the 2019-20 school year. However, due to the addition of all-day kindergarten funding, the budgeted funded pupil increase is much higher than normal. This caused the District to plan for a funded pupil count increase of 1,028. 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 1.0% 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

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

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. Currently, there are no new charter applications under review.

- 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. 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. These projects are currently underway.
- 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. The most recent rate increase brought the total district contribution to 20.4% in July 2019. Due to the automatic adjustment provision of SB18-200, rates will increase again in July 2020 to 20.9%. In addition, the employee contribution rate will continue to increase as well, reaching 10% in July 2020. The District is planning to account for this rate increase in its 2021 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 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.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Continued)**

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

Compass Community
Collaborative School
2105 S College 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



Basic Financial Statements



POUDRE SCHOOL DISTRICT

Poudre School District
Government-Wide Statement of Net Position
June 30, 2019

	Primary Government Governmental Activities	Discretely Presented Component Units
ASSETS		
Cash and investments (including restricted amounts)	\$ 588,646,645	\$ 11,352,455
Cash with Larimer County Treasurer	2,027,636	—
Accrued interest	230,692	—
Property taxes receivable	4,224,705	—
Receivable from grantor agencies	4,003,313	—
Accounts receivable	3,628,792	116,716
Due from component units	15,400	—
Due from primary government	—	3,074
Prepaid items	1,837,771	301,562
Deposits	—	45,000
Inventory	457,882	—
Land	26,434,368	3,228,720
Construction in progress	7,869,807	69,654
Water rights	1,855,235	12,864
Other capital assets, net of accumulated depreciation:		
Buildings and site improvements	211,631,633	22,368,044
Vehicles	3,680,962	84,855
Software	354,129	—
Other equipment	4,752,963	546,290
Total assets	861,651,933	38,129,234
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	168,833,710	14,869,840
Deferred outflows related to OPEB	1,528,079	172,979
Deferred charges on debt refunding	3,088,245	36,456
Total deferred outflows of resources	173,450,034	15,079,275
LIABILITIES		
Accounts payable	18,438,962	207,251
Due to component units	77,897	—
Due to primary government	—	15,400
Accrued salaries and benefits	17,774,585	809,544
Accrued interest	972,078	467,463
Other	—	5,003
Retirement severance payable	397,026	—
Unearned revenue	1,484,436	189,578
Estimated liability for unsubmitted claims	3,851,787	—
Noncurrent liabilities:		
Due within one year	30,925,000	725,265
Due in more than one year	1,120,588,509	55,900,083
Total liabilities	1,194,510,280	58,319,587
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	423,221,601	22,529,611
Deferred inflows related to OPEB	376,051	38,724
Deferred credit on debt refunding	—	55,831
Total deferred inflows of resources	423,597,652	22,624,166
NET POSITION		
Net investment in capital assets	113,576,842	2,045,432
Restricted for:		
Debt service	68,165,291	1,592,111
TABOR	9,760,000	683,981
School site acquisition, expansion and development	9,105,757	—
Construction/repair and replacement of facility	—	329,724
Public school activities	3,871,158	—
Food service activities	1,348,601	—
Payment of claims	97,387	—
Other	—	5,003
Unrestricted	(788,931,001)	(32,391,495)
Total net position	\$ (583,005,965)	\$ (27,735,244)

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, 2019**

Activities:	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities:			
Instruction	\$ 150,272,868	\$ 9,945,341	\$ 19,493,043
Support services:			
Students	16,528,182	11,943	2,175,654
Instructional staff	15,921,478	189,209	4,030,434
General administration	2,452,659	—	81,731
School administration	16,693,783	883	333,989
Business	3,225,488	208,742	5,264
Operations and maintenance of plant	21,544,359	6,015	311,311
Student transportation	7,160,700	56,813	1,824,846
Central	17,737,598	9,675,145	1,081,845
Other	215,403	—	1,887
Food services operations	8,717,233	4,016,194	5,222,964
Community services	345,311	314,194	232
Education for adults	72,127	—	—
Facilities acquisition and construction	—	—	—
Unallocated depreciation	1,280,318	—	—
Debt service	18,830,354	—	988,576
Charter school funding	21,240,894	—	—
Total primary government	\$ 302,238,755	\$ 24,424,479	\$ 35,551,776
Component units	\$ 15,188,999	\$ 791,104	\$ 929,983

General revenues:
 Property taxes, levied for general purposes
 Property taxes, levied for debt services
 Specific ownership taxes
 Cash in lieu of land
 Unrestricted earnings on investments
 Miscellaneous
 Equalization
 Charter school funding

Total general revenues

Change in net position

Net position at beginning of year, restated

Net position at end of year

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

<u>Capital Grants/ Restricted Investment Earnings</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>	
	<u>Governmental Activities</u>	<u>Component Units</u>
\$ —	\$ (120,834,484)	
—	(14,340,585)	
—	(11,701,835)	
—	(2,370,928)	
—	(16,358,911)	
—	(3,011,482)	
912,938	(20,314,095)	
—	(5,279,041)	
—	(6,980,608)	
—	(213,516)	
—	521,925	
—	(30,885)	
—	(72,127)	
9,147,275	9,147,275	
—	(1,280,318)	
—	(17,841,778)	
—	(21,240,894)	
<u>\$ 10,060,213</u>	<u>\$ (232,202,287)</u>	
<u>\$ 357,661</u>		\$ (13,110,251)
	\$ 132,015,680	—
	40,405,760	—
	15,743,121	—
	1,723,381	—
	1,565,168	132,347
	652,655	3,114,354
	125,600,955	—
	—	18,406,819
	<u>317,706,720</u>	<u>21,653,520</u>
	85,504,433	8,543,269
	<u>(668,510,398)</u>	<u>(36,278,513)</u>
	<u>\$ (583,005,965)</u>	<u>\$ (27,735,244)</u>

**Poudre School District
Governmental Funds
Balance Sheet
June 30, 2019**

	General	Debt Service	Capital Projects	Designated Special Purpose Grants	Nonmajor Special Revenue	Total Governmental Funds
ASSETS						
Cash and investments (including restricted amounts)	\$ 72,943,087	\$ 67,252,021	\$ 430,533,954	\$ —	\$ 6,067,374	\$ 576,796,436
Cash with Larimer County Treasurer	1,837,275	190,361	—	—	—	2,027,636
Accrued interest	124,758	—	102,665	—	—	227,423
Property taxes receivable	3,236,147	988,558	—	—	—	4,224,705
Receivable from grantor agencies	—	—	—	3,948,048	55,265	4,003,313
Accounts receivable	2,019,154	—	—	56,609	22,097	2,097,860
Inventory	—	—	—	—	297,788	297,788
Due from component units	15,400	—	—	—	—	15,400
Due from other funds	2,123,101	—	—	—	—	2,123,101
Total assets	\$ 82,298,922	\$ 68,430,940	\$ 430,636,619	\$ 4,004,657	\$ 6,442,524	\$ 591,813,662
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 12,058,484	\$ 95,500	\$ 5,278,902	\$ 84,417	\$ 113,884	\$ 17,631,187
Accrued salaries and benefits	16,347,642	—	—	1,091,795	335,148	17,774,585
Retirement severance payable	397,026	—	—	—	—	397,026
Unearned revenue	80,182	—	—	1,074,925	329,329	1,484,436
Due to component units	3,074	—	—	74,823	—	77,897
Due to other funds	—	—	—	1,678,697	444,404	2,123,101
Estimated liability for unsubmitted claims	1,181,000	—	—	—	—	1,181,000
Total liabilities	30,067,408	95,500	5,278,902	4,004,657	1,222,765	40,669,232
Deferred inflows of resources:						
Unavailable property taxes	803,314	242,451	—	—	—	1,045,765
Total liabilities and deferred inflows of resources	30,870,722	337,951	5,278,902	4,004,657	1,222,765	41,714,997
Fund balances:						
Nonspendable:						
Inventory	—	—	—	—	297,788	297,788
Restricted for:						
TABOR - emergency reserves	9,105,000	—	—	—	—	9,105,000
TABOR - multi-year contracts	655,000	—	—	—	—	655,000
School site acquisition, expansion and development	9,105,757	—	—	—	—	9,105,757
Debt service	—	68,092,989	—	—	—	68,092,989
Capital projects	—	—	425,357,717	—	—	425,357,717
Public school activities	—	—	—	—	3,871,158	3,871,158
Food service	—	—	—	—	1,050,813	1,050,813
Assigned for:						
Carryover budgets	21,324,992	—	—	—	—	21,324,992
Unassigned:						
Required contingency reserves	5,037,994	—	—	—	—	5,037,994
Appropriated reserve	6,199,457	—	—	—	—	6,199,457
Total fund balances	51,428,200	68,092,989	425,357,717	—	5,219,759	550,098,665
Total liabilities, deferred inflows of resources, and fund balances	\$ 82,298,922	\$ 68,430,940	\$ 430,636,619	\$ 4,004,657	\$ 6,442,524	\$ 591,813,662

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, 2019

Total fund balances - governmental funds	\$	550,098,665
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.		1,045,765
Payments to vendors that reflect costs applicable to future accounting periods are not reported as assets in the governmental funds.		1,534,907
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		
Governmental capital assets	\$ 486,083,439	
Accumulated depreciation	<u>(229,545,886)</u>	256,537,553
Deferred outflows/inflows of resources are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflow on debt refunding	3,088,245	
Deferred outflow related to pensions	168,833,710	
Deferred outflow related to OPEB	1,528,079	
Deferred inflow related to pensions	(423,221,601)	
Deferred inflow related to OPEB	<u>(376,051)</u>	(250,147,618)
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.		
		10,377,405
Accrued interest is not due and payable in the current period and therefore not reported as a liability in the funds.		
		(972,078)
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	(511,005,000)	
Bond premium payable	(60,443,216)	
Net pension liability	(550,996,544)	
Net OPEB liability	(27,518,929)	
Compensated absences	<u>(1,516,875)</u>	<u>(1,151,480,564)</u>
Total net position - governmental activities	\$	<u><u>(583,005,965)</u></u>

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, 2019**

	<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	\$ 160,434,876	\$ 40,502,406	\$ 9,147,275	\$ 246,327	\$ 11,346,376	\$ 221,677,260
State sources	140,480,317	—	—	2,103,926	159,638	142,743,881
Federal sources	89,615	988,576	—	13,418,292	5,057,404	19,553,887
Total revenues	<u>301,004,808</u>	<u>41,490,982</u>	<u>9,147,275</u>	<u>15,768,545</u>	<u>16,563,418</u>	<u>383,975,028</u>
Expenditures:						
Current—						
Instruction	161,984,125	—	2,723,659	8,943,705	6,856,220	180,507,709
Support services:						
Students	17,732,354	—	—	3,997,735	412,211	22,142,300
Instructional staff	19,271,161	—	—	1,413,415	79,037	20,763,613
General administration	2,927,854	—	—	—	—	2,927,854
School administration	22,014,075	—	—	3,563	238,567	22,256,205
Business	3,972,172	—	501,617	690,954	—	5,164,743
Operation and maintenance of plant	23,277,887	—	2,009,251	233,451	47,911	25,568,500
Student transportation	9,467,569	—	—	—	—	9,467,569
Central	12,394,333	—	343,589	9,893	5,739	12,753,554
Other	280,331	—	—	—	—	280,331
Food services operations	303,873	—	—	—	9,380,649	9,684,522
Community services	159,411	—	—	224,787	70	384,268
Education for adults	72,127	—	—	—	—	72,127
Capital outlay	4,524,220	—	10,686,651	—	127,033	15,337,904
Debt service—						
Purchased services	—	293,580	1,834,585	—	—	2,128,165
Arbitrage rebate tax	—	132,700	—	—	—	132,700
Interest on debt	—	20,450,019	—	—	—	20,450,019
Retirement of debt	—	18,345,000	—	—	—	18,345,000
Charter school funding	20,610,842	—	343,483	286,569	—	21,240,894
Total expenditures	<u>298,992,334</u>	<u>39,221,299</u>	<u>18,442,835</u>	<u>15,804,072</u>	<u>17,147,437</u>	<u>389,607,977</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,012,474</u>	<u>2,269,683</u>	<u>(9,295,560)</u>	<u>(35,527)</u>	<u>(584,019)</u>	<u>(5,632,949)</u>
Other financing sources (uses):						
Premium on bonds issued	—	6,917,299	49,271,964	—	—	56,189,263
Issuance of general obligation bonds	—	—	375,000,000	—	—	375,000,000
Issuance of refunding bonds	—	41,645,000	—	—	—	41,645,000
Payment to bond refunding escrow agent	—	(48,131,428)	—	—	—	(48,131,428)
Transfers in	—	—	—	—	94,512	94,512
Transfers (out)	(94,512)	—	—	—	—	(94,512)
Total other financing sources (uses)	<u>(94,512)</u>	<u>430,871</u>	<u>424,271,964</u>	<u>—</u>	<u>94,512</u>	<u>424,702,835</u>
Net change in fund balance	1,917,962	2,700,554	414,976,404	(35,527)	(489,507)	419,069,886
Fund balances at beginning 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>
Fund balances at end of year	<u>\$ 51,428,200</u>	<u>\$ 68,092,989</u>	<u>\$ 425,357,717</u>	<u>\$ —</u>	<u>\$ 5,219,759</u>	<u>\$ 550,098,665</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, 2019

Total net changes in fund balances - governmental funds \$ 419,069,886

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. (233,844)

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	\$ 15,328,651	
Depreciation expense	<u>(12,624,343)</u>	2,704,308

In the Statement of Activities, only the gain/loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of capital assets sold. (71,533)

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	33,841,671	
District OPEB contributions	1,804,417	
Nonemployer pension contribution	387,057	
Pension income	31,491,015	
On behalf contribution	(4,474,752)	
OPEB expense	<u>(2,209,847)</u>	60,839,561

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.

Debt issued (includes premium)	(472,834,262)	
Principal repaid	18,345,000	
Principal refunded	45,530,000	
Bond premium amortized	4,737,037	
Deferred charge on bond refunding	2,572,087	
Deferred charge amortization	<u>(159,499)</u>	(401,809,637)

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, 2019

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.

Increase in accrued interest	(667,667)	
Increase in compensated absences	<u>(315,848)</u>	(983,515)

Cash outlays that reflect costs applicable to future periods are reported in the governmental funds as expenditures when purchased. In the statement of activities, however, they are reported as expenses when consumed.		1,534,907
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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 change in net position of the internal funds is reported with governmental activities in the Statement of Activities.		<u>4,454,300</u>
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Change in net position - governmental activities		<u><u>\$ 85,504,433</u></u>
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The accompanying notes are an integral part of this financial statement.

