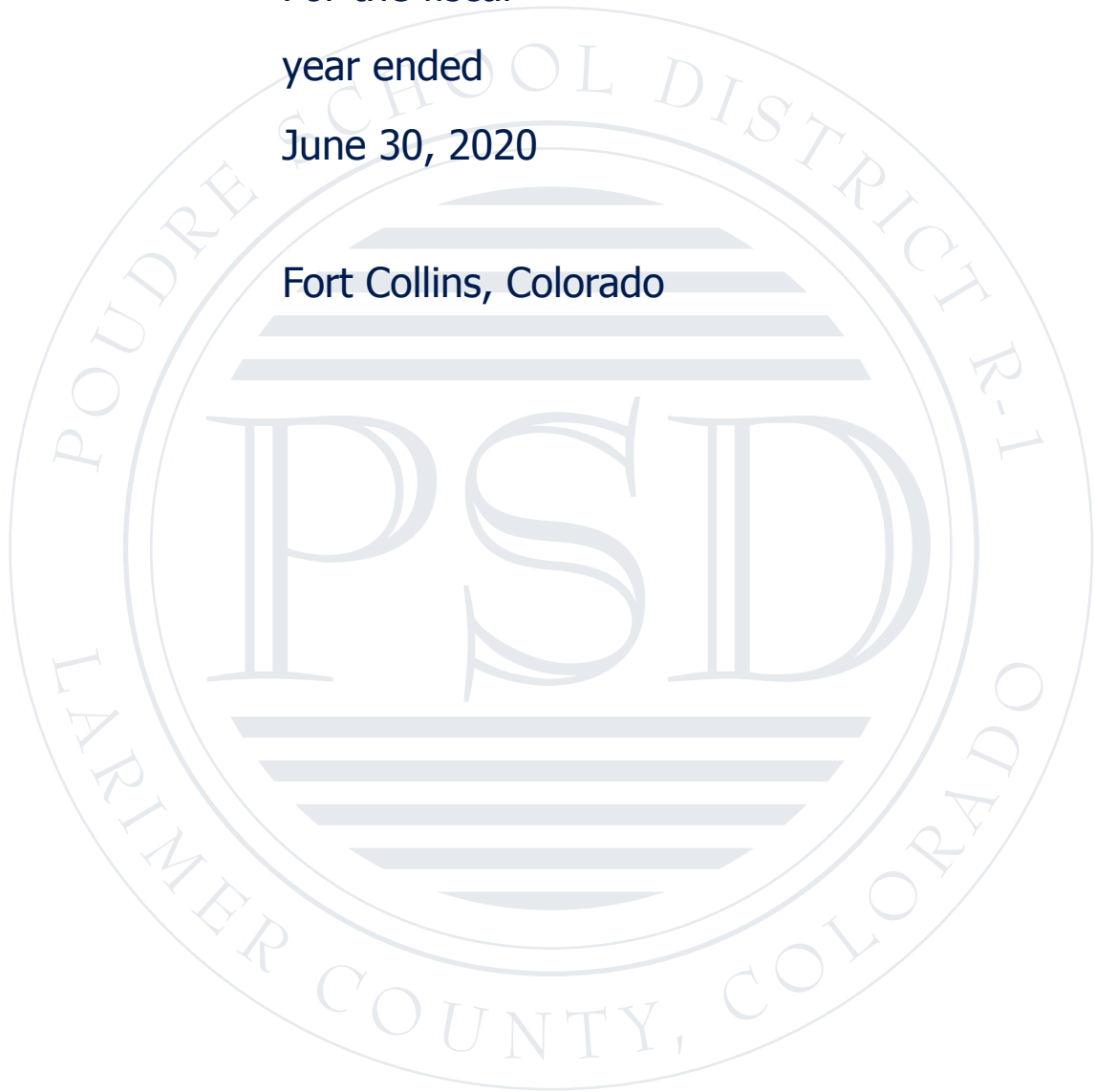




Comprehensive Annual **Financial Report** **2020**

For the fiscal
year ended
June 30, 2020

Fort Collins, Colorado





Poudre School District, Fort Collins, Colorado

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

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

Published December 8, 2020

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For the Fiscal Year Ended June 30, 2020
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Introductory Section



December 8, 2020

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, 2020.