**Poudre School District
Proprietary Funds
Statement of Net Position
June 30, 2019**

	Governmental Activities Internal Service Funds Total
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 11,612,861
Cash - restricted	237,348
Accrued interest	3,269
Accounts receivable	1,530,932
Prepaid items	302,864
Inventory	160,094
Total current assets	13,847,368
Noncurrent assets:	
Capital assets:	
Equipment	121,249
Less accumulated depreciation	(79,705)
Total capital assets (net of accumulated depreciation)	41,544
Total assets	13,888,912
LIABILITIES	
Current liabilities:	
Accounts payable	807,775
Estimated liability for unsubmitted claims	2,670,787
Total current liabilities	3,478,562
Noncurrent liabilities:	
Due in more than one year	32,945
Total noncurrent liabilities	32,945
Total liabilities	3,511,507
NET POSITION	
Investment in capital assets	41,544
Restricted for payment of claims	97,387
Unrestricted	10,238,474
Total net position	\$ 10,377,405

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, 2019**

	Governmental Activities Internal Service Funds Total
Operating revenues:	
District Contributions	\$ 23,486,841
Employee Contributions	9,055,163
Sales	680,456
Total operating revenues	33,222,460
Operating expenses:	
Administration:	
Salaries	727,114
Employee benefits	217,303
Purchased services	1,525,921
Operating supplies	713,122
Internal charges	884
Claims	23,131,941
Premiums	2,502,731
Other	21,313
Total operating expenses	28,840,329
Operating gain	4,382,131
Non-operating revenues:	
Investment earnings	72,169
Total non-operating revenues	72,169
Change in net position	4,454,300
Total net position at beginning of year	5,923,105
Total net position at end of year	\$ 10,377,405

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, 2019**

	Governmental Activities Internal Service Funds Total
Cash flows from operating activities:	
Received from customers	\$ 33,210,277
Payments to employees	(934,526)
Payments to suppliers for goods and services	(2,201,782)
Payments for claims and insurance	(26,507,581)
Payments to other funds	(884)
Net cash provided by operating activities	3,565,504
Cash flows from investing activities:	
Interest received	68,900
Net cash provided by investing activities	68,900
Net increase in cash and cash equivalents	3,634,404
Cash and cash equivalents at beginning of year	8,215,805
Cash and cash equivalents at end of year	\$ 11,850,209
Reconciliation of operating gain to net cash provided by operating activities:	
Operating gain	\$ 4,382,131
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Depreciation expense	11,593
Accounts receivable	(499,071)
Prepaid expense	(18,680)
Inventory	50,971
Accounts payable	174,195
Employee compensated absences	9,891
Estimated liability for unsubmitted claims	(545,526)
Net cash provided by operating activities	\$ 3,565,504

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, 2019**

ASSETS

Cash and investments	\$ 218,227
Contributions receivable	<u>8,050</u>
Total assets	<u>\$ 226,277</u>

NET POSITION

Held in trust for:	
Individuals, organizations and other governments	\$ <u>226,277</u>
Total net position	<u>\$ 226,277</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, 2019**

ADDITIONS

Contributions:	
Private donations	\$ 53,170
Interest earnings	<u>1,287</u>
Total additions	<u>54,457</u>

DEDUCTIONS

Payments in accordance with trust agreements	<u>67,093</u>
Total deductions	<u>67,093</u>
Change in net position	(12,636)
Net position at beginning of year	<u>238,913</u>
Net position at end of year	<u><u>\$ 226,277</u></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, 2019

	Liberty Common School	Ridgeview Classical Schools	Mountain Sage Community School	Fort Collins Montessori School	Compass Community Collaborative School
ASSETS					
Cash and investments	\$ 5,158,729	\$ 2,520,133	\$ 706,576	\$ 331,183	\$ 203,939
Restricted cash and investments	2,144,767	287,128	—	—	—
Prepaid expense and other assets	222,480	11,001	55,798	8,000	4,283
Deposits	—	—	—	25,000	20,000
Accounts receivable	12,014	—	—	—	104,702
Due from primary government	—	2,414	—	660	—
Land	2,443,720	785,000	—	—	—
Construction in progress	—	7,500	—	62,154	—
Water rights	12,864	—	—	—	—
Other capital assets, net of accumulated depreciation:					
Buildings and site improvements	14,722,055	6,361,232	245,555	—	1,039,202
Vehicles	84,855	—	—	—	—
Equipment	259,496	267,042	—	—	19,752
Total assets	<u>25,060,980</u>	<u>10,241,450</u>	<u>1,007,929</u>	<u>426,997</u>	<u>1,391,878</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	7,187,996	2,897,822	1,740,040	1,080,355	1,963,627
Deferred outflows related to OPEB	36,738	22,578	31,595	18,514	63,554
Deferred charges on debt refunding	36,456	—	—	—	—
Total deferred outflows of resources	<u>7,261,190</u>	<u>2,920,400</u>	<u>1,771,635</u>	<u>1,098,869</u>	<u>2,027,181</u>
LIABILITIES					
Accounts payable	102,141	8,696	9,454	27,037	59,923
Due to primary government	3,895	—	7,113	—	4,392
Accrued salaries and benefits	389,983	250,893	95,730	26,962	45,976
Accrued interest	383,032	84,431	—	—	—
Other	—	5,003	—	—	—
Unearned revenue	104,607	39,329	15,022	30,620	—
Noncurrent liabilities:					
Due within one year	420,000	247,948	38,272	—	19,045
Due in more than one year	32,474,732	15,441,128	3,990,392	1,966,885	2,026,946
Total liabilities	<u>33,878,390</u>	<u>16,077,428</u>	<u>4,155,983</u>	<u>2,051,504</u>	<u>2,156,282</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	8,994,040	8,293,052	2,738,689	1,578,076	925,754
Deferred inflows related to OPEB	5,548	31,067	279	1,717	113
Deferred credit on debt refunding	—	55,831	—	—	—
Total deferred inflows for resources	<u>8,999,588</u>	<u>8,379,950</u>	<u>2,738,968</u>	<u>1,579,793</u>	<u>925,867</u>
NET POSITION					
Net investment in capital assets	(475,971)	1,699,930	245,555	—	575,918
Restricted for:					
Debt service	1,516,497	75,614	—	—	—
TABOR	300,000	209,846	75,500	34,795	63,840
Repair and replacement of facility	241,970	87,754	—	—	—
Other	—	5,003	—	—	—
Unrestricted	<u>(12,138,304)</u>	<u>(13,373,675)</u>	<u>(4,436,442)</u>	<u>(2,140,226)</u>	<u>(302,848)</u>
Total net position	<u>\$ (10,555,808)</u>	<u>\$ (11,295,528)</u>	<u>\$ (4,115,387)</u>	<u>\$ (2,105,431)</u>	<u>\$ 336,910</u>

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

	Total Discretely Presented Component Units
\$	8,920,560
	2,431,895
	301,562
	45,000
	116,716
	3,074
	3,228,720
	69,654
	12,864
	 22,368,044
	84,855
	<u>546,290</u>
	 <u>38,129,234</u>
	 14,869,840
	172,979
	<u>36,456</u>
	<u>15,079,275</u>
	 207,251
	15,400
	809,544
	467,463
	5,003
	189,578
	 725,265
	<u>55,900,083</u>
	 <u>58,319,587</u>
	 22,529,611
	38,724
	<u>55,831</u>
	<u>22,624,166</u>
	 2,045,432
	1,592,111
	683,981
	329,724
	5,003
	<u>(32,391,495)</u>
\$	<u><u>(27,735,244)</u></u>

Poudre School District
Discretely Presented Component Units
Statement of Activities
For the Fiscal Year Ended June 30, 2019

Activities:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants/ Restricted Investment Earnings
Liberty Common School				
Instruction	\$ 1,339,275	\$ 232,954	\$ 180,754	\$ —
Support services:				
Operations and maintenance of plant	1,457,153	—	—	—
Other support services	1,725,829	4,247	17,082	—
Total - Liberty Common School	<u>4,522,257</u>	<u>237,201</u>	<u>197,836</u>	<u>—</u>
Ridgeview Classical Schools				
Instruction	3,339,197	13,050	151,088	—
Support services:				
Operations and maintenance of plant	246,353	23,920	—	202,097
General administration	666,038	—	—	—
Interest on debt	222,642	—	—	—
Total - Ridgeview Classical Schools	<u>4,474,230</u>	<u>36,970</u>	<u>151,088</u>	<u>202,097</u>
Mountain Sage Community School				
Instruction	1,926,437	98,512	150,457	—
Support services	746,546	—	65,918	84,190
Interest on debt	9,728	—	—	—
Total - Mountain Sage Community School	<u>2,682,711</u>	<u>98,512</u>	<u>216,375</u>	<u>84,190</u>
Fort Collins Montessori School				
Instruction	986,409	389,558	25,550	—
Support services	348,374	—	59,251	26,994
Total - Fort Collins Montessori School	<u>1,334,783</u>	<u>389,558</u>	<u>84,801</u>	<u>26,994</u>
Compass Community Collaborative School				
Instruction	1,196,325	28,863	279,490	44,380
Support services:				
Operations and maintenance of plant	38,539	—	—	—
Other support services	940,154	—	393	—
Total - Compass Community Collaborative School	<u>2,175,018</u>	<u>28,863</u>	<u>279,883</u>	<u>44,380</u>
Total component units	\$ <u>15,188,999</u>	\$ <u>791,104</u>	\$ <u>929,983</u>	\$ <u>357,661</u>

General revenues:
Unrestricted earnings on investments
Charter school funding
Miscellaneous
Total general revenues
Change in net position
Net position at beginning of year, restated
Net position at end of year

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

Net (Expense) Revenue and Changes in Net Position

Liberty Common School	Ridgeview Classical Schools	Mountain Sage Community School	Fort Collins Montessori School	Compass Community Collaborative School	Total
\$ (925,567)	\$ —	\$ —	\$ —	\$ —	\$ (925,567)
(1,457,153)	—	—	—	—	(1,457,153)
<u>(1,704,500)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,704,500)</u>
<u>(4,087,220)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(4,087,220)</u>
—	(3,175,059)	—	—	—	(3,175,059)
—	(20,336)	—	—	—	(20,336)
—	(666,038)	—	—	—	(666,038)
<u>—</u>	<u>(222,642)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(222,642)</u>
<u>—</u>	<u>(4,084,075)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(4,084,075)</u>
—	—	(1,677,468)	—	—	(1,677,468)
—	—	(596,438)	—	—	(596,438)
<u>—</u>	<u>—</u>	<u>(9,728)</u>	<u>—</u>	<u>—</u>	<u>(9,728)</u>
<u>—</u>	<u>—</u>	<u>(2,283,634)</u>	<u>—</u>	<u>—</u>	<u>(2,283,634)</u>
—	—	—	(571,301)	—	(571,301)
<u>—</u>	<u>—</u>	<u>—</u>	<u>(262,129)</u>	<u>—</u>	<u>(262,129)</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>(833,430)</u>	<u>—</u>	<u>(833,430)</u>
—	—	—	—	(843,592)	(843,592)
—	—	—	—	(38,539)	(38,539)
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(939,761)</u>	<u>(939,761)</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,821,892)</u>	<u>(1,821,892)</u>
					<u>(13,110,251)</u>
90,854	40,104	—	—	1,389	132,347
8,520,998	5,883,467	2,165,336	695,744	1,141,274	18,406,819
1,765,593	222,798	186,855	49,296	889,812	3,114,354
<u>10,377,445</u>	<u>6,146,369</u>	<u>2,352,191</u>	<u>745,040</u>	<u>2,032,475</u>	<u>21,653,520</u>
6,290,225	2,062,294	68,557	(88,390)	210,583	8,543,269
<u>(16,846,033)</u>	<u>(13,357,822)</u>	<u>(4,183,944)</u>	<u>(2,017,041)</u>	<u>126,327</u>	<u>(36,278,513)</u>
\$ <u>(10,555,808)</u>	\$ <u>(11,295,528)</u>	\$ <u>(4,115,387)</u>	\$ <u>(2,105,431)</u>	\$ <u>336,910</u>	\$ <u>(27,735,244)</u>



POUDRE SCHOOL DISTRICT

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

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).

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, 2019, the Poudre School District Board of Education has authorized five charter schools: Liberty Common School, Ridgeview Classical Schools, Mountain Sage Community School, Fort Collins Montessori School, and Compass Community Collaborative School.

Ridgeview Classical Schools, Liberty Common School, Compass Collaborative School and Mountain Sage Community School have building corporations which were established to support the financing of school activities. Ridgeview Classical Schools reports the building corporation as a blended component unit. Liberty Common School and Compass Collaborative School report the building corporation as enterprise funds. Mountain Sage Community School reports the building corporation as a special revenue fund. 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

Compass Community
Collaborative School
2105 S College 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, 2019

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-wide 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 and reported 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, 2019

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 for reporting assets and liabilities. 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 when 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 to the extent 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, and investment in investment pools set up under state statute.

All investments, other than those in money market investments, which are measured at amortized cost and investments in the local government investment pools, which are measured at net asset value, are reported at fair value.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted cash and investments consists of money market investments held by the bond redemption fund custodian, investments held for bond projects 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. In the proprietary and government-wide statements, the expense is recognized in the benefiting period (consumption method). In the governmental fund financial statements, the entire amount of the prepayments are recognized as an expenditure of the period that payment is made (purchase method).

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 as revenue 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, 2019

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 2% 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.

L. Investment Earnings

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

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

District policy requires the appropriated reserve in the General Fund to be within a range of 3% to 5% of fiscal year expenditures and other financing uses. At June 30, 2019 the reserve was 2.3% of expenditures and other financing uses. Policy requires that shortages of 0% up to but not including 1% be replenished over a period of time not to exceed one year. The shortage is expected to be replenished by June 30, 2020 through the retention of a portion of the 2016 Mill Levy property tax override revenues collected during fiscal year 2020.

NOTE 3: 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, 2019

NOTE 3: 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	\$ 43,459	\$ 8
Cash with Larimer County Treasurer	2,027,636	—
Amount of deposits	88,862,336	5,416,996
Amount of investments	499,740,850	5,935,451
Total	\$ 590,674,281	\$ 11,352,455

	Statement of Net Position Governmental Activities	Private Purpose Trust Fund	Discretely Presented Component Units
Deposits and cash – unrestricted	\$ 84,247,919	\$ 218,227	\$ 5,129,876
Investments – unrestricted	8,403,039	—	3,793,939
Cash/Investments – restricted for bond projects	430,533,954	—	—
Deposits/Investments - restricted for future facility and equipment/debt service	—	—	2,428,640
Deposits – restricted for use by third party administrators	237,348	—	—
Deposits – restricted; held by debt service custodian	67,252,021	—	—
Total	\$ 590,674,281	\$ 218,227	\$ 11,352,455

Deposits

Custodial credit risk – At June 30, 2019, the carrying amount of the District's deposits, including cash in the Private Purpose Trust Fund, was \$89,080,563, and the bank balance was \$89,985,343. 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, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments

Investments at June 30, 2019 were as follows:

	Primary Government	Discretely Presented Component Units
Investments measured by fair value level:		
Level 2:		
U.S. Treasury Securities	\$ 101,863,970	\$ 1,565,445
U.S. Agency Securities	26,017,450	—
Total investments measured by fair value level	127,881,420	1,565,445
Investments measured at amortized cost:		
Money Market Investments	68,639,332	2,237,210
Investments at net asset value:		
ColoTrust Investment Pool	301,073,197	2,096,004
CSIP Investment Pool	2,146,901	—
Colorado Surplus Asset Fund Trust (CSAFE)	—	36,792
Total investments	\$ 499,740,850	\$ 5,935,451

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 Pools – At June 30, 2019, the district had \$301,073,197 invested in the Colorado Local Government Liquid Asset Trust (ColoTrust) and \$2,146,901 invested in the Colorado Statewide Investment Program (CSIP). ColoTrust and CSIP are investment vehicles established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating the pools, which operate 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 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 custodians' internal records identify the investments owned by the participating governments. The District's investment in the pools 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, 2019, credit risk for investments was as follows:

Investment Type	Rating	Rating Agency	Primary Government	Component Units
ColoTrust Investment Pool	AAAm	S&P	\$ 301,073,197	\$ 2,096,004
CSIP Investment Pool	AAAm	S&P	2,146,901	—
CSAFE Investment Pool	AAA	S&P	—	36,792
Money Market Investments	Aaa/AAA	Moody's/S&P	68,639,332	2,237,210
U.S. Agency Securities	Aaa/AA+	Moody's/S&P	26,017,450	—
U.S. Treasury Securities	Aaa/AA+	Moody's/S&P	101,863,970	1,565,445
			\$ 499,740,850	\$ 5,935,451

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

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.

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, 2019, the District and its component units had the following investments in debt securities:

	Primary Government			Component Units
	Amount	Less than 1		Less than 1
		year	1-3 years	year
U.S. Agency Securities	\$ 26,017,450	\$ 17,920,370	\$ 8,097,080	\$ —
U.S. Treasury Securities	101,863,970	51,841,570	50,022,400	1,565,445
Total	<u>\$ 127,881,420</u>	<u>\$ 69,761,940</u>	<u>\$ 58,119,480</u>	<u>\$ 1,565,445</u>

NOTE 4: CAPITAL ASSETS

Capital asset activity, for the primary government, for the year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 21,530,241	\$ 4,904,127	\$ —	\$ 26,434,368
Construction in progress	1,739,572	8,684,867	(2,554,632)	7,869,807
Water rights	1,855,235	—	—	1,855,235
Total	<u>25,125,048</u>	<u>13,588,994</u>	<u>(2,554,632)</u>	<u>36,159,410</u>
Capital assets being depreciated:				
Buildings	399,565,553	2,635,442	—	402,200,995
Site improvements	12,951,144	68,399	—	13,019,543
Vehicles	18,781,610	927,064	(441,439)	19,267,235
Software	829,277	—	—	829,277
Other equipment	14,534,981	663,384	(470,137)	14,728,228
Total	<u>446,662,565</u>	<u>4,294,289</u>	<u>(911,576)</u>	<u>450,045,278</u>
Less accumulated depreciation for:				
Buildings	(187,645,116)	(10,259,969)	—	(197,905,085)
Site improvements	(5,306,663)	(377,157)	—	(5,683,820)
Vehicles	(15,155,307)	(872,405)	441,439	(15,586,273)
Software	(392,220)	(82,928)	—	(475,148)
Other equipment	(9,330,392)	(1,043,477)	398,604	(9,975,265)
Total	<u>(217,829,698)</u>	<u>(12,635,936)</u>	<u>840,043</u>	<u>(229,625,591)</u>
Total capital assets, being depreciated, net	<u>228,832,867</u>	<u>(8,341,647)</u>	<u>(71,533)</u>	<u>220,419,687</u>
Governmental activities capital assets, net	<u>\$ 253,957,915</u>	<u>\$ 5,247,347</u>	<u>(2,626,165)</u>	<u>\$ 256,579,097</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 4: CAPITAL ASSETS (Continued)

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

Governmental activities:	
Instruction	\$ 11,271,841
Food service operations	83,777
Unallocated	<u>1,280,318</u>
Total depreciation expense – governmental activities	<u>\$ 12,635,936</u>

Discretely Presented Component Units:

Capital asset activity of the discretely presented component units for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
Capital assets not being depreciated:				
Land	\$ 3,228,720	\$ —	\$ —	\$ 3,228,720
Construction in progress	77,475	62,154	(69,975)	69,654
Water rights	<u>12,864</u>	<u>—</u>	<u>—</u>	<u>12,864</u>
Total	<u>3,319,059</u>	<u>62,154</u>	<u>(69,975)</u>	<u>3,311,238</u>
Capital assets being depreciated:				
Buildings and site improvements	29,998,873	143,144	—	30,347,037
Leasehold improvements	101,729	1,298,917	—	1,195,626
Vehicles	110,700	48,900	—	159,600
Other equipment	<u>978,433</u>	<u>76,308</u>	<u>—</u>	<u>1,054,741</u>
Total	<u>31,189,735</u>	<u>1,567,269</u>	<u>—</u>	<u>32,757,004</u>
Less accumulated depreciation for:				
Buildings and site improvements	(8,163,625)	(895,105)	—	(9,058,730)
Leasehold improvements	(30,519)	(85,370)	—	(86,194)
Vehicles	(52,062)	(22,683)	—	(74,745)
Other equipment	<u>(417,410)</u>	<u>(91,041)</u>	<u>—</u>	<u>(538,146)</u>
Total	<u>(8,663,616)</u>	<u>(1,094,199)</u>	<u>—</u>	<u>(9,757,815)</u>
Total capital assets, being depreciated, net	<u>22,526,119</u>	<u>473,070</u>	<u>—</u>	<u>22,999,189</u>
Component unit capital assets, net	<u>\$ 25,845,178</u>	<u>\$ 535,224</u>	<u>\$ (69,975)</u>	<u>\$ 26,310,427</u>

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

Instructional	\$ 427,552
General administration	<u>666,647</u>
Total depreciation expense – component units	<u>\$ 1,094,199</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 5: LONG-TERM LIABILITIES

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Due within 1 year
Governmental activities:					
General obligation bonds payable	\$ 158,235,000	\$ 416,645,000	\$ 63,875,000	\$ 511,005,000	\$ 30,770,000
Premiums	8,990,991	56,189,262	4,737,037	60,443,216	—
Total bonds payable	<u>167,225,991</u>	<u>472,834,262</u>	<u>68,612,037</u>	<u>571,448,216</u>	<u>30,770,000</u>
Net pension liability	1,142,573,549	74,902,702	666,479,707	550,996,544	—
Net OPEB liability	26,091,599	3,237,289	1,809,959	27,518,929	—
Compensated absences payable	1,224,081	1,635,524	1,309,785	1,549,820	155,000
Total	<u>\$ 1,337,115,220</u>	<u>\$ 552,609,777</u>	<u>\$ 738,211,488</u>	<u>\$ 1,151,513,509</u>	<u>\$ 30,925,000</u>

Compensated absences and pension and other post-employment benefit costs are paid from various funds in the same proportion that those funds pay payroll costs; approximately 94 percent are expected to be liquidated from the General Fund.

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. The District repays general obligation bonds from voter-approved property taxes. During the year, the District issued general obligation bonds totaling \$375,000,000.

Bonds have also been issued to advance-refund previously issued bonds. During the year ended June 30, 2019, the District issued general obligation bonds with a true interest cost of 1.90 percent to advance-refund older, higher-rate issues with a true interest cost of 3.65 percent. The District realized net proceeds of \$48,131,428 after payment of \$298,170 in underwriting fees and other issuance costs, plus \$132,700 for an escrow yield reduction payment. The District used these proceeds to purchase securities that it placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. The refunded debt is considered defeased, and related liabilities are not included in the District's financial statements. Details for the refunding transactions are as follows:

Amount of refunding bonds issued	\$ 41,645,000
Amount of bonds refunded	45,530,000
Reduction in debt service payments	3,732,948
Economic gain	3,357,473

The District's legal debt margin is \$1.5 billion. The following bonds were outstanding at June 30, 2019:

General Obligation Bonds:	Original amount issued	Original maturity ranges	Original interest rates	Outstanding principal
Improvement	\$ 60,000,000	2010-2021	3.609-6.035%	\$ 7,420,000
Improvement/Refunding	45,975,000	2012-2030	2.00-4.00%	38,330,000
Refunding	37,655,000	2014-2023	2.00-5.00%	27,155,000
Improvement	30,000,000	2016-2030	2.00-5.00%	21,455,000
Improvement	375,000,000	2019-2040	4.00-5.00%	375,000,000
Refunding	41,645,000	2021-2030	2.00-5.00%	41,645,000
				<u>\$ 511,005,000</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 5: LONG-TERM LIABILITIES (Continued)

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2019:

Year ending June 30,	Principal	Interest	Total
2020	\$ 30,770,000	\$ 23,041,315	\$ 53,811,315
2021	27,545,000	21,723,252	49,268,252
2022	28,610,000	20,442,226	49,052,226
2023	29,890,000	19,094,812	48,984,812
2024	31,305,000	17,656,825	48,961,825
2025-2029	113,465,000	70,863,475	184,328,475
2030-2034	115,315,000	43,872,175	159,187,175
2035-2039	91,415,000	21,326,850	112,741,850
2040	42,690,000	2,160,500	44,850,500
Total	<u>\$ 511,005,000</u>	<u>\$ 240,181,430</u>	<u>\$ 751,186,430</u>

Discretely Presented Component Units

Discretely presented component unit long-term debt activity for the year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Due within 1 year
Loans payable	\$ —	\$ 705,020	\$ (50,574)	\$ 654,446	\$ 57,317
Revenue					
bonds payable	24,516,304	—	\$ (638,320)	23,877,984	667,948
Net Premium (Discount)	(186,575)	—	6,992	(179,583)	—
Total	<u>\$ 24,329,729</u>	<u>\$ 705,020</u>	<u>\$ (681,902)</u>	<u>\$ 24,352,847</u>	<u>\$ 725,265</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. Loans payable are to finance leasehold improvements and require monthly payments.

The following discretely presented component unit bonds were outstanding at June 30, 2019:

	Original interest rates	Outstanding principal
Revenue/Refunding	3.00%-5.00%	\$ 13,765,000
Revenue	5.625%	1,520,000
Revenue	2.00%-4.00%	2,930,000
Refunding	4.00%	4,386,762
Refunding	4.00%	1,276,222
Total		<u>\$ 23,877,984</u>

The following schedule details debt service requirements for bonds and loans to maturity for discretely presented component unit bonds payable at June 30, 2019:

Year ending June 30,	Principal	Interest	Total
2020	\$ 725,265	\$ 1,082,471	\$ 1,807,736
2021	743,176	1,056,872	1,800,048
2022	771,626	1,030,585	1,802,211
2023	800,661	1,002,894	1,803,555
2024	785,920	973,865	1,759,785
2025-29	4,705,215	4,335,874	9,041,089
2030-34	5,367,172	3,258,512	8,625,684
2035-39	4,923,395	2,063,456	6,986,851
2040-44	5,380,000	886,000	6,266,000
2045-49	330,000	20,000	350,000
Total	<u>\$ 24,532,430</u>	<u>\$ 15,710,529</u>	<u>\$ 40,242,959</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 6: OPERATING LEASES

Discretely presented component units have entered into operating leases for copier rentals, school facilities and improvements and other equipment.

Year ending June 30,		
2020	\$	1,134,376
2021		1,045,201
2022		1,005,927
2023		1,018,275
2024		760,123
2025-29		3,877,489
2030-34		2,359,471
2035-39		710,854
Total	\$	<u>11,911,716</u>

NOTE 7: DEFINED BENEFIT PENSION PLAN

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*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. A brief description of some of the major changes to plan provisions required by SB 18-200 for the SCHDTF are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates for the SCHDTF by 0.25 percent on July 1, 2019.
- Increases employee contribution rates for the SCHDTF by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, increases 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.

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 (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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, 2018, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2018 and 2019 for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5 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 will receive the lesser of an annual increase of 1.5 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. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

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 lifetime retirement benefit formulas 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, 2019. Eligible employees of the District and its component units and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. §24-51-413, *et seq.* and §24-51-401. Eligible employees are required to contribute 8 percent of their PERA-includable salary during the period of July 1, 2018 through June 30, 2019.

The employer contribution requirements are summarized in the table below:

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

	January 1, 2018 through December 31, 2018	January 1, 2019 through December 31, 2019
Employer Contribution Rate	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%	5.50%
Total Employer Contribution Rate to the SCHDTF	19.13%	19.13%

Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.

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 \$35,646,087 for the year ended June 30, 2019. Employer contributions recognized by the SCHDTF from discretely presented component units were \$1,910,459 for the year ended June 30, 2019.

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

The net pension liability for the SCHDTF was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total pension liability to December 31, 2018. The District's proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2018 relative to the total contributions of participating employers and the State as a nonemployer contributing entity

At June 30, 2019, the District and discretely presented component units reported a liability of \$550,996,544 and \$30,920,837, respectively, for their proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District and discretely presented component units as their proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 550,996,544
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	66,278,466
Total	<u>\$ 617,275,010</u>
Discretely presented component units' proportionate share of the net pension liability	\$ 30,920,837
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the discretely presented component units	4,227,998
Total	<u>\$ 35,148,835</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

At December 31, 2018, the District's proportion was 3.11 percent, which was a decrease of 0.42 percent from its proportion measured as of December 31, 2017. At December 31, 2018, the discretely presented component units' proportion was 0.17 percent, which was a decrease of 0.02 percent from the proportion measured as of December 31, 2017.

For the year ended June 30, 2019 the District recognized net pension income of \$60,122,315 and revenue of \$387,057 from the State as a nonemployer contributing entity. At June 30, 2019, 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	\$ 18,690,417	\$ —
Changes of assumptions or other inputs	102,845,913	342,660,585
Net difference between projected and actual earnings on pension plan investments	30,032,752	—
Changes in proportion and differences between contributions recognized and proportionate share of contributions	150,738	80,561,016
Contributions subsequent to the measurement date	17,113,890	—
Total	\$ 168,833,710	\$ 423,221,601

\$17,113,890 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, 2020. 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,	
2020	\$ (54,081,194)
2021	(141,208,807)
2022	(92,640,277)
2023	16,428,497
Total	\$ (271,501,781)

For the year ended June 30, 2019 discretely presented component units recognized pension income of \$4,122,443 and revenue of \$21,722 from the State as a nonemployer contributing entity. At June 30, 2019, discretely presented component units 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	\$ 1,048,867	\$ —
Changes of assumption or other inputs	5,771,508	19,229,434
Net difference between projected and actual earnings on pension plan investments	1,685,378	—
Changes in proportion and differences between contributions recognized and proportionate share of contributions	5,321,536	3,300,177
Contributions subsequent to the measurement date	1,042,551	—
Total	\$ 14,869,840	\$ 22,529,611

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

\$1,042,551 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, 2020.

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,	
2020	\$ (195,653)
2021	(5,460,826)
2022	(3,967,779)
2023	921,936
Total	\$ <u><u>(8,702,322)</u></u>

Actuarial assumptions. The total pension liability in the December 31, 2017 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	4.78 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent compounded annually
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

The revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2017 to December 31, 2018:

Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	0% through 2019 and 1.5% compounded annually thereafter
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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, 2019

NOTE 7: 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>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	100.00%	

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

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

- 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 in effect for each year, including the scheduled increases in SB 18-200. 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 for each year, including the scheduled increase in SB 18-200. Employer contributions also include the 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.
- As specified in law, the State will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process 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. 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 middle of the year.

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

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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 3.43 percent were used in the discount rate determination resulting in a discount rate of 4.78 percent, 2.47 percent lower 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 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 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 pension liability	\$ 700,497,847	\$ 550,996,544	\$ 425,539,741

Component Units:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 39,310,556	\$ 30,920,837	\$ 23,878,450

Pension plan fiduciary net position. Detailed information about the SCHDTF's fiduciary net position is available in PERA's CAFR which can be obtained at www.copera.org/investments/pera-financial-reports.

At June 30, 2019 accounts payable reported in the General Fund included \$4,070,938 payable to the SCHDTF. The payable represents the June 2019 District and employee contributions remitted to PERA in July 2019.

NOTE 8: 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, 2019, program members contributed \$2,494,166 for the Voluntary Investment Program.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9: 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 (CAFR) 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.

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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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 \$1,804,417 for the year ended June 30, 2019. Discretely presented component units recognized contributions of \$98,066 for the year ended June 30, 2019.

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

At June 30, 2019, the District reported a liability of \$27,518,929 for its proportionate share of the net OPEB liability and discretely presented component units reported a liability of \$1,351,664. The net OPEB liability for the HCTF was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2018. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2018 relative to the total contributions of participating employers to the HCTF.

At December 31, 2018, the District's proportion was 2.02 percent, which was an increase of 0.01 from its proportion measured as of December 31, 2017. At December 31, 2018, the discretely presented component units' proportion was 0.10 percent, which was an increase of 0.004 from the proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the District recognized OPEB expense of \$465,290. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 99,878	\$ 41,889
Changes of assumption or other inputs	193,041	—
Net difference between projected and actual earnings on OPEB investments	158,252	—
Changes in proportion and differences between contributions recognized and proportionate share of contributions	164,406	334,162
Contributions subsequent to the measurement date	<u>912,502</u>	<u>—</u>
Total	<u>\$ 1,528,079</u>	<u>\$ 376,051</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

\$912,502 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, 2020. 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,		
2020	\$	17,664
2021		17,664
2022		17,704
2023		127,574
2024		56,486
2025		2,434
Total	\$	<u>239,526</u>

For the year ended June 30, 2019, discretely presented component units recognized OPEB expense of \$92,398. At June 30, 2019, discretely presented component units reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 4,907	\$ 2,057
Changes of assumption or other inputs	9,482	—
Net difference between projected and actual earnings on OPEB investments	7,773	—
Changes in proportion and differences between contributions recognized and proportionate share of contributions	96,406	36,667
Contributions subsequent to the measurement date	54,411	—
Total	\$ <u>172,979</u>	\$ <u>38,724</u>

\$54,411 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, 2020. 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,		
2020	\$	15,775
2021		15,775
2022		15,774
2023		21,174
2024		10,927
2025		419
Total	\$	<u>79,844</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial assumptions. The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% in aggregate
Long-term Investment Rate of Return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	5.00%
Medicare Part A premiums	3.25% for 2018, gradually rising to 5.00% in 2025

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.