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, 2020, 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, 2020, 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, 2020.

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 the 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 1.2%; K-12 enrollment was 29,912 (including charter schools) for the 2019-20 school year. The District is evaluating what, if any, impact the coronavirus pandemic will have on enrollment in both the short and long term. Approximately 12,500 of these students were transported by the District's bus services each day, and an estimated 10,700 students per day were served the regular school lunch provided by the District's food services. The District employed approximately 3,559 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 component units, including the funding mechanism, 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 2019-20 school year.

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

- PSD has a number of students who have been selected as prestigious scholars including twenty nine National Merit Scholar Finalists, nine Boettcher Scholars, five Daniels Fund Scholars, and four National Hispanic Recognition Scholars in just the past two years alone.
- 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 2018-19, considerably less than the state average of 2.0%.
- The graduation rate was 83.2% for 2018-19, exceeding the statewide average of 81.1%.
- 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. Testing in 2018-19 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.
- 21 PSD schools were selected for CDE academic excellence and Governor's distinguished improvement 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

After more than a decade of economic expansion, the global economy came to a halt in March 2020 due to the coronavirus pandemic. Large scale economic shutdowns, high unemployment, and extreme economic uncertainty has placed state budgets in a dire situation, not seen since the Great Recession. While the economic outlook in Colorado is more favorable than many other states, Colorado has not been immune to the economic impacts caused by the coronavirus pandemic and was forced to make many tough decisions in the preparation of the 2020-21 state budget.

While the summer of 2020 was filled with this same uncertainty, the September 2020 state economic forecast contained some favorable news for the state budget. Due to higher than anticipated 2019-20 state revenues and current 2020-21 projections, the budget reductions made by the legislature in May 2020 will fit within available resources, and further mid-year budget cuts are unlikely. The main concern around the economic recovery is in the unknowns. There are very strong upside and downside risks that are dependent upon the containment of the coronavirus pandemic, consumer and business confidence, and the potential for additional federal stimulus. Another looming question is the duration of the downturn, which will play into further K-12 funding discussions in Colorado. All these factors plus the typical volatility that occurs during a presidential election year point to potential headwinds to economic recovery that could reverberate over the next several years.

Budget Impact

Since the Great Recession, Colorado has utilized a budget reduction mechanism called the budget stabilization factor within the School Finance Act (SFA) to control costs and allow the state to balance the budget. While this has led to an underfunding of K-12, the courts have previously ruled the budget stabilization factor is legal as Amendment 23 protects only the "base funding" amount of the SFA. Under Amendment 23, base funding is required to increase by inflation each year and is currently set at \$7,084 for 2020-21. Between the Great Recession and 2019-20, the budget stabilization factor ranged from a high of over \$1.0 billion in 2013-14 to a low of \$572 million in 2019-20.

Due to budget constraints imposed by the coronavirus pandemic, the Colorado legislature was forced to implement a variety of budget reductions for 2020-21 to balance the state budget. Unfortunately, K-12 was significantly

impacted by these budget cuts, primarily via an increase to the budget stabilization factor. For 2020-21, the budget stabilization factor was set at \$1.2 billion, the highest it has been since its' inception. Even with this change, the current estimate for District Per Pupil Revenue (PPR) is \$7,658 per student, well above base funding under Amendment 23.

Due to the impact of the coronavirus pandemic, significant changes were made during the development of the 2020-21 budget. In anticipation of reduced state funding for 2020-21, the District took several steps to reduce expenditures and balance the budget. Through a combination of on-going budget reductions and one-time funds, the District was able to adopt a balanced budget in June 2020. Ongoing budget reductions include but are not limited to reductions in student based budgeting (SBB) allocations, central department budgets, and operating budgets. Additionally, the District swept funds from assigned school and department carryovers, as well as utilized the currently unused portion of the 2016 MLO to help balance the budget. The District was also able to negotiate a new salary schedule in accordance with the 2019 mill levy override election for licensed and classified staff. Federal funds received from the CARES Act were primarily utilized to support the cost of compensation for licensed staff performing substantially different duties. This freed up General Fund resources to be deployed in 2020-21 in direct response to the coronavirus pandemic.