The actuarial assumptions used in the December 31, 2017, 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 Board's actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2018 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$736	\$367
Kaiser Permanente Medicare Advantage HMO	602	236
Rocky Mountain Health Plans Medicare HMO	611	251
UnitedHealthcare Medicare HMO	686	213

The 2018 Medicare Part A premium is \$422 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$289
Kaiser Permanente Medicare Advantage HMO	300
Rocky Mountain Health Plans Medicare HMO	270
UnitedHealthcare Medicare HMO	400

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

All costs are subject to the health care trend rates, as discussed below.

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, 2017, 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.

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>
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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.

The following health care cost assumptions were used in the measurement of the obligations for the HCTF:

- 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 2018 plan year.
- 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 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 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:

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

<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	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	\$26,759,021	\$27,518,929	\$28,392,954

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	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	\$1,281,912	\$1,344,106	\$1,360,811

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, 2018, measurement date.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 9: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

- 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.
- Employer contributions and the amount of total service costs for future plan members were based upon a process 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 middle of the year.

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	\$ 30,791,284	\$ 27,518,929	\$ 24,721,368

Component Units:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 1,500,760	\$ 1,341,265	\$ 1,204,913

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, 2019 accounts payable reported in the General Fund included \$41,951 payable to the HCTF. The payable represents the June 2019 District and employee contributions remitted to PERA in July 2019.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 10: 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 various risks of loss. 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 of Directors. Risks covered through CSDSIP and the related deductibles are as follows:

Coverage From	Deductible
School Entity Liability	\$ 150,000
Employee Benefits Liability	150,000
School Auto	10,000
Property	150,000
Equipment Breakdown	100,000
School Crisis Act	—
Nuclear, Chemical, Biological, Biochemical Acts of Terrorism	150,000
Pollution & Remediation Legal Liability	50,000
Privacy & Network Liability	50,000

The District purchases commercial insurance for privacy and network liability. The commercial insurance policy is the District's primary privacy and network liability policy with a \$50,000 deductible. Commercial insurance is also carried for other risks of loss including a fidelity bond, 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.

Total costs for property and liability, including premiums of \$798,595, for the fiscal year ended June 30, 2019 were \$846,545.

The District is self-insured for workers' compensation claims and purchases a commercial excess policy with a self-insured retention of \$450,000.

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.

The funds' claims payable liabilities at June 30, 2019, 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, 2018 and 2019, were as follows:

	2018	2019
Employee Self Insurance Fund:		
Claims payable, beginning of the year	\$ 2,451,479	\$ 3,216,313
Current-year claims and changes in estimates	28,539,737	23,131,941
Claim payments	27,774,903	23,677,467
Claims payable, end of year	<u>\$ 3,216,313</u>	<u>\$ 2,670,787</u>
General Fund:		
Claims payable, beginning of the year	\$ 1,156,000	\$ 1,342,000
Current-year claims and changes in estimates	644,290	757,119
Claim payments	830,290	918,119
Claims payable, end of year	<u>\$ 1,342,000</u>	<u>\$ 1,181,000</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 11: INTERFUND BALANCES AND ACTIVITY

Interfund balances are expected to be repaid within one year and at June 30, 2019 were as follows.

Payable from	Payable to General Fund
Designated Special Purpose Grants Fund	\$ 1,678,697
Nonmajor Special Revenue Fund	444,404
Total	\$ 2,123,101

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

Interfund transfers of \$94,512 from the General Fund to the Nonmajor Special Revenue Fund were used to (1) to cover the outstanding meal charges in the Food Service Fund, a nonmajor special revenue fund with General Fund resources, and (2) move resources from the General Fund to support activities accounted for in the Public School Activities Fund, a nonmajor special revenue fund.

NOTE 12: 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. A total of \$30,000 as local revenue in the General Fund and general revenue on the Statement of Activities was recorded in relation to the lease.

NOTE 13: COMMITMENTS AND CONTINGENCIES

Encumbrances - The General Fund and Capital Projects Fund have outstanding encumbrances totaling \$1,922,753 and \$15,101,099 respectively. Bond proceeds will 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, 2019, \$2,180,054 of the projects were complete with estimated remaining contractual commitments of \$2,547,507. These projects are primarily being funded with bond proceeds.

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, 2019, 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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 13: COMMITMENTS AND CONTINGENCIES (Continued)

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, 2019, 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 14: SHORT TERM DEBT

The District participates in the interest free loan program offered by the State Treasurer 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 12, 2019.

Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019
\$ —	\$ 22,121,706	\$ 22,121,706	\$ —

NOTE 15: RELATED PARTY TRANSACTIONS

Discretely Presented Component Units - The District provided administrative and other services for the fiscal year ended June 30, 2019 to the District sponsored charter schools as follows:

Charter School	Amount
Liberty Common School	\$ 352,799
Fort Collins Montessori School	31,322
Mountain Sage Community School	105,000
Ridgeview Classical Schools	205,311
Compass Community Collaborative School	77,392
Total	\$ 771,824

Poudre School District Foundation – The District employs a classified employee who 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. The Foundation also reimburses the District for the cost of the Executive Director’s cell phone and copies made using a District copy machine. For the fiscal year ended June 30, 2019, the Foundation reimbursed the District \$53,012. In addition, the District provided office space to the Foundation as well as 19 hours of temporary clerical staff support free of charge.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 16: RESTATEMENT

Net position at the beginning of the year was restated, due to a change in reporting entity, to include the beginning of the year balance of \$126,327 for Compass Community Collaborative School, which began operations as a District authorized charter school in the 2019 fiscal year.

NOTE 17: SUBSEQUENT EVENT

In November 2019, voters passed an \$18,000,000 annual mill levy override. Funds will be used to increase first-year teacher salaries, maintain competitive wages for teachers and support staff, and provide resources for mental health and safety and security. District authorized charter schools will receive a pro rata share.



Required Supplementary Information



POUDRE SCHOOL DISTRICT



POUDRE SCHOOL DISTRICT

**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, 2019**

	Budgeted Amounts		Actual (Non-GAAP Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local:				
Property taxes	\$ 131,945,424	\$ 130,445,358	\$ 130,699,213	\$ 253,855
Specific ownership taxes	16,317,128	16,047,321	15,743,121	(304,200)
Delinquent taxes and penalties and interest on taxes	1,300,000	1,400,000	1,453,426	53,426
Interest on investments	240,000	1,200,000	1,484,549	284,549
Building and other rental	650,000	700,000	314,195	(385,805)
Athletic support	190,000	190,000	170,387	(19,613)
Student fees	840,000	900,000	1,063,347	163,347
Services to charter schools	739,624	751,592	771,824	20,232
Indirect and overhead costs	800,000	800,000	1,135,358	335,358
E-rate	—	500,000	341,468	(158,532)
Cash in lieu of land	1,950,000	1,800,000	1,723,381	(76,619)
Tuition	2,830,000	3,300,000	3,054,114	(245,886)
Other	2,060,000	2,060,000	2,480,493	420,493
	<u>159,862,176</u>	<u>160,094,271</u>	<u>160,434,876</u>	<u>340,605</u>
Total local sources				
State:				
Equalization	124,853,769	125,610,552	125,600,955	(9,597)
Vocational education	1,210,056	987,571	987,572	1
Special education	4,535,453	4,463,149	4,440,561	(22,588)
At-Risk funding	—	—	124,949	124,949
Career success pilot	—	—	154,040	154,040
Transportation	1,795,520	1,771,140	1,811,785	40,645
ELPA	917,795	1,000,927	1,000,927	—
Gifted and talented	284,989	281,901	281,901	—
READ Act funding	870,276	823,938	823,938	—
Charter school capital construction	608,965	677,045	689,025	11,980
Small attendance center	108,570	90,000	87,528	(2,472)
Other	180,000	275,000	4,477,136	4,202,136
	<u>135,365,393</u>	<u>135,981,223</u>	<u>140,480,317</u>	<u>4,499,094</u>
Total state sources				
Federal:				
National Forest Reserve Act	135,000	135,000	89,615	(45,385)
	<u>135,000</u>	<u>135,000</u>	<u>89,615</u>	<u>(45,385)</u>
Total federal sources				
	<u>295,362,569</u>	<u>296,210,494</u>	<u>301,004,808</u>	<u>4,794,314</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, 2019
(Continued)**

	Budgeted Amounts		Actual (Non-GAAP Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current—				
Instruction	\$ 155,788,762	\$ 158,127,936	\$ 160,919,488	\$ (2,791,552)
Support services:				
Students	17,038,977	17,294,818	17,585,216	(290,398)
Instructional staff	18,458,892	18,736,053	19,074,246	(338,193)
General administration	2,839,830	2,882,470	2,926,723	(44,253)
School administration	21,164,767	21,482,557	21,862,162	(379,605)
Business	3,831,091	3,888,615	3,970,100	(81,485)
Operation and maintenance of plant	22,477,519	22,815,020	23,224,692	(409,672)
Student transportation	9,108,887	9,245,658	9,412,907	(167,249)
Central	12,002,298	12,182,513	12,386,492	(203,979)
Other	267,908	271,931	280,088	(8,157)
Food services operations	294,699	299,124	303,873	(4,749)
Community services	160,745	163,159	159,076	4,083
Education for adults	80,373	81,579	72,127	9,452
Total current expenditures	<u>263,514,748</u>	<u>267,471,433</u>	<u>272,177,190</u>	<u>(4,705,757)</u>
Capital outlay—				
Support services:				
Students	26,791	27,193	21,225	5,968
Operation and maintenance of plant	482,235	489,476	499,748	(10,272)
Student transportation	776,934	788,600	802,432	(13,832)
Central	80,373	81,579	77,608	3,971
Food services operations	26,791	27,193	15,969	11,224
Facilities acquisition and construction	3,000,575	3,045,628	3,107,238	(61,610)
Total capital outlay	<u>4,393,699</u>	<u>4,459,669</u>	<u>4,524,220</u>	<u>(64,551)</u>
Payments to charter schools	<u>20,393,266</u>	<u>20,594,304</u>	<u>20,610,842</u>	<u>(16,538)</u>
Operating contingencies	<u>68,982,722</u>	<u>67,962,884</u>	<u>—</u>	<u>67,962,884</u>
Total expenditures	<u>357,284,435</u>	<u>360,488,290</u>	<u>297,312,252</u>	<u>63,176,038</u>
Excess of revenues over (under) expenditures	<u>(61,921,866)</u>	<u>(64,277,796)</u>	<u>3,692,556</u>	<u>67,970,352</u>
Other financing sources (uses):				
Transfers in	100,000	100,000	—	(100,000)
Transfers (out)	<u>—</u>	<u>—</u>	<u>(94,512)</u>	<u>(94,512)</u>
Total other financing (uses)	<u>100,000</u>	<u>100,000</u>	<u>(94,512)</u>	<u>(194,512)</u>
Net change in fund balance	(61,821,866)	(64,177,796)	3,598,044	67,775,840
Fund balances at beginning of year	<u>61,821,866</u>	<u>64,177,796</u>	<u>64,177,796</u>	<u>—</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 67,775,840</u>	<u>\$ 67,775,840</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, 2019**

	Actual (GAAP Basis)	Adjustments from GAAP to Non-GAAP Budgetary Basis	Actual (Non-GAAP Budgetary Basis)
Revenues:			
Local:			
Property taxes	\$ 130,699,213	\$ —	\$ 130,699,213
Specific ownership taxes	15,743,121	—	15,743,121
Delinquent taxes and penalties and interest on taxes	1,453,426	—	1,453,426
Interest on investments	1,484,549	—	1,484,549
Building and other rental	314,195	—	314,195
Athletic support	170,387	—	170,387
Student fees	1,063,347	—	1,063,347
Services to charter schools	771,824	—	771,824
Indirect and overhead costs	1,135,358	—	1,135,358
E-rate	341,468	—	341,468
Cash in lieu of land	1,723,381	—	1,723,381
Tuition	3,054,114	—	3,054,114
Other	2,480,493	—	2,480,493
	<u>160,434,876</u>	<u>—</u>	<u>160,434,876</u>
Total local sources			
State:			
Equalization	125,600,955	—	125,600,955
Vocational education	987,572	—	987,572
Special education	4,440,561	—	4,440,561
At-risk funding	124,949	—	124,949
Career success pilot	154,040	—	154,040
Transportation	1,811,785	—	1,811,785
ELPA	1,000,927	—	1,000,927
Gifted and talented	281,901	—	281,901
READ Act funding	823,938	—	823,938
Charter school capital construction	689,025	—	689,025
Small attendance center	87,528	—	87,528
Other	4,477,136	—	4,477,136
	<u>140,480,317</u>	<u>—</u>	<u>140,480,317</u>
Total state sources			
Federal:			
National Forest Reserve Act	89,615	—	89,615
	<u>89,615</u>	<u>—</u>	<u>89,615</u>
Total federal sources			
	<u>301,004,808</u>	<u>—</u>	<u>301,004,808</u>
Total revenues			

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, 2019
(Continued)**

	Actual (GAAP Basis)	Adjustments from GAAP to Non-GAAP Budgetary Basis	Actual (Non-GAAP Budgetary Basis)
	<u> </u>	<u> </u>	<u> </u>
Expenditures:			
Current—			
Instruction	\$ 161,984,125	\$ (1,064,637)	\$ 160,919,488
Support services:			
Students	17,732,354	(147,138)	17,585,216
Instructional staff	19,271,161	(196,915)	19,074,246
General administration	2,927,854	(1,131)	2,926,723
School administration	22,014,075	(151,913)	21,862,162
Business	3,972,172	(2,072)	3,970,100
Operation and maintenance of plant	23,277,887	(53,195)	23,224,692
Student transportation	9,467,569	(54,662)	9,412,907
Central	12,394,333	(7,841)	12,386,492
Other	280,331	(243)	280,088
Food services operations	303,873	—	303,873
Community services	159,411	(335)	159,076
Education for adults	72,127	—	72,127
	<u>273,857,272</u>	<u>(1,680,082)</u>	<u>272,177,190</u>
Total current expenditures			
Capital outlay—			
Support services:			
Students	21,225	—	21,225
Operation and maintenance of plant	499,748	—	499,748
Student transportation	802,432	—	802,432
Central	77,608	—	77,608
Food services operations	15,969	—	15,969
Facilities acquisition and construction	3,107,238	—	3,107,238
	<u>4,524,220</u>	<u>—</u>	<u>4,524,220</u>
Total capital outlay			
Charter school funding	<u>20,610,842</u>	<u>—</u>	<u>20,610,842</u>
Total expenditures	<u>298,992,334</u>	<u>(1,680,082)</u>	<u>297,312,252</u>
Excess of revenues over expenditures	<u>2,012,474</u>	<u>1,680,082</u>	<u>3,692,556</u>
Other financing sources (uses):			
Transfers in	—	—	—
Transfers (out)	(94,512)	—	(94,512)
	<u>(94,512)</u>	<u>—</u>	<u>(94,512)</u>
Total other financing (uses)			
Net change in fund balance	1,917,962	1,680,082	3,598,044
Fund balances at beginning of year	<u>49,510,238</u>	<u>14,667,558</u>	<u>64,177,796</u>
Fund balances at end of year	<u>\$ 51,428,200</u>	<u>\$ 16,347,640</u>	<u>\$ 67,775,840</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, 2019**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Local sources	\$ 500,000	\$ 246,327	\$ (253,673)
State sources	1,300,000	2,103,926	803,926
Federal sources	14,200,000	13,418,292	(781,708)
Total revenues	<u>16,000,000</u>	<u>15,768,545</u>	<u>(231,455)</u>
Expenditures:			
Current—			
Instruction	10,073,974	8,943,705	1,130,269
Support services:			
Students	3,242,555	3,997,735	(755,180)
Instructional staff	1,609,603	1,413,415	196,188
School administration	109,108	3,563	105,545
Business	554,962	690,954	(135,992)
Operation and maintenance of plant	137,290	233,451	(96,161)
Central	25,738	9,893	15,845
Community services	246,770	224,787	21,983
Charter school funding	—	286,569	(286,569)
Total current expenditures	<u>16,000,000</u>	<u>15,804,072</u>	<u>195,928</u>
Total expenditures	<u>16,000,000</u>	<u>15,804,072</u>	<u>195,928</u>
Net change in fund balance	—	(35,527)	(35,527)
Fund balance at beginning of year	—	35,527	35,527
Fund balance at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Poudre School District
NOTES TO BUDGETARY COMPARISON SCHEDULE
June 30, 2019

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 22, 2019. Original budgets for all funds were adopted by the Board of Education on June 12, 2018.