An online school with approximately 2,600 students was added in the 2020-21 school year. Most of these students transferred from existing District schools to the online school. However, even with this option in place, total K-12 enrollment is down approximately 900 students from 2019-20. The District is currently researching causes and potential remedies. In the short-term, it is expected that this enrollment decrease will lead to a decline in SFA revenue. Fortunately, the SFA has an averaging provision that offsets some of the loss that would otherwise be felt in a declining enrollment situation. The District is currently analyzing the situation and making budget adjustments as appropriate to respond to both a potential loss in revenue as well as higher than expected expenditures related to the rapid growth of the online school.

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

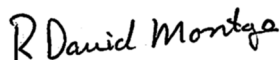
The Board of Education established an Audit Committee within Poudre School District. The primary function of the Audit Committee is to assist the Board of Education in fulfilling its financial oversight responsibilities. Meetings of the Committee occur approximately every other month. Membership of the 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.

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, 2019. This was the 22nd 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 23rd 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, 2019

Christopher P. Morrill

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, 2019.

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



A handwritten signature in black ink, reading 'Claire Hertz'.

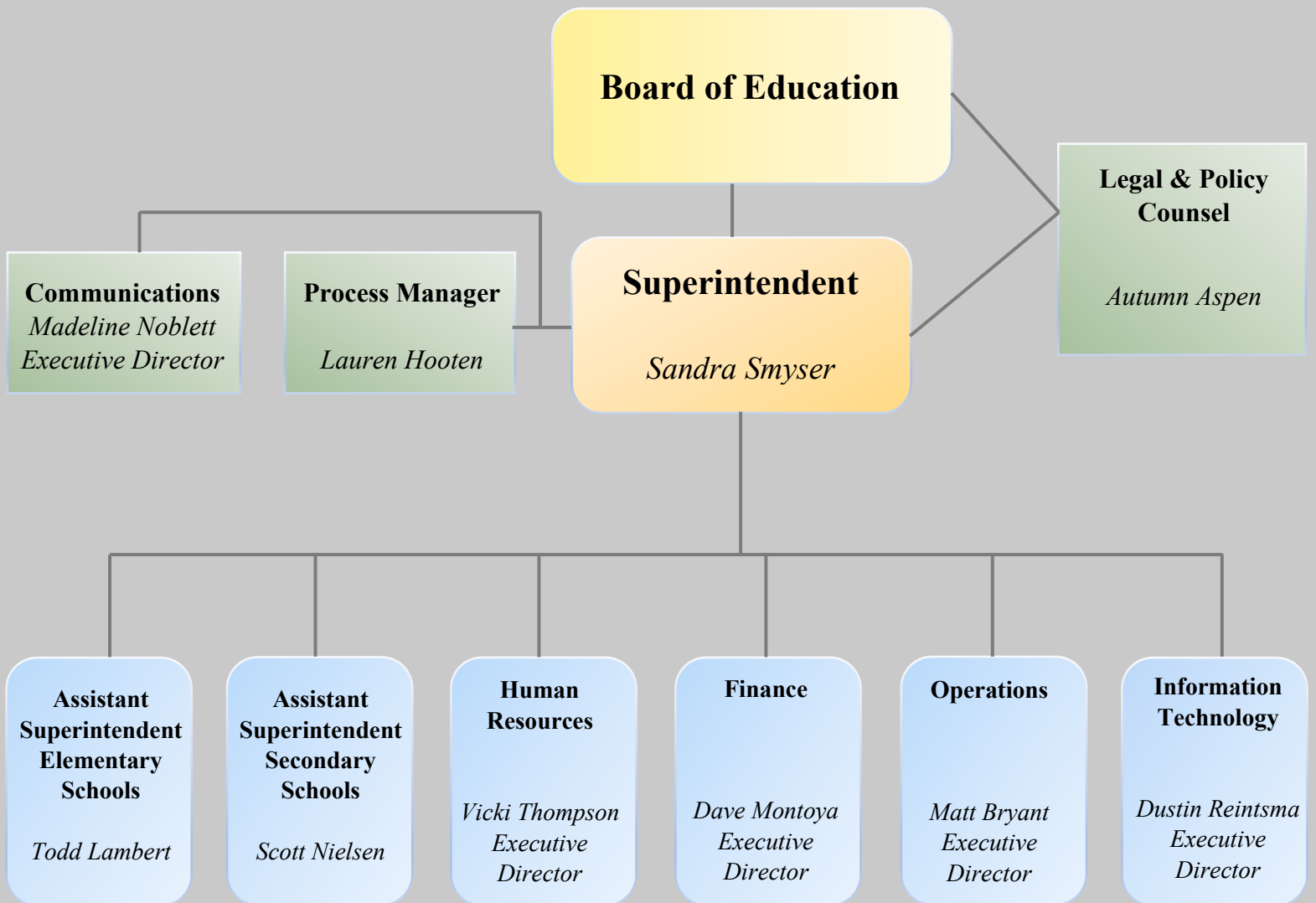
Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