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 allows cash basis budgeting for salaries and benefits, eliminating the need to fund accrued salaries, benefits and related liabilities in the current year.
- Net changes in fair value of investments are not budgeted.
- The District's proportionate share of the statutorily required direct contribution to PERA from the State of Colorado was 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Cumulative Proportion of the Net Pension Liability	3.11%	3.53%	3.60%	3.59%	3.50%
District's Cumulative Proportionate Share of the Net Pension Liability	\$ 550,996,544	\$ 1,142,573,549	\$ 1,071,153,104	\$ 549,208,215	\$ 474,471,702
State's Proportionate Share of the Net Pension Liability as a Nonemployer Contributing Entity Associated with the District ¹	66,278,466	-	-	-	-
Total	<u>\$ 617,275,010</u>	<u>\$ 1,142,573,549</u>	<u>\$ 1,071,153,104</u>	<u>\$ 549,208,215</u>	<u>\$ 474,471,702</u>
District's Covered Payroll	\$ 171,034,992	\$ 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	360.91%	701.43%	663.38%	350.96%	311.95%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.01%	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.

¹ As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.

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

Fiscal Year Ended (June 30)	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 35,646,087	\$ 31,200,080	\$ 29,755,681	\$ 28,479,916	\$ 25,679,649	\$ 22,618,176
Contributions in Relation to the Statutorily Required Contributions	<u>(35,646,087)</u>	<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>	<u>\$ -</u>
District's covered payroll	\$ 176,903,660	\$ 165,228,762	\$ 161,883,105	\$ 160,609,358	\$ 152,097,457	\$ 141,513,227
Contributions as a Percentage of Covered Payroll	20.15%	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>2018</u>	<u>2017</u>	<u>2016</u>
District's Cumulative Proportion of the Net OPEB Liability	2.02%	2.01%	2.04%
District's Cumulative Proportionate Share of the Net OPEB Liability	\$ 27,518,929	\$ 26,091,559	\$ 26,513,459
District's Covered Payroll	\$ 171,034,992	\$ 162,891,337	\$ 161,469,108
District's Cumulative Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	16.09%	16.02%	16.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	17.03%	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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 1,804,417	\$ 1,685,334	\$ 1,651,208	\$ 1,638,215	\$ 1,551,394
Contributions in Relation to the Statutorily Required Contributions	<u>(1,804,417)</u>	<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>	<u>\$ -</u>
District's covered payroll	\$ 176,903,660	\$ 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%	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.



POUDRE SCHOOL DISTRICT



Supplementary Information



POUDRE SCHOOL DISTRICT

**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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local sources—				
Property taxes	\$ 41,750,284	\$ 40,491,768	\$ 40,046,858	\$ (444,910)
Delinquent taxes and penalties and interest on taxes	—	—	455,548	455,548
Federal sources—				
Build America Bonds subsidy	1,049,093	1,012,294	988,576	(23,718)
Total revenues	42,799,377	41,504,062	41,490,982	(13,080)
Expenditures:				
Debt service—				
Purchased services	3,750	4,200	293,580	(289,380)
Other	—	—	132,700	(132,700)
Interest on debt	7,098,499	20,450,019	20,450,019	—
Retirement of bonds	18,345,000	18,345,000	18,345,000	—
Total debt service	25,447,249	38,799,219	39,221,299	(422,080)
Contingency	82,955,780	68,097,278	—	68,097,278
Total expenditures	108,403,029	106,896,497	39,221,299	67,675,198
Other financing sources (uses):				
Premium on bonds issued	—	—	6,917,299	6,917,299
Proceeds from refunding bonds	—	—	41,645,000	41,645,000
Payment to escrow agent	—	—	(48,131,428)	(48,131,428)
Total other financing sources	—	—	430,871	430,871
Net change in fund balance	(65,603,652)	(65,392,435)	2,700,554	68,092,989
Fund balance at beginning of year	65,603,652	65,392,435	65,392,435	—
Fund balance at end of year	\$ —	\$ —	\$ 68,092,989	\$ 68,092,989

**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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local sources—				
Interest on investments	\$ 100,000	\$ 7,000,000	\$ 9,147,275	\$ 2,147,275
Total revenues	<u>100,000</u>	<u>7,000,000</u>	<u>9,147,275</u>	<u>2,147,275</u>
Expenditures:				
Current—				
Instruction	—	—	2,723,659	(2,723,659)
Support services:				
Business support	—	—	501,617	(501,617)
Operation and maintenance of plant	1,589,251	11,895,540	2,009,251	9,886,289
Central	123,344	923,230	343,589	579,641
Food services operations	2,099	15,710	—	15,710
Debt service—				
Purchased services	—	1,834,585	1,834,585	—
Charter school funding	—	—	343,483	(343,483)
Total current expenditures	<u>1,714,694</u>	<u>14,669,065</u>	<u>7,756,184</u>	<u>6,912,881</u>
Capital outlay—				
Support services:				
Operation and maintenance of plant	339,534	2,541,413	377,223	2,164,190
Central	295,394	2,211,020	108,904	2,102,116
Food services operations	—	—	—	—
Facilities acquisition and construction	3,662,405	27,413,087	10,200,524	17,212,563
Total capital outlay	<u>4,297,333</u>	<u>32,165,520</u>	<u>10,686,651</u>	<u>21,478,869</u>
Total expenditures	<u>6,012,027</u>	<u>46,834,585</u>	<u>18,442,835</u>	<u>28,391,750</u>
(Deficiency) of revenues (under) expenditures	<u>(5,912,027)</u>	<u>(39,834,585)</u>	<u>(9,295,560)</u>	<u>30,539,025</u>
Other financing sources:				
Premium on bonds issued	—	—	49,271,964	(49,271,964)
Proceeds from issuing bonds	—	424,271,964	375,000,000	49,271,964
Total financing sources	<u>—</u>	<u>424,271,964</u>	<u>424,271,964</u>	<u>—</u>
Net change in fund balance	(5,912,027)	384,437,379	414,976,404	30,539,025
Fund balance at beginning of year	<u>5,912,027</u>	<u>10,381,313</u>	<u>10,381,313</u>	<u>—</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ 394,818,692</u>	<u>\$ 425,357,717</u>	<u>\$ 30,539,025</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 sources 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, 2019**

	<u>Food Service</u>	<u>Public School Activities</u>	<u>Nonmajor Special Revenue Funds Total</u>
ASSETS			
Cash and investments (including restricted amounts)	\$ 1,975,020	\$ 4,092,354	\$ 6,067,374
Receivable from grantor agencies	55,265	—	55,265
Accounts receivable	—	22,097	22,097
Inventory	<u>297,788</u>	<u>—</u>	<u>297,788</u>
Total assets	<u>\$ 2,328,073</u>	<u>\$ 4,114,451</u>	<u>\$ 6,442,524</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 9,720	\$ 104,164	\$ 113,884
Accrued salaries and benefits	198,099	137,049	335,148
Unearned revenue	327,249	2,080	329,329
Due to other funds	<u>444,404</u>	<u>—</u>	<u>444,404</u>
Total liabilities	<u>979,472</u>	<u>243,293</u>	<u>1,222,765</u>
Fund balances:			
Nonspendable	297,788	—	297,788
Restricted	<u>1,050,813</u>	<u>3,871,158</u>	<u>4,921,971</u>
Total fund balances	<u>1,348,601</u>	<u>3,871,158</u>	<u>5,219,759</u>
Total liabilities and fund balances	<u>\$ 2,328,073</u>	<u>\$ 4,114,451</u>	<u>\$ 6,442,524</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, 2019**

	Food Service	Public School Activities	Nonmajor Special Revenue Funds Total
Revenues:			
Local sources	\$ 3,958,283	\$ 7,388,093	\$ 11,346,376
State sources	159,638	—	159,638
Federal sources	5,057,404	—	5,057,404
	<u>9,175,325</u>	<u>7,388,093</u>	<u>16,563,418</u>
Expenditures:			
Current—			
Instruction	—	6,856,220	6,856,220
Support services:			
Students	—	412,211	412,211
Instructional staff	—	79,037	79,037
School administration	—	238,567	238,567
Operation and maintenance of plant	—	47,911	47,911
Central	—	5,739	5,739
Food services operations	9,380,649	—	9,380,649
Community services	—	70	70
Capital outlay	—	127,033	127,033
	<u>9,380,649</u>	<u>7,766,788</u>	<u>17,147,437</u>
(Deficiency) of revenues (under) expenditures	<u>(205,324)</u>	<u>(378,695)</u>	<u>(584,019)</u>
Other financing sources (uses):			
Transfers in	86,935	7,577	94,512
Transfers (out)	—	—	—
	<u>86,935</u>	<u>7,577</u>	<u>94,512</u>
Net change in fund balances	(118,389)	(371,118)	(489,507)
Fund balances at beginning of year	<u>1,466,990</u>	<u>4,242,276</u>	<u>5,709,266</u>
Fund balances at end of year	<u>\$ 1,348,601</u>	<u>\$ 3,871,158</u>	<u>\$ 5,219,759</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, 2019**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Local sources—			
Interest on investments	\$ 10,000	\$ 8,450	\$ (1,550)
Other revenue	50,000	65,076	15,076
Food sales	4,150,000	3,884,757	(265,243)
State sources	140,000	159,638	19,638
Federal sources—			
Federal Reimbursement	4,550,000	4,422,097	(127,903)
Commodities	750,000	635,307	(114,693)
Total revenues	9,650,000	9,175,325	(474,675)
Expenditures:			
Current—			
Food services operations			
Salaries and benefits	4,000,000	3,905,015	94,985
Food	4,600,000	4,532,388	67,612
Non-food	1,050,000	943,246	106,754
Total current expenditures	9,650,000	9,380,649	269,351
Contingency	1,464,684	—	1,464,684
Total Expenditures	11,114,684	9,380,649	1,734,035
(Deficiency) of revenues (under) expenditures	(1,464,684)	(205,324)	1,259,360
Other financing sources (uses):			
Transfers in	—	86,935	86,935
Transfers (out)	—	—	—
Total other financing sources	—	86,935	86,935
Net change in fund balances	(1,464,684)	(118,389)	1,346,295
Fund balances at beginning of year	1,464,684	1,466,990	2,306
Fund balances at end of year	\$ —	\$ 1,348,601	\$ 1,348,601

**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, 2019**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Local sources—			
Gifts and donations	\$ 2,400,000	\$ 1,962,640	\$ (437,360)
Activity revenue	4,450,000	3,869,219	(580,781)
Tuition and fees	1,800,000	1,389,465	(410,535)
Other local sources	500,000	166,769	(333,231)
Total revenues	<u>9,150,000</u>	<u>7,388,093</u>	<u>(1,761,907)</u>
Expenditures:			
Current—			
Instruction	8,398,075	6,856,220	1,541,855
Support services:			
Students	287,675	412,211	(124,536)
Instructional staff	105,450	79,037	26,413
School administration	297,850	238,567	59,283
Operation and maintenance of plant	73,075	47,911	25,164
Central	15,725	5,739	9,986
Community services/other	—	70	(70)
Total current expenditures	<u>9,177,850</u>	<u>7,639,755</u>	<u>1,538,095</u>
Capital outlay	72,150	127,033	(54,883)
Contingency	4,212,824	—	4,212,824
Total expenditures	<u>13,462,824</u>	<u>7,766,788</u>	<u>5,696,036</u>
(Deficiency) of revenues over (under) expenditures	<u>(4,312,824)</u>	<u>(378,695)</u>	<u>3,934,129</u>
Other financing sources (uses):			
Transfers in	100,000	7,577	(92,423)
Transfers (out)	—	—	—
Total other financing sources	<u>100,000</u>	<u>7,577</u>	<u>(92,423)</u>
Net change in fund balance	(4,212,824)	(371,118)	3,841,706
Fund balances at beginning of year	<u>4,212,824</u>	<u>4,242,276</u>	<u>29,452</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ 3,871,158</u>	<u>\$ 3,871,158</u>



Internal Service Funds

Employee Self Insurance Fund

This fund is used to account for the funding and administration of employee benefits, including but not limited to health and dental benefits. District and employee contributions offset the costs of the benefit plans. Employees also may elect to include eligible dependents under the plans 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 District schools and departments and other governmental and non-profit entities.

**Poudre School District
Internal Service Funds
Combining Statement of Net Position
June 30, 2019**

	<u>Employee Self-Insurance</u>	<u>Warehouse</u>	<u>Internal Service Funds Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 11,540,968	\$ 71,893	\$ 11,612,861
Cash - restricted	237,348	—	237,348
Accrued interest	3,269	—	3,269
Accounts receivable	1,530,932	—	1,530,932
Prepaid items	302,764	100	302,864
Inventory	<u>—</u>	<u>160,094</u>	<u>160,094</u>
Total current assets	<u>13,615,281</u>	<u>232,087</u>	<u>13,847,368</u>
Noncurrent assets:			
Capital assets:			
Vehicles	—	121,249	121,249
Less accumulated depreciation	<u>—</u>	<u>(79,705)</u>	<u>(79,705)</u>
Total capital assets (net of accumulated depreciation)	<u>—</u>	<u>41,544</u>	<u>41,544</u>
Total assets	<u>13,615,281</u>	<u>273,631</u>	<u>13,888,912</u>
LIABILITIES			
Current liabilities:			
Accounts payable	786,485	21,290	807,775
Estimated liability for unsubmitted claims	<u>2,670,787</u>	<u>—</u>	<u>2,670,787</u>
Total current liabilities	<u>3,457,272</u>	<u>21,290</u>	<u>3,478,562</u>
Noncurrent liabilities:			
Employee compensated absences	<u>28,165</u>	<u>4,780</u>	<u>32,945</u>
Total noncurrent liabilities	<u>28,165</u>	<u>4,780</u>	<u>32,945</u>
Total liabilities	<u>3,485,437</u>	<u>26,070</u>	<u>3,511,507</u>
NET POSITION			
Investment in capital assets	—	41,544	41,544
Restricted for payment of claims	97,387	—	97,387
Unrestricted	<u>10,032,457</u>	<u>206,017</u>	<u>10,238,474</u>
Total net position	<u>\$ 10,129,844</u>	<u>\$ 247,561</u>	<u>\$ 10,377,405</u>

**Poudre School District
Internal Service Funds
Combining Statement of Revenues, Expenses
and Changes in Net Position
For the Fiscal Year Ended June 30, 2019**

	<u>Employee Self-Insurance</u>	<u>Warehouse</u>	<u>Internal Service Funds Total</u>
Operating revenues:			
District contributions	\$ 23,486,841	\$ —	\$ 23,486,841
Employee contributions	9,055,163	—	9,055,163
Sales	<u>—</u>	<u>680,456</u>	<u>680,456</u>
Total operating revenues	<u>32,542,004</u>	<u>680,456</u>	<u>33,222,460</u>
Operating expenses:			
Administration:			
Salaries	638,882	88,232	727,114
Employee benefits	183,163	34,140	217,303
Purchased services	1,520,155	5,766	1,525,921
Operating supplies	90,676	622,446	713,122
Internal charges	884	—	884
Claims	23,131,941	—	23,131,941
Premiums	2,502,731	—	2,502,731
Other	<u>9,720</u>	<u>11,593</u>	<u>21,313</u>
Total operating expenses	<u>28,078,152</u>	<u>762,177</u>	<u>28,840,329</u>
Operating (loss)/gain	<u>4,463,852</u>	<u>(81,721)</u>	<u>4,382,131</u>
Non-operating revenues:			
Investment earnings	<u>71,765</u>	<u>404</u>	<u>72,169</u>
Total non-operating revenues	<u>71,765</u>	<u>404</u>	<u>72,169</u>
Change in net position	4,535,617	(81,317)	4,454,300
Total net position at beginning of year	<u>5,594,227</u>	<u>328,878</u>	<u>5,923,105</u>
Total net position at end of year	<u>\$ 10,129,844</u>	<u>\$ 247,561</u>	<u>\$ 10,377,405</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, 2019**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Operating revenues:			
District contributions	\$ 23,500,000	\$ 23,486,841	\$ (13,159)
Employee contributions	10,150,000	9,055,163	(1,094,837)
Total operating revenues	33,650,000	32,542,004	(1,107,996)
Operating expenses:			
Administration:			
Salaries	549,000	638,882	(89,882)
Employee benefits	161,000	183,163	(22,163)
Purchased services	1,585,000	1,520,155	64,845
Operating supplies	93,000	90,676	2,324
Internal charges	1,000	884	116
Claims	29,000,000	23,131,941	5,868,059
Premiums	2,294,000	2,502,731	(208,731)
Other	17,000	9,720	7,280
Contingency	5,197,788	—	5,197,788
Total operating expenses	38,897,788	28,078,152	10,819,636
Operating (loss)/gain	(5,247,788)	4,463,852	9,711,640
Non-operating revenues:			
Investment earnings	50,000	71,765	21,765
Total non-operating revenues	50,000	71,765	21,765
Change in net position	(5,197,788)	4,535,617	9,733,405
Total net position at beginning of year	5,197,788	5,594,227	396,439
Total net position at end of year	\$ —	\$ 10,129,844	\$ 10,129,844