Poudre School District Organizational Chart

2019-2020 School Year



**Poudre School District
List of Elected and Appointed Officials
June 30, 2020**

Elected Officials - Board of Education

Term Expires

President	Christophe Febvre	2021
Vice President	Rob Petterson	2023
Director	Kristen Draper	2021
Director	Nate Donovan	2023
Director	DJ Anderson	2023
Director	Naomi Johnson	2023
Director	Carolyn Reed	2021

Appointed Officials

Secretary to the Board of Education	Tessa Oppenheimer
Assistant Secretary to the Board of Education	Jill Brunner
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	Matt Bryant
Executive Director of Information Technology	Dustin Reintsma
Legal & Policy Counsel	Autumn Aspen



Financial Section



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, 2020, 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 Fort Collins Montessori School and Compass Community Collaborative School which represent 1 percent and 3 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 Fort Collins Montessori School and 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 14 to the financial statements, the District implemented GASB Statement No. 84, Fiduciary Activities. The District reported a restatement of beginning net position and fund balance for the change in accounting principle. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 16-26, 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.

Board of Education
Poudre School District

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.



CliftonLarsonAllen LLP

Broomfield, Colorado
November 30, 2020



Management's Discussion and Analysis

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

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, 2020. 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 \$136.3 million to a deficit of \$446.7 million, which represents a 23.4% increase from the prior year. This increase is primarily due to a reduction in the District's proportionate share of the net pension liability.
- General revenues, primarily property taxes and state equalization, accounted for \$358.6 million in revenue or 83.5% 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 \$70.9 million or 16.5% of total current fiscal year revenues.
- Among major funds, the General Fund had \$331.7 million in current fiscal year revenues, which primarily consisted of property taxes and state aid, and \$306.7 million in expenditures. The General Fund's fund balance increased \$25.1 million over the prior year primarily due to a portion of instructional salaries, that are typically recorded in the General Fund, being funded by Federal funds and recorded in the Designated Special Purpose Grants Fund. In addition, the retention of allocated resources by schools and sites contributed to the increase in fund balance.
- The District retired debt totaling \$30.8 million during the fiscal year through the payment of scheduled principal.
- The fund balance of the Capital Projects Fund decreased from \$425.4 million to \$378.2 million due to the utilization of bond proceeds received in prior years for capital projects, including, but not limited to, work on the new school sites.
- Revenues and expenditures in the Designated Special Purpose Grants Fund increased \$9.8 million over the prior year due to increased Federal funding to support activities directly related to the response to the coronavirus pandemic.
- In the Nonmajor Special Revenue Fund, fund balance decreased by \$568,105 due to a decrease in local meal revenue.
- The Warehouse Internal Service Fund was closed as of December 31, 2019. Residual equity of \$194,053 was transferred to the General Fund.

Overview of the Financial Statements

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

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Continued)**

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.

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

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Continued)**

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 2020 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 \$669.3 million. This resulted in a total deficit net position of \$446.7 million, an increase of \$136.3 million.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Continued)**

The following table provides a summary of the District's net position.

	As of June 30, 2020	As of June 30, 2019	Percent Change
Current assets	\$ 592,600,879	\$ 605,072,836	(2.1%)
Capital assets, net	296,780,777	256,579,097	15.7%
Total assets	889,381,656	861,651,933	3.2%
Deferred outflows of resources	60,723,612	173,450,034	(65.0%)
Current liabilities	52,514,579	42,996,771	22.1%
Long-term liabilities	1,025,239,650	1,151,513,509	(11.0%)
Total liabilities	1,077,754,229	1,194,510,280	(9.8%)
Deferred inflows of resources	319,082,455	423,597,652	(24.7%)
Net position			
Net investment in capital assets	141,461,041	113,576,842	24.6%
Restricted	81,114,526	92,348,194	(12.2%)
Unrestricted	(669,306,983)	(788,931,001)	15.2%
Total net position	\$ (446,731,416)	\$ (583,005,965)	23.4%

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 \$53.1 million in capital assets primarily through various construction projects.
- The principal retirement of \$30.7 million through scheduled bond payments and amortization of \$6.2 million in premium.
- A decrease in the net pension liability due primarily to a \$563.5 million decrease in collective pension expense which resulted in a \$17.6 million decrease in the District's proportionate share of the collective pension expense.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Continued)**

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

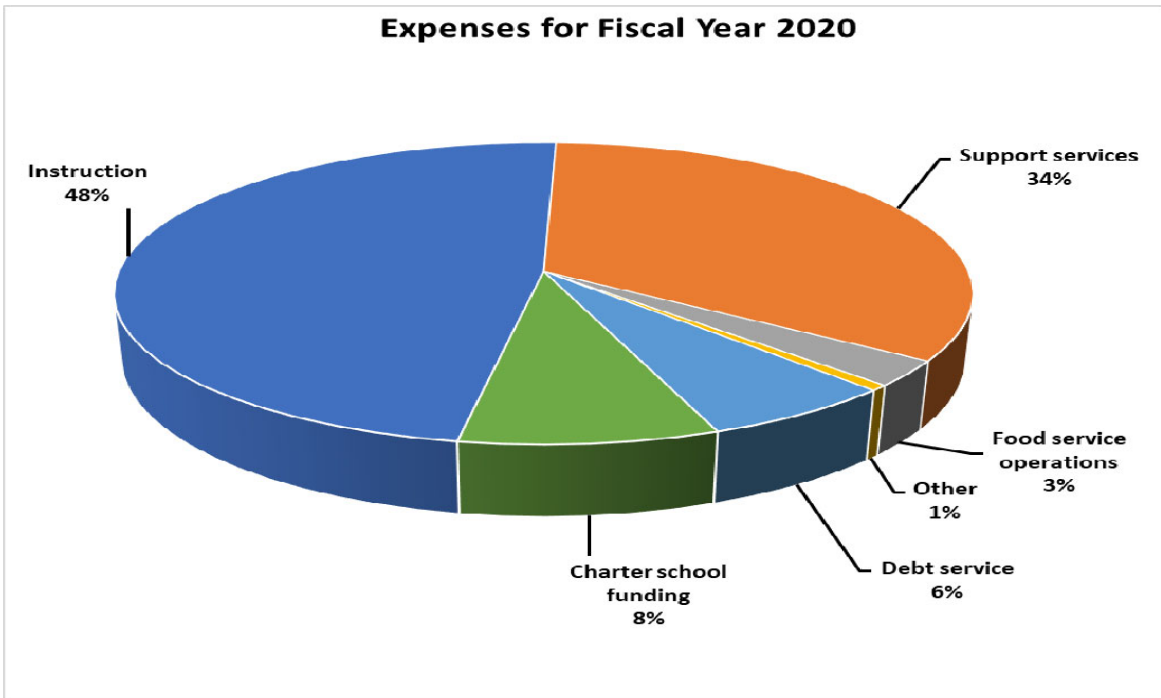
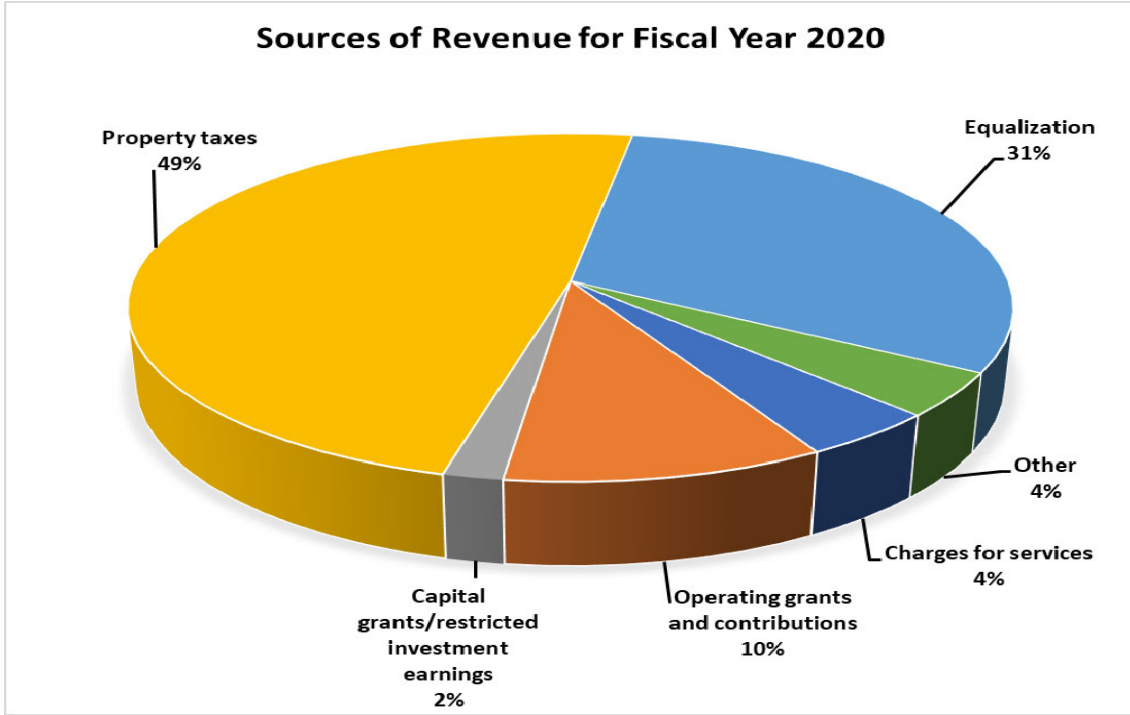
	Year Ended June 30, 2020	Year Ended June 30, 2019	Percent Change
Revenues			
Program revenues			
Charges for services	\$ 18,848,047	\$ 24,424,479	(22.8%)