**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, 2019**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operating revenues:			
Sales	\$ 700,000	\$ 680,456	\$ (19,544)
Total operating revenues	<u>700,000</u>	<u>680,456</u>	<u>(19,544)</u>
Operating expenses:			
Administration:			
Salaries	88,000	88,232	(232)
Employee benefits	32,000	34,140	(2,140)
Purchased services	12,000	5,766	6,234
Operating supplies	733,250	622,446	110,804
Other	10,000	11,593	(1,593)
Contingency	<u>175,576</u>	<u>—</u>	<u>175,576</u>
Total operating expenses	<u>1,050,826</u>	<u>762,177</u>	<u>288,649</u>
Operating loss	<u>(350,826)</u>	<u>(81,721)</u>	<u>269,105</u>
Non-operating revenues:			
Investment earnings	<u>250</u>	<u>404</u>	<u>154</u>
Total non-operating revenues	<u>250</u>	<u>404</u>	<u>154</u>
Change in net position	(350,576)	(81,317)	269,259
Total net position at beginning of year	<u>350,576</u>	<u>328,878</u>	<u>(21,698)</u>
Total net position at end of year	<u>\$ —</u>	<u>\$ 247,561</u>	<u>\$ 247,561</u>

**Poudre School District
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2019**

	Employee Self- Insurance	Warehouse	Total
	<u> </u>	<u> </u>	<u> </u>
Cash flows from operating activities:			
Received from customers	\$ 32,529,821	\$ 680,456	\$ 33,210,277
Payments to employees	(813,688)	(120,838)	(934,526)
Payments to suppliers for goods and services	(1,648,392)	(553,390)	(2,201,782)
Payments for claims and insurance	(26,507,581)	—	(26,507,581)
Payments to other funds	(884)	—	(884)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided by operating activities	3,559,276	6,228	3,565,504
Cash flows from investing activities:			
Interest received	68,496	404	68,900
	<u> </u>	<u> </u>	<u> </u>
Net cash provided by investing activities	68,496	404	68,900
Net increase in cash and cash equivalents			
	3,627,772	6,632	3,634,404
Cash and cash equivalents at beginning of year	8,150,544	65,261	8,215,805
	<u> </u>	<u> </u>	<u> </u>
Cash and cash equivalents at end of year	\$ 11,778,316	\$ 71,893	\$ 11,850,209
	<u> </u>	<u> </u>	<u> </u>
Reconciliation of operating (loss)/gain to net cash provided by operating activities:			
Operating (loss)/gain	\$ 4,463,852	\$ (81,721)	\$ 4,382,131
Adjustments to reconcile operating (loss)/gain to net cash provided by operating activities:			
Depreciation expense	—	11,593	11,593
Accounts receivable	(499,071)	—	(499,071)
Prepaid items	(24,189)	5,509	(18,680)
Inventory	—	50,971	50,971
Accounts payable	155,853	18,342	174,195
Employee compensated absences	8,357	1,534	9,891
Estimated liability for unsubmitted claims	(545,526)	—	(545,526)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided by operating activities	\$ 3,559,276	\$ 6,228	\$ 3,565,504
	<u> </u>	<u> </u>	<u> </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, 2019**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
ADDITIONS			
Contributions:			
Private donations	\$ 100,000	\$ 53,170	\$ (46,830)
Interest earnings	<u>500</u>	<u>1,287</u>	<u>787</u>
Total additions	<u>100,500</u>	<u>54,457</u>	<u>(46,043)</u>
DEDUCTIONS			
Payments in accordance with trust agreements	100,500	67,093	33,407
Contingency	<u>252,349</u>	<u>—</u>	<u>252,349</u>
Total deductions	<u>352,849</u>	<u>67,093</u>	<u>285,756</u>
Change in net position	(252,349)	(12,636)	239,713
Net position at beginning of year	<u>252,349</u>	<u>238,913</u>	<u>(13,436)</u>
Net position at end of year	<u><u>\$ —</u></u>	<u><u>\$ 226,277</u></u>	<u><u>\$ 226,277</u></u>



Statistical Section



POUDRE SCHOOL 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			
	2019	2018	2017	2016
Governmental activities				
Net investment in capital assets	\$ 113,576,842	\$ 96,955,749	\$ 89,615,195	\$ 69,088,476
Restricted	92,348,194	89,983,205	67,269,078	62,861,134
Unrestricted ⁽¹⁾	<u>(788,931,001)</u>	<u>(855,449,352)</u>	<u>(621,536,676)</u>	<u>(435,864,904)</u>
Total governmental activities net position	<u>\$ (583,005,965)</u>	<u>\$ (668,510,398)</u>	<u>\$ (464,652,403)</u>	<u>\$ (303,915,294)</u>
Business-type activities ⁽²⁾				
Net investment in capital assets	\$ —	\$ —	\$ —	\$ —
Unrestricted	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total business-type activities net position	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Primary government				
Net investment in capital assets	\$ 113,576,842	\$ 96,955,749	\$ 89,615,195	\$ 69,088,476
Restricted	92,348,194	89,983,205	67,269,078	62,861,134
Unrestricted	<u>(788,931,001)</u>	<u>(855,449,352)</u>	<u>(621,536,676)</u>	<u>(435,864,904)</u>
Total primary government net position	<u>\$ (583,005,965)</u>	<u>\$ (668,510,398)</u>	<u>\$ (464,652,403)</u>	<u>\$ (303,915,294)</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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$	57,185,046	\$ 50,986,099	\$ 45,419,623	\$ 43,614,298	\$ 37,691,167	\$ 30,979,145
	55,324,165	50,899,116	50,722,325	47,722,851	56,620,442	43,060,438
	(395,589,297)	57,355,476	61,012,485	61,034,007	55,507,549	57,289,627
\$	<u>(283,080,086)</u>	<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>
\$	—	\$ 431,892	\$ 428,894	\$ 274,726	\$ 50,672	\$ 65,632
	—	1,703,582	2,002,993	2,312,761	2,362,068	1,584,083
\$	<u>—</u>	<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>
\$	57,185,046	\$ 51,417,991	\$ 45,848,517	\$ 43,889,024	\$ 37,741,839	\$ 31,044,777
	55,324,165	50,899,116	50,722,325	47,722,851	56,620,442	43,060,438
	(395,589,297)	59,059,058	63,015,478	63,346,768	57,869,617	58,873,710
\$	<u>(283,080,086)</u>	<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>

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

	Fiscal Year			
	2019	2018	2017	2016
Expenses				
Governmental activities:				
Instruction	\$ 150,272,868	\$ 322,990,164	\$ 280,101,081	\$ 187,152,364
Support services				
Students	16,528,182	35,859,759	31,580,295	20,060,394
Instructional staff	15,921,478	33,056,393	35,167,240	22,789,005
General administration	2,452,659	4,293,927	5,197,005	3,312,293
School administration	16,693,783	33,873,578	34,914,666	21,833,308
Business	3,225,488	4,872,375	5,231,692	4,807,707
Operations and maintenance of plant	21,544,359	30,346,479	33,043,216	24,089,053
Student transportation	7,160,700	12,006,954	12,922,562	8,282,372
Central	17,737,598	23,090,314	21,094,984	19,688,095
Other	215,403	330,764	420,874	208,744
Food service operations ⁽¹⁾	8,717,233	11,127,154	12,044,275	9,904,744
Other	1,697,756	1,774,868	2,326,453	3,085,632
Debt service	18,830,354	5,883,521	6,606,717	7,654,857
Charter school funding	21,240,894	17,692,591	17,327,644	16,683,753
Total governmental activities expenses	<u>302,238,755</u>	<u>537,198,841</u>	<u>497,978,704</u>	<u>349,552,321</u>
Business-type activities:				
Food service operations ⁽¹⁾	—	—	—	—
Total primary government expenses	<u>\$ 302,238,755</u>	<u>\$ 537,198,841</u>	<u>\$ 497,978,704</u>	<u>\$ 349,552,321</u>
Program Revenues				
Governmental activities:				
Charges for services				
Instruction	\$ 9,945,341	\$ 9,434,195	\$ 10,116,912	\$ 9,995,214
Support services	10,148,750	10,147,602	8,862,432	8,983,384
Food service operations	4,016,194	3,892,012	3,921,050	1,137,848
Community services	314,194	297,319	378,495	209,678
Education for adults	—	—	—	—
Operating grants and contributions				
Instruction	19,493,043	19,440,342	18,080,298	16,425,968
Support services	9,846,961	8,170,887	6,990,431	7,900,997
Food service operations ⁽¹⁾	5,222,964	5,322,963	5,253,231	7,687,477
Community services	232	272,832	210,699	188,170
Education for adults	—	—	—	—
Debt service	988,576	1,028,535	1,045,723	1,046,847
Capital grants/restricted investment earnings				
Support services	—	—	—	—
Operations and maintenance of plant	912,938	730,935	599,073	544,745
Facilities acquisition and construction	9,147,275	—	—	—
Total governmental activities program revenues	<u>70,036,468</u>	<u>58,737,622</u>	<u>55,458,344</u>	<u>54,120,328</u>

Continued on next page

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$	170,920,008	\$ 146,846,816	\$ 146,165,952	\$ 136,611,274	\$ 132,152,533	\$ 130,604,347
	17,679,219	15,772,945	14,975,448	14,441,020	14,161,384	14,364,960
	21,661,354	17,782,490	16,134,084	15,959,911	15,648,388	15,347,485
	3,258,028	2,798,230	2,645,082	2,585,270	2,679,711	3,019,637
	20,028,914	16,296,488	15,621,363	14,037,045	13,588,419	14,137,445
	3,098,427	2,361,805	2,126,703	2,360,098	2,333,169	2,474,295
	25,185,436	22,613,583	21,916,989	21,667,219	20,111,197	21,284,032
	7,854,413	7,257,434	6,854,130	6,770,350	6,428,610	6,972,476
	18,057,591	17,686,921	13,774,881	17,306,811	15,565,647	12,585,177
	243,262	175,346	198,910	232,080	299,665	356,253
	8,666,611	56,328	139,829	183,739	39,160	39,173
	3,191,063	3,144,226	3,427,451	5,396,697	2,373,119	2,465,839
	9,493,756	11,182,085	11,899,236	12,261,003	11,209,028	9,858,073
	15,412,916	13,694,681	11,783,210	11,506,662	10,876,836	9,182,166
	<u>324,750,998</u>	<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>
	—	8,091,533	7,673,977	7,407,160	6,564,602	6,474,067
\$	<u>324,750,998</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>
\$	4,892,838	\$ 3,609,196	\$ 3,173,314	\$ 3,097,556	\$ 2,957,620	\$ 2,891,531
	7,833,533	7,243,889	6,694,130	6,737,420	6,728,928	6,072,773
	3,479,640	—	—	—	—	—
	187,483	164,724	158,716	131,520	117,193	144,743
	—	—	—	—	—	21,149
	20,864,365	20,270,693	18,565,565	18,316,957	26,613,109	19,398,546
	8,623,679	8,149,080	7,672,971	7,538,844	9,477,298	9,116,593
	4,991,334	493	574	453	159	63,224
	205,959	247,156	337,311	287,368	302,250	305,657
	—	—	—	12	12	—
	1,041,230	1,042,354	1,074,366	1,123,226	546,018	—
	—	—	—	—	—	420,285
	331	309	214	—	—	10,549
	—	—	—	—	—	—
	<u>52,120,392</u>	<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>

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

	Fiscal Year			
	2019	2018	2017	2016
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>70,036,468</u>	\$ <u>58,737,622</u>	\$ <u>55,458,344</u>	\$ <u>54,120,328</u>
Net (Expense)/Revenue				
Governmental activities	\$ (232,202,287)	\$ (478,461,219)	\$ (442,520,360)	\$ (295,431,993)
Business-type activities ⁽¹⁾	—	—	—	—
Total primary government net expense	\$ <u>(232,202,287)</u>	\$ <u>(478,461,219)</u>	\$ <u>(442,520,360)</u>	\$ <u>(295,431,993)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general and debt purposes	\$ 172,421,440	\$ 171,039,247	\$ 152,692,336	\$ 149,368,884
Specific ownership taxes	15,743,121	15,283,163	13,754,704	11,942,335
Cash in lieu of land	1,723,381	1,495,540	2,437,047	1,593,732
Unrestricted earnings on investments	1,565,168	734,285	365,548	447,503
Miscellaneous	652,655	819,888	356,903	586,806
Gain/loss on asset disposal	—	—	—	—
Equalization	125,600,955	110,915,760	112,176,713	110,657,525
Extraordinary item	—	—	—	—
Total governmental activities	<u>317,706,720</u>	<u>300,287,883</u>	<u>281,783,251</u>	<u>274,596,785</u>
Business-type activities: ⁽¹⁾				
Unrestricted earnings on investments	—	—	—	—
Gain/loss on asset disposal	—	—	—	—
Miscellaneous	—	—	—	—
Total business-type activities	—	—	—	—
Total primary government	\$ <u>317,706,720</u>	\$ <u>300,287,883</u>	\$ <u>281,783,251</u>	\$ <u>274,596,785</u>
Change in Net Position ⁽²⁾				
Governmental activities	85,504,433	(178,173,336)	(160,737,109)	(20,835,208)
Business-type activities	—	—	—	—
Total primary government	\$ <u>85,504,433</u>	\$ <u>(178,173,336)</u>	\$ <u>(160,737,109)</u>	\$ <u>(20,835,208)</u>

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

⁽²⁾ 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*.