Operating grants and contributions	43,849,138	35,551,776	23.3%
Capital grants/restricted investment earnings	8,188,744	10,060,213	(18.6%)
General revenues			
Property taxes	208,736,508	172,421,440	21.1%
Equalization	132,001,092	125,600,955	5.1%
Other	17,881,006	19,684,325	(9.2%)
Total revenues	<u>429,504,535</u>	<u>387,743,188</u>	10.8%
Expenses			
Instruction	140,081,791	150,272,868	(6.8%)
Support services:			
Students	15,819,756	16,528,182	(4.3%)
Instructional staff	13,853,156	15,921,478	(13.0%)
General administration	1,781,882	2,452,659	(27.3%)
School administration	14,493,174	16,693,783	(13.2%)
Business	3,199,281	3,225,488	(.08%)
Operations and maintenance of plant	25,353,779	21,544,359	17.7%
Student transportation	6,234,661	7,160,700	(12.9%)
Central	18,622,216	17,737,598	5%
Other	97,459	215,403	(54.8%)
Food service operations	8,130,151	8,717,233	(6.7%)
Other	1,732,436	1,697,756	2.0%
Debt service	18,955,973	18,830,354	.70%
Charter school funding	24,988,522	21,240,894	17.6%
Total expenses	<u>293,344,237</u>	<u>302,238,755</u>	(2.9%)
Change in net position	136,160,298	85,504,433	59.2%
Net position, beginning of year, restated	<u>(582,891,714)</u>	<u>(668,510,398)</u>	12.8%
Net position, end of year	\$ <u>(446,731,416)</u>	\$ <u>(583,005,965)</u>	23.4%

Property taxes and equalization account for 79.3% of the District's revenue, contributing 48.6% and 30.7% respectively of total revenue. These revenues directly relate to the level of District enrollment. Another 12.1% came from grants and contributions, and the remainder came from fees charged for services and other miscellaneous sources.

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

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(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, 2020
(Continued)**

The increase in net position for governmental activities in the 2020 fiscal year was approximately \$136.2 million. Key elements of the increase in net position for governmental activities are as follows:

- The cost of all governmental activities in the 2020 fiscal year was \$293.4 million.
- Users of the District's programs financed some of the costs (\$18.8 million). Revenues in this category, such as charges for school meals, athletic fees, and building rental income, decreased 22.8% over the prior year. This was a result of building closures due to the coronavirus pandemic.
- Federal and state governmental grants, contributions by local governments, businesses and individual and student fundraising profits subsidized certain programs amounting to \$52.0 million. The increase of \$8.3 million was due to Federal funds received and utilized in direct response to the coronavirus pandemic.
- District and state taxpayers financed most of the District's costs, with revenue from taxes (property taxes and specific ownership taxes) of approximately \$224.3 million and revenue from equalization of approximately \$132.0 million. Property taxes increased \$36.3 million due to the passage of an \$18.0 million mill levy override in November of 2019 combined with increased net assessed value of taxable property within the District.
- Capital Grants/Restricted Investment Earnings decreased \$1.9 million or 18.6% due to a reduction of earnings on the investment of bond proceeds as the invested funds were drawn upon for capital projects.
- The recognition of net pension income of \$53.0 million as a result of the reduction in collective net pension expense.

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 decreased approximately \$30.5 million, primarily due to the utilization of bond proceeds received in prior years for capital projects, including, but not limited to work on the new school sites.

The General Fund is the principal operating fund of the District. The General Fund comprises 14.7% of the total fund balance. Approximately \$13.5 million or 17.6% of the General Fund's fund balance is unassigned. The General Fund's fund balance increased \$25.1 million to \$76.5 million. The District utilized approximately \$10.0 million in Coronavirus Relief Funds under The Coronavirus Aid, Relief, and Economic Security Act (also known as the CARES Act) to compensate elementary teachers performing substantially different duties. This compensation was originally budgeted for in the General Fund. In addition, schools and sites retained allocated resources for future projects.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Continued)**

Among the other major funds, the Debt Service Fund had \$45.9 million in current fiscal year revenues, primarily comprised of property taxes, and \$53.8 million in debt service expenditures. The Debt Service Fund's fund balance decreased \$7.9 million to \$ 60.2 million.

The fund balance in the Capital Projects Fund decreased \$47.1 million to \$378.2 million due to the utilization of bond proceeds received in prior years for capital projects, including, but not limited to work on the new school sites.

Revenues in the Designated Special Purpose Grants Fund were primarily comprised of Federal revenue (90%). Total revenues and expenditures increased \$9.8 million over the prior year due to the receipt and utilization of Coronavirus Relief Funds under The Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. The funds were primarily utilized to compensate elementary teachers performing substantially different duties during school building closures.

Fund balance in the Nonmajor Special Revenue Fund decreased by \$568,105. The temporary closure of school buildings, due to the coronavirus pandemic, resulted in a decrease in local meal revenue and the need to fund current year food service expenditures with fund balance.

Proprietary Funds

Total net position in the internal service funds increased \$5.3 million. The increase was primarily due to lower than anticipated claims activity as a result of the postponement of medical visits during the coronavirus pandemic.

General Fund Budgetary Highlights

The 2020 fiscal year budget was adopted in June 2019, with a revised (final) budget adopted in January 2020. The budgets for the District's General Fund for the 2019-20 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 \$24.0 million between the original and final budget.

On a budgetary basis, the projected fund balance presented in the final budget was approximately \$70.6 million, \$22.1 million lower than actual results of \$92.7 million for the fiscal year. Actual General Fund revenue and other financing sources that occurred during the 2020 fiscal year were \$331.7 million and actual expenditures and other financing uses on a budgetary basis were approximately \$306.9 million.

The difference between the District's GAAP and non-GAAP fund balance is \$16.2 million. This amount relates to compensation earned as of June 30, 2020, but not paid until July 2020. 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 \$16.1 million, assigned of \$46.9 million, and unassigned of \$13.5 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, 2020, the reserve was 3.15%. 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.