Continued on next page

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
	—	3,276,336	3,019,987	3,287,904	3,405,656	3,238,065
	—	4,515,813	4,471,983	4,292,028	3,920,295	3,403,758
	—	7,792,149	7,491,970	7,579,932	7,325,951	6,641,823
\$	<u>52,120,392</u>	<u>48,520,043</u>	<u>45,169,131</u>	<u>44,813,288</u>	<u>54,068,538</u>	<u>45,086,873</u>
\$	(272,630,606)	(236,941,484)	(229,986,107)	(224,085,823)	(200,724,279)	(204,246,308)
	—	(299,384)	(182,007)	172,772	761,349	167,756
\$	<u>(272,630,606)</u>	<u>(237,240,868)</u>	<u>(230,168,114)</u>	<u>(223,913,051)</u>	<u>(199,962,930)</u>	<u>(204,078,552)</u>
\$	129,411,406	127,400,081	128,253,445	124,105,741	118,774,939	115,327,587
	11,426,061	10,272,642	8,962,377	8,253,845	7,874,996	8,120,314
	1,902,550	1,956,301	1,597,350	867,123	426,771	—
	324,064	476,355	76,203	139,554	154,395	89,958
	1,104,632	1,448,621	1,385,386	1,177,008	1,667,291	1,456,046
	(65,977)	31,125	277,465	13,041	657,386	—
	110,698,549	99,266,299	94,217,158	92,081,509	89,658,449	98,080,441
	—	(187,644)	—	—	—	—
	<u>254,801,285</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>
	—	2,971	4,464	1,975	1,676	1,143
	—	—	21,943	—	—	—
	—	—	—	—	—	400
	—	2,971	26,407	1,975	1,676	1,543
\$	<u>254,801,285</u>	<u>240,666,751</u>	<u>234,795,791</u>	<u>226,639,796</u>	<u>219,215,903</u>	<u>223,075,889</u>
	(17,829,321)	3,722,296	4,783,277	2,551,998	18,489,948	18,828,038
	—	(296,413)	(155,600)	174,747	763,025	169,299
\$	<u>(17,829,321)</u>	<u>3,425,883</u>	<u>4,627,677</u>	<u>2,726,745</u>	<u>19,252,973</u>	<u>18,997,337</u>

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

	Fiscal Year			
	2019	2018	2017	2016
General Fund				
Nonspendable	\$ —	\$ 550,631	\$ 85,080	\$ 580,951
Restricted	18,865,757	19,160,800	17,453,772	14,626,076
Assigned	21,324,992	19,862,797	16,825,357	21,395,280
Unassigned	11,237,451	9,936,010	8,849,931	8,086,205
Total General Fund	<u>\$ 51,428,200</u>	<u>\$ 49,510,238</u>	<u>\$ 43,214,140</u>	<u>\$ 44,688,512</u>
All Other Governmental Funds				
Nonspendable	\$ 297,788	\$ 508,784	\$ 364,141	\$ 401,773
Restricted ⁽¹⁾	498,372,677	80,176,612	63,716,755	71,441,936
Assigned	—	833,145	680,908	871,833
Total all other governmental funds	<u>\$ 498,670,465</u>	<u>\$ 81,518,541</u>	<u>\$ 64,761,804</u>	<u>\$ 72,715,542</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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 347,759	\$ 150,352	\$ 463,730	\$ 130,423	\$ 446,248	\$ 149,557
14,932,256	12,429,706	10,273,096	8,075,746	6,600,000	6,550,000
22,453,840	26,280,103	26,097,242	24,292,674	26,497,194	18,679,227
12,206,743	15,714,968	15,931,917	20,934,082	15,062,957	11,382,004
<u>\$ 49,940,598</u>	<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>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
46,186,810	59,270,732	77,423,345	68,964,950	103,562,038	49,952,786
718,486	603,599	440,807	316,075	671,148	—
<u>\$ 46,905,296</u>	<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>

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

	Fiscal Year			
	2019	2018	2017	2016
Revenues:				
Local sources	\$ 221,677,260	\$ 209,249,996	\$ 189,367,441	\$ 181,105,140
State sources	142,743,881	122,683,307	122,953,358	120,874,490
Federal sources	19,553,887	18,895,234	18,290,256	18,614,912
Total revenues ⁽¹⁾⁽²⁾	<u>383,975,028</u>	<u>350,828,537</u>	<u>330,611,055</u>	<u>320,594,542</u>
Expenditures:				
Instruction	180,507,709	161,301,143	158,576,752	155,522,554
Support services:				
Students	22,142,300	18,972,213	18,113,389	17,426,484
Instructional staff	20,763,613	20,020,793	20,491,215	19,951,728
General administration	2,927,854	3,095,308	3,357,808	3,003,320
School administration	22,256,205	20,323,409	19,895,822	19,062,729
Business	5,164,743	4,096,885	3,958,308	3,594,553
Operation and maintenance of plant	25,568,500	23,305,187	22,809,911	22,934,992
Student transportation	9,467,569	8,442,701	7,646,429	7,371,639
Central	12,753,554	10,309,988	9,190,524	9,659,177
Other	280,331	246,650	258,592	208,744
Food service operations ⁽²⁾	9,684,522	9,217,756	9,256,856	9,287,441
Community services	384,268	364,885	361,615	374,071
Education for adults	72,127	86,548	80,825	95,647
Facilities acquisition and construction	—	—	265,246	385,633
Capital outlay	15,337,904	4,888,465	11,580,043	18,970,669
Debt service:				
Purchased services	2,128,165	3,750	4,500	246,783
Other	132,700	—	—	—
Interest on debt	20,450,019	7,797,430	8,781,292	10,735,033
Retirement of debt	18,345,000	17,610,000	28,110,000	18,937,540
Payment to escrow agent	—	—	—	—
Charter school funding	21,240,894	17,692,591	17,327,644	16,683,753
Total expenditures	<u>\$ 389,607,977</u>	<u>\$ 327,775,702</u>	<u>\$ 340,066,771</u>	<u>\$ 334,452,490</u>
Deficiency of revenues under expenditures	<u>\$ (5,632,949)</u>	<u>\$ 23,052,835</u>	<u>\$ (9,455,716)</u>	<u>\$ (13,857,948)</u>

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

⁽²⁾ Effective July 1, 2015, the Food Service Fund, in accordance with the Colorado Department 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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$	160,547,794	\$ 154,301,143	\$ 151,084,387	\$ 151,525,792	\$ 141,239,188	\$ 135,547,025
	120,549,250	107,650,226	101,245,687	99,353,409	96,692,010	105,355,912
	<u>19,132,467</u>	<u>13,847,421</u>	<u>13,592,823</u>	<u>13,683,806</u>	<u>23,790,808</u>	<u>15,466,426</u>
	<u>300,229,511</u>	<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>
	149,556,293	136,724,962	138,325,096	128,565,305	124,625,333	122,795,409
	16,374,787	15,693,239	15,115,703	14,463,459	14,246,425	14,413,254
	20,171,679	17,744,833	16,408,486	15,969,255	15,710,896	15,391,931
	3,100,104	2,781,822	2,650,426	2,614,291	2,672,459	3,020,213
	18,525,691	16,218,202	15,747,993	14,049,089	13,653,091	14,169,142
	2,943,192	2,707,557	2,455,558	2,312,025	2,633,495	2,620,759
	24,131,913	22,501,291	22,041,500	28,954,631	21,458,935	22,553,761
	7,333,824	7,205,599	6,939,291	6,781,484	6,488,231	7,013,415
	10,352,572	10,618,405	8,374,688	11,592,980	9,938,422	7,454,872
	226,472	174,862	200,342	233,093	303,011	361,226
	8,306,827	56,328	139,829	183,739	39,160	48,301
	379,352	418,353	519,052	465,782	475,662	503,201
	50,954	41,784	—	67,861	89,688	103,077
	1,388,698	1,428,185	1,645,370	3,479,795	378,752	478,237
	13,019,892	14,023,941	20,201,012	16,997,238	3,425,110	3,752,726
	292,536	3,850	362,850	3,600	445,629	38,587
	—	—	—	—	—	—
	10,314,608	11,979,215	12,388,051	12,890,374	11,915,879	10,937,805
	17,964,526	17,805,839	17,079,687	23,577,412	16,876,756	16,262,705
	—	—	58,764	—	—	—
	<u>15,412,916</u>	<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>319,846,836</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>(19,617,325)</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>

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			
	2019	2018	2017	2016
Other financing sources (uses):				
Proceeds from sale of assets	\$ —	\$ —	\$ 27,606	\$ —
Premium on bonds	56,189,263	—	—	4,416,108
Issuance of general obligation bonds	375,000,000	—	—	30,000,000
Issuance of refunding bonds	41,645,000	—	—	—
Payment to bond refunding escrow agent	(48,131,428)	—	—	—
Transfers in	94,512	108,071	143,167	5,618,524
Transfers (out)	(94,512)	(108,071)	(143,167)	(5,618,524)
Total other financing sources (uses)	<u>424,702,835</u>	<u>—</u>	<u>27,606</u>	<u>34,416,108</u>
Net change in fund balance before extraordinary item	419,069,886	23,052,835	(9,428,110)	20,558,160
Extraordinary item ⁽³⁾	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total net change in fund balance	<u>\$ 419,069,886</u>	<u>\$ 23,052,835</u>	<u>\$ (9,428,110)</u>	<u>\$ 20,558,160</u>
Debt service as a percentage of non-capital expenditures	10.37%	7.87%	11.23%	9.41%

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

Continued on next page

	2015	2014	2013	2012	2011	2010
\$	18,445	\$ 31,125	\$ 283,545	\$ 19,433	\$ 657,775	\$ 12,657
	6,210,514	—	6,212,785	—	—	—
	—	—	30,000,000	—	60,000,000	—
	37,655,000	—	15,975,000	—	—	—
	(43,573,782)	—	(18,041,132)	—	—	—
	1,213,106	1,337,577	1,404,916	1,474,942	1,324,327	4,849,205
	(1,213,106)	(1,337,577)	(1,404,916)	(1,474,942)	(1,324,327)	(4,849,205)
	<u>310,177</u>	<u>31,125</u>	<u>34,430,198</u>	<u>19,433</u>	<u>60,657,775</u>	<u>12,657</u>
	(19,307,148)	(15,993,033)	7,916,187	(30,125,635)	66,126,011	5,281,233
	—	(187,644)	—	—	—	—
\$	<u>(19,307,148)</u>	<u>(16,180,677)</u>	<u>7,916,187</u>	<u>(30,125,635)</u>	<u>66,126,011</u>	<u>5,281,233</u>
	9.22%	10.72%	10.82%	13.13%	11.39%	11.00%

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
2019	\$ 172,837,126	\$ 170,746,071	98.79 %	\$ —	\$ 170,746,071	98.79 %
2018	171,652,017	169,342,057	98.65	1,908,974	171,251,031	99.77
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

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
2019	40.300	12.330	52.630	22.403	9.797	41.675	333.145
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

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
2019	\$ 1,912,003,568	\$ 1,010,194,883	\$ 332,706,596	\$ 100,474,465	\$ 83,177,547	\$ 17,794,613
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

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
2019	\$ 3,298,097	\$ 1,286,922	\$ 3,460,936,691	52.630	\$ 31,894,149,502	10.85 %
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

⁽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 Nine Years Prior
(Unaudited)**

<u>Taxpayer</u>	<u>2019</u>			<u>2010</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	\$ 120,211,549	1	3.47 %	\$ 18,362,650	4	0.74 %
Anheuser-Busch, Inc.	72,433,171	2	2.09	95,155,150	1	3.83
Ramco-Gershenson Properties, LP	32,151,140	3	0.93	18,568,690	3	0.75
Walton Foothills Holdings	29,812,177	4	0.86	11,737,280	7	0.47
Woodward Governor Company	28,947,580	5	0.84	—	—	—
Public Service Company of Colorado	27,283,360	6	0.79	13,188,820	6	0.53
Qwest Corporation	15,713,477	7	0.45	23,985,610	2	0.97
Amcap Harmony LLC	15,705,327	8	0.45	—	—	—
New Belgium Brewery	14,539,788	9	0.42	9,441,720	9	0.38
Hewlett Packard	11,600,000	10	0.34	18,305,790	5	0.74
Intel Corporation	—	—	—	10,607,930	8	0.43
F.C. Timberline Development	—	—	—	9,279,910	10	0.37
Total	<u>\$ 368,397,569</u>		<u>10.64 %</u>	<u>\$ 228,633,550</u>		<u>9.21 %</u>

Percentage of Taxable Assessed Valuation based on Poudre School District 2018 gross assessed valuation of \$3,460,936,691 (for taxes collected in 2019), and 2009 gross assessed valuation of \$2,483,643,768 (for taxes collected in 2010), 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			
	2019	2018	2017	2016
Revenues:				
Local:				
Property taxes	\$ 170,746,071	\$ 169,342,057	\$ 151,713,220	\$ 146,893,157
Specific ownership taxes	15,743,121	15,283,163	13,754,704	11,942,335
Delinquent taxes and penalties and interest on taxes	1,908,974	1,671,424	1,599,145	1,192,403
Interest on investments	10,631,824	821,532	252,373	347,251
Building and other rental	314,195	711,593	378,496	419,357
Athletic support	170,387	180,430	173,147	162,531
Student fees	1,063,347	891,036	757,394	485,388
Services to charter schools	771,824	667,220	662,820	602,186
Food service	3,951,273	3,843,431	3,961,046	3,752,541
Indirect and overhead	1,135,358	945,159	1,114,647	1,281,823
Other	15,240,886	14,892,951	15,000,449	14,026,168
Total local sources	221,677,260	209,249,996	189,367,441	181,105,140
Percent of total revenue provided by local sources	57.73%	59.64%	57.28%	56.49%
Percent change in local source revenue	5.94%	10.50%	4.56%	12.80%
State:				
Equalization	125,600,955	110,915,761	112,176,713	110,657,525
Vocational education	987,572	1,170,267	950,941	853,284
Special education	4,440,561	4,374,030	4,249,374	4,268,796
At-risk funding	124,949	117,987	112,882	118,888
Career success pilot	154,040	—	—	—
Transportation	1,811,785	1,730,343	1,611,817	1,749,927
ELPA	1,000,927	887,616	786,420	780,458
Gifted and talented	281,901	275,618	272,070	266,829
READ Act funding	823,938	841,660	825,042	880,511
Small attendance center	87,528	88,185	105,502	88,812
Charter capital construction	689,025	558,079	599,073	544,745
School nutrition programs	159,638	141,841	141,343	136,514
Other	6,581,062	1,581,920	1,122,181	528,201
Total state sources	142,743,881	122,683,307	122,953,358	120,874,490
Percent of total revenue provided by state sources	37.18%	34.97%	37.19%	37.70%
Percent change in state source revenue	16.35%	-0.22%	1.72%	0.27%
Federal:				
Medicaid	—	—	—	—
National Forest Reserve Act	89,615	99,695	17,810	218,598
School nutrition programs	5,057,404	5,181,122	5,111,888	4,897,571
Other	14,406,868	13,614,417	13,160,558	13,498,743
Total federal sources	19,553,887	18,895,234	18,290,256	18,614,912
Percent of total revenue provided by federal sources	5.09%	5.39%	5.53%	5.81%
Percent change in federal source revenue	3.49%	3.31%	-1.74%	-2.71%
Total revenues	\$ 383,975,028	\$ 350,828,537	\$ 330,611,055	\$ 320,594,542

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.

Continued on next page

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$	128,743,917	\$ 125,771,498	\$ 125,753,595	\$ 119,683,245	\$ 116,293,034	\$ 110,709,895
	11,426,061	10,272,642	8,962,377	8,253,845	7,874,996	8,120,314
	1,065,615	2,213,908	2,163,358	3,765,114	3,371,236	3,437,857
	240,489	409,266	7,461	107,822	119,252	70,528
	374,967	329,449	317,431	263,040	234,386	289,486
	130,421	113,856	140,079	149,316	155,151	146,596
	438,822	422,746	395,533	393,897	407,045	343,598
	532,341	445,537	369,152	365,537	380,034	369,749
	3,482,090	3,231,279	3,041,181	3,287,903	3,405,656	3,238,064
	226,523	504,051	467,703	429,445	702,107	602,544
	<u>13,886,548</u>	<u>13,866,218</u>	<u>12,512,912</u>	<u>18,116,506</u>	<u>11,703,623</u>	<u>11,458,001</u>
	<u>160,547,794</u>	<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>
	53.48%	55.57%	56.37%	56.89%	53.76%	52.78%
	1.88%	2.24%	-0.44%	7.03%	4.22%	3.72%
	110,698,549	99,266,300	94,217,158	92,081,509	89,658,449	98,080,441
	822,307	739,717	625,412	646,205	574,597	572,581
	4,223,447	4,284,015	3,718,717	3,688,982	3,751,521	3,979,252
	—	—	—	—	—	—
	—	—	—	—	—	—
	1,716,606	1,738,573	1,616,537	1,609,591	1,634,798	1,766,098
	793,178	282,384	266,701	238,756	231,220	213,257
	262,308	254,141	253,784	247,250	241,813	242,022
	803,461	283,762	—	—	—	—
	77,740	83,753	63,541	64,511	67,739	76,578
	344,680	181,672	146,583	131,099	—	—
	135,829	112,044	108,073	106,069	99,092	99,046
	<u>671,145</u>	<u>535,909</u>	<u>337,254</u>	<u>645,506</u>	<u>531,873</u>	<u>425,683</u>
	<u>120,549,250</u>	<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>
	40.15%	38.00%	37.07%	36.55%	35.98%	40.10%
	11.87%	6.32%	1.90%	2.76%	-8.22%	5.66%
	—	—	—	—	18,734	103,696
	—	117,567	118,462	128,526	138,421	141,862
	4,842,809	4,403,769	4,363,909	4,185,960	3,821,203	3,304,712
	<u>14,289,658</u>	<u>13,729,854</u>	<u>13,474,361</u>	<u>13,555,280</u>	<u>23,633,653</u>	<u>15,220,868</u>
	<u>19,132,467</u>	<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>
	6.37%	6.44%	6.57%	6.57%	10.26%	7.14%
	4.83%	1.64%	0.49%	-35.28%	47.10%	17.61%
\$	<u>300,229,511</u>	<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>

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⁾
2019	\$ 571,448,217	\$ 92,348,194	\$ 479,100,023	1.50 %	\$ 2,211	\$ 16,139
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

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					
2019	\$ —	\$ —	\$ 571,448,217	1.79 %	\$ 2,637	\$ 19,250	— %
2018	—	—	167,225,991	0.54	772	5,729	0.86
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

⁽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 2019.

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 2019

Assessed value	\$ 3,460,856,403
Debt limit (20% of assessed value)	692,171,281
Debt applicable to limit:	
General obligation bonds	511,005,000
Less debt service funds available	<u>92,348,194</u>
Total net debt applicable to limit	<u>418,656,806</u>
Legal debt margin	<u>\$ 273,514,475</u>

Actual value	\$ 31,894,149,502
Debt limit (6% of actual value)	1,913,648,970
Debt applicable to limit:	
General obligation bonds	511,005,000
Less debt service funds available	<u>92,348,194</u>
Total net debt applicable to limit	<u>418,656,806</u>
Legal debt margin	<u>\$ 1,494,992,164</u>

	Fiscal Year				
	2019	2018	2017	2016	2015
Debt limit on actual valuation	\$ 1,913,648,970	\$ 1,874,819,732	\$ 1,524,317,477	\$ 1,483,257,181	\$ 1,268,341,500
Total net debt applicable to limit	<u>418,656,806</u>	<u>92,807,879</u>	<u>131,366,913</u>	<u>161,587,927</u>	<u>158,767,620</u>
Legal debt margin ⁽¹⁾	<u>\$ 1,494,992,164</u>	<u>\$ 1,782,011,853</u>	<u>\$ 1,392,950,564</u>	<u>\$ 1,321,669,254</u>	<u>\$ 1,109,573,880</u>
Total net debt applicable to limit as a percentage of debt limit	21.88%	4.95%	8.62%	10.89%	12.52%

	Fiscal Year				
	2014	2013	2012	2011	2010
Debt limit on actual valuation	\$ 1,237,128,873	\$ 1,193,812,075	\$ 1,187,083,924	\$ 1,204,350,984	\$ 1,204,350,984
Total net debt applicable to limit	<u>181,632,509</u>	<u>197,625,296</u>	<u>185,183,974</u>	<u>200,552,995</u>	<u>158,010,925</u>
Legal debt margin ⁽¹⁾	<u>\$ 1,055,496,364</u>	<u>\$ 996,186,779</u>	<u>\$ 1,001,899,950</u>	<u>\$ 1,003,797,989</u>	<u>\$ 1,046,340,059</u>
Total net debt applicable to limit as a percentage of debt limit	14.68%	16.55%	15.60%	16.65%	13.12%

⁽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, 2019
(Unaudited)

Taxing District	Debt Outstanding⁽¹⁾	Estimated Percentage Applicable to the District⁽²⁾	Estimated Share of Overlapping Debt Outstanding
City of Fort Collins	\$ 40,000,000	100.00 %	\$ 40,000,000
Crystal Lakes Fire Protection District	635,000	100.00	635,000
Foothills Mall Metro District	72,325,000	100.00	72,325,000
Harmony Tech Park No. 2	10,930,000	100.00	10,930,000
Northern Colorado Water Conservancy	3,511,645	15.72	552,031
Park Hospital District	15,585,000	0.42	65,457
Rendezvous Metropolitan District No. 4	11,364,000	100.00	11,364,000
Serratoga Falls Metropolitan District No. 2	750,000	100.00	750,000
Serratoga Falls Metropolitan District No. 3	462,500	100.00	462,500
Smithfield Public Improvement District No. 60	2,290,000	100.00	2,290,000
South Timnath Metropolitan District No. 1	10,344,000	100.00	10,344,000
South Timnath Metropolitan District No. 2	15,145,000	100.00	15,145,000
Southwest Timnath Metropolitan District No. 4	7,780,000	100.00	7,780,000
Timnath Ranch Metropolitan District No. 4	13,936,000	100.00	13,936,000
Town of Wellington	383,397	100.00	383,397
WildWing Metropolitan District No. 5	12,927,000	100.00	12,927,000
Windsor Highlands Metro District No. 4	12,715,000	1.73	219,970
Windsor-Severance Fire Protection District	<u>1,755,000</u>	8.58	<u>150,579</u>
Total overlapping debt	<u>232,838,542</u>		<u>200,259,934</u>
Poudre School District direct debt	571,448,217	100.00 %	<u>571,448,217</u>
Total direct and overlapping debt			<u><u>\$ 771,708,151</u></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⁾
2019	\$ —	\$ —	2.0%	216,705	29,686	1.70%	28,801.0	1.57%	\$ 11,570
2018	19,553,659,696	56,846	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

⁽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 as of May 2019, from the Bureau of Labor Statistics. Personal income information and Per Capita Personal Income was obtained from regional data from the Larimer County 2018 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. Larimer County reported population of 343,976 in both 2017 and 2018.

⁽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 Nine Years Prior
(Unaudited)

<u>Employer</u>	<u>2019</u>			<u>2010</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	7,200	1	3.32 %	6,948	1	3.78 %
University of Colorado Health ⁽¹⁾	4,100	2	1.89	3,020	4	1.64
Poudre School District	3,493	3	1.61	3,673	2	2.00
City of Fort Collins	2,200	4	1.02	1,864	6	1.01
Larimer County	1,639	5	0.76	1,467	7	0.80
Avago Technologies/Broadcom Ltd.	1,500	6	0.69	—		—
Woodward, Inc.	1,300	7	0.60	—		—
Otter Products, LLC	1,000	9	0.46	—		—
US Department of Agriculture	740	10	0.34	—		—
Hewlett-Packard	—		—	3,182	3	1.73
Advanced Energy	—		—	825	9	0.45
Agilent Technologies	—		—	2,800	5	1.52
Anheuser Busch	—		—	760	10	0.41
Walmart Super Center	—		—	909	8	0.49
Total	<u>23,172</u>		<u>10.69 %</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 the Larimer County FY 2018 CAFR and the City of Fort Collins FY 2018 CAFR.

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

School/Location	Service Start Date	Fiscal Year									
		2019 As of October 2018	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
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		528	500	525	524	519	503	565	519	474	433
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		520	501	494	496	520	535	584	539	546	322
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		291	276	303	294	280	282	319	288	292	289
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		481	485	496	494	509	492	493	478	468	454
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		643	633	616	590	569	543	496	435	363	323
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		305	317	313	313	293	314	328	313	288	296
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		408	413	398	410	410	415	412	400	408	411
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		599	587	562	506	494	443	480	463	458	501
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		301	297	290	296	296	289	320	288	291	300
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		336	322	337	325	309	305	393	326	321	337
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		399	388	401	405	419	413	421	454	452	480
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		472	488	496	520	524	524	547	517	498	468
Lab School (Washington) ⁽¹⁾	1919										
Square Footage		—	—	—	—	—	—	—	—	—	18,018
Enrollment		—	—	—	—	—	—	—	—	—	113
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		463	448	445	436	423	421	442	406	382	355
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		411	406	430	449	446	420	460	439	447	416
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		36	30	35	41	44	42	33	42	43	44
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		386	375	381	393	411	404	397	382	372	371
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		409	421	441	452	473	475	504	466	494	462
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		448	465	446	459	424	412	426	382	336	327
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		417	409	429	430	431	427	478	419	367	348
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		393	403	399	278	—	—	—	—	—	223

Continued on next page

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

School/Location	Service Start Date	Fiscal Year									
		2019 As of October 2018	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
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		282	297	279	329	317	318	376	332	356	322
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		45	38	46	41	36	27	28	27	31	35
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		444	458	461	444	439	400	457	373	347	329
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		556	542	491	470	425	373	412	313	272	290
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		398	406	385	387	364	351	356	347	342	328
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		34	36	39	49	43	46	47	46	51	40
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		585	589	579	595	582	550	564	520	540	537
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		396	343	350	302	305	299	329	300	303	320
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		455	448	447	451	451	449	478	453	468	468
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		506	528	489	538	541	555	559	560	502	462
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		570	604	602	638	666	641	616	609	607	609
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		614	652	583	598	557	545	507	511	526	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		604	591	590	580	623	614	542	570	592	641
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		310	323	303	324	301	304	323	329	346	365
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		826	813	806	822	807	774	777	761	781	800
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		770	761	769	754	766	733	748	693	683	667
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		615	568	532	548	504	488	498	506	478	436
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		1,147	1,146	1,154	1,095	1,113	1,058	1,001	889	753	746
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		778	809	814	786	804	799	792	762	761	795
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		566	552	507	461	450	423	396	385	360	345

Continued on next page

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

School/Location	Service Start Date	Fiscal Year									
		2019 As of October 2018	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
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		119	129	150	150	132	139	161	146	150	147
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		1,812	1,788	1,687	1,621	1,599	1,499	1,572	1,655	1,661	1,727
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		2,041	1,995	1,956	1,970	1,930	2,085	2,075	1,959	1,912	1,746
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		1,752	1,805	1,781	1,840	1,727	1,756	1,754	1,798	1,833	1,899
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		2,007	1,979	1,981	1,972	1,954	1,935	1,967	1,962	2,001	2,093
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	302,361	304,544	303,144	303,144

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

⁽²⁾ Moore Elementary was closed in 2011 and became Polaris Expeditionary 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									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	2,104.83	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
Support Services:										
Students	310.78	303.83	279.61	274.81	266.96	257.28	254.72	245.10	233.57	242.61
Instructional Staff	200.50	195.95	216.23	222.32	221.34	206.98	208.15	200.54	196.00	207.71
General Administration	10.00	11.00	9.00	7.00	14.12	14.00	13.00	11.50	11.50	13.81
School Administration	227.51	227.41	226.67	208.47	211.48	195.89	200.04	181.02	176.15	183.52
Business Services	36.08	32.50	32.32	31.32	30.31	27.01	27.51	26.91	27.16	31.02
Operations and Maintenance	242.29	226.42	223.39	228.38	229.27	227.39	229.27	227.14	227.82	238.07
Transportation	155.73	154.52	150.69	151.79	147.24	146.29	145.16	147.16	139.54	154.20
Central	65.52	60.86	59.67	58.48	58.87	52.13	49.55	46.30	43.28	44.78
Other	31.14	2.00	15.48	15.05	4.80	4.17	4.92	5.48	5.73	7.24
Food Service Operations	105.48	107.22	110.12	109.92	107.15	105.04	101.66	96.67	98.80	99.79
Community Services	2.80	2.80	2.80	3.50	3.50	3.50	3.50	3.50	3.50	3.86
Property	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50
Total	<u>3,492.66</u>	<u>3,378.00</u>	<u>3,354.80</u>	<u>3,361.29</u>	<u>3,299.13</u>	<u>3,173.46</u>	<u>3,159.31</u>	<u>3,051.00</u>	<u>2,943.44</u>	<u>3,086.36</u>

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, 2019**

(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 12.99 years of teaching experience with the following educational level distribution:

Bachelor's Degree	Master's Degree	Doctorate Degree
28.7%	69.8%	1.5%

Funded pupil count per instructional staff was 14.61 for the 2018-19 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	1,860	518	27.85%	133	7.15%	35.00%
Fossil Ridge	2,055	123	5.99%	43	2.09%	8.08%
Poudre	1,820	605	33.24%	139	7.64%	40.88%
Rocky Mountain	2,035	428	21.03%	154	7.57%	28.60%
Total	7,770	1,674	21.54%	469	6.04%	27.58%
Middle School						
Blevins	614	217	35.34%	51	8.31%	43.65%
Boltz	604	223	36.92%	61	10.10%	47.02%
Cache La Poudre	310	75	24.19%	24	7.74%	31.93%
Kinard	829	53	6.39%	20	2.41%	8.80%
Leshar	771	246	31.91%	59	7.65%	39.56%
Lincoln	615	359	58.37%	49	7.97%	66.34%
Preston	1,147	92	8.02%	45	3.92%	11.94%
Webber	779	158	20.28%	67	8.60%	28.88%
Wellington	568	156	27.46%	59	10.39%	37.85%
Total	6,237	1,579	25.32%	435	6.97%	32.29%
Elementary						
Bacon	528	67	12.69%	31	5.87%	18.56%
Bauder	520	262	50.38%	61	11.73%	62.11%
Beattie	291	110	37.80%	38	13.06%	50.86%
Bennett	481	119	24.74%	48	9.98%	34.72%
Bethke	643	11	1.71%	10	1.56%	3.27%
Cache La Poudre	305	100	32.79%	20	6.56%	39.35%
Dunn	408	78	19.12%	16	3.92%	23.04%
Eyestone	599	177	29.55%	54	9.02%	38.57%
Harris Bilingual	301	137	45.51%	26	8.64%	54.15%
Irish	336	217	64.58%	23	6.85%	71.43%
Johnson	399	82	20.55%	27	6.77%	27.32%
Kruse	472	117	24.79%	31	6.57%	31.36%
Laurel	463	235	50.76%	39	8.42%	59.18%
Linton	411	190	46.23%	42	10.22%	56.45%
Livermore	37	0	0.00%	0	0.00%	0.00%
Lopez	386	113	29.27%	37	9.59%	38.86%
McGraw	409	76	18.58%	19	4.65%	23.23%
O'Dea	450	166	36.89%	53	11.78%	48.67%
Olander	419	128	30.55%	28	6.68%	37.23%
Putnam	282	220	78.01%	32	11.35%	89.36%
Red Feather	45	13	28.89%	7	15.56%	44.45%
Rice	444	99	22.30%	30	6.76%	29.06%
Riffenburgh	556	123	22.12%	34	6.12%	28.24%
Shepardson	398	62	15.58%	15	3.77%	19.35%
Stove Prairie	34	0	0.00%	0	0.00%	0.00%
Tavelli	585	170	29.06%	51	8.72%	37.78%
Timnath	396	113	28.54%	15	3.79%	32.33%
Traut Core Knowledge	455	34	7.47%	16	3.52%	10.99%
Werner	507	56	11.05%	12	2.37%	13.42%
Zach	570	31	5.44%	16	2.81%	8.25%
Total	12,130	3,306	27.25%	831	6.85%	34.10%
Alternative						
Centennial	123	41	33.33%	10	8.13%	41.46%
Polaris	403	81	20.10%	27	6.70%	26.80%
Poudre Community Academy	225	145	64.44%	15	6.67%	71.11%
Poudre Global Academy	224	52	23.21%	20	8.93%	32.14%
PSD Options	150	17	11.33%	15	10.00%	21.33%
Total	1,125	336	29.87%	87	7.73%	37.60%
Grand Total	27,262	6,895	25.29%	1,822	6.68%	31.97%

¹ Enrollment is from the Colorado Department of Education 2018-2019 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



Colorado Department of Education

Auditors Integrity Report

District 1550 - Poudre R-1

Fiscal Year 2018-19

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	49,510,238	283,189,706	281,271,743	51,428,200
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	49,510,238	283,189,706	281,271,743	51,428,200
11 Charter School Fund	5,652,022	24,377,129	22,692,561	7,336,590
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	1,466,990	9,262,260	9,380,649	1,348,601
22 Govt Designated-Purpose Grants Fund	35,527	15,768,545	15,804,072	0
23 Pupil Activity Special Revenue Fund	4,242,277	7,395,670	7,766,789	3,871,158
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	65,392,435	90,053,282	87,352,728	68,092,989
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	10,381,312	433,419,239	18,442,835	425,357,717
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	136,680,801	863,465,830	442,711,375	557,435,255
Proprietary				
50 Other Enterprise Funds	1,820,024	114,020	218,318	1,715,726
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	5,923,106	9,225,056	4,770,757	10,377,405
Totals	7,743,129	9,339,076	4,989,075	12,093,131
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	238,913	54,457	67,093	226,277
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	238,913	54,457	67,093	226,277

FINAL

12/3/19

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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