**Poudre School District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Continued)**

Capital Assets

By the end of fiscal year 2020, the District had invested \$538.9 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 \$52.7 million primarily due to various capital projects for site renovations and new school construction. Total depreciation expense for the year was approximately \$12.8 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2020 and June 30, 2019.

	As of June 30, 2020	As of June 30, 2019
Land	\$ 26,514,658	\$ 26,434,368
Construction in progress	54,048,289	7,869,807
Water rights	1,855,235	1,855,235
Buildings, net	197,623,994	204,295,910
Site improvements, net	8,029,046	7,335,723
Vehicles, net	3,697,976	3,680,962
Software, net	271,201	354,129
Other equipment, net	4,740,378	4,752,963
Total capital assets, net	<u>\$ 296,780,777</u>	<u>\$ 256,579,097</u>

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

Long-Term Debt Activity

At year-end, the District had approximately \$480.2 million in long-term debt outstanding, \$27.5 million due within one year. The District retired debt totaling \$30.8 million through the payment of scheduled principal. Debt retirement combined with the amortization of premium of \$6.2 million, resulted in a decrease in outstanding long-term debt of approximately 6%.

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

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

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

Factors Bearing on the District’s Future

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

- Fluctuations in student enrollment directly impact the financial resources the District uses to operate since the primary source of revenue is per pupil funding. District K-12 enrollment has been relatively stable for the past five years, with modest increases in most years, including an increase of 226 in school year 2019-20. Due to the anticipated impact of the coronavirus pandemic on enrollment, the District budgeted for no enrollment growth in fiscal year 2020-21. Preliminary estimates show, the District losing approximately 900 students from the prior year.

**Poudre School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Continued)**

The District is currently analyzing the situation and making budget adjustments as appropriate to respond to a potential loss in revenue due to the enrollment situation.

- Under state law, the District may contract with individuals and organizations for the operation of schools, referred to as “charter schools,” within the District. For purposes of the Public School Finance Act, pupils enrolled in a charter school in the District are included in the pupil enrollment of the District. Such charter schools are financed in part from a portion of the District’s revenues received under the Public School Finance Act. The District is required to pay a charter school a certain percentage of per pupil revenues for each pupil enrolled in such charter school, less certain central administrative costs. The addition of new charter schools or expansion of existing charter schools could impact the District’s finances. Currently, there are no new charter applications under review.
- The District continues to monitor the State’s financial status. In addition to the economic pressures caused by the coronavirus pandemic, growing costs in education and health services are continuing to put pressure on the state budget. The District will monitor economic reports and forecasts 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 several years. The most recent rate increase brought the total district contribution to 20.9% in July 2020. Due to the favorable investment returns in calendar year 2019, there are not currently scheduled rate increases under the PERA automatic adjustment provisions. Employee contribution rates are currently at 10.0% with a scheduled rate increase which reached 10.5% in July 2020. Additionally, the state has suspended the \$225 million annual direct distribution to PERA in fiscal year 2020-21 due to budget constraints. The District has accounted 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 benefit 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.

**Poudre School District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Continued)**

- 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 received federal stimulus money during the 2019-20 fiscal year and has the potential to receive additional stimulus funds in the future. The District will continue to monitor potential impacts and incorporate anticipated changes into future years’ operations.

With consideration of the above-mentioned factors, preparation for the 2021 fiscal year budget has begun.

Contacting the District’s Financial Management

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

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

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

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

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



Basic Financial Statements

Poudre School District
Government-Wide Statement of Net Position
June 30, 2020

	<u>Primary Government Governmental Activities</u>	<u>Discretely Presented Component Units</u>
ASSETS		
Cash and investments (including restricted amounts)	\$ 573,262,200	\$ 18,482,122
Cash with Larimer County Treasurer	2,197,355	—
Accrued interest	43,713	—
Property taxes receivable	7,428,103	—
Receivable from grantor agencies	4,133,273	—
Accounts receivable	3,199,096	110,203
Due from component units	7,751	—
Due from primary government	—	102,802
Prepaid items	1,755,330	73,785
Deposits	13,500	28,000
Inventory	560,558	—
Land	26,514,658	4,656,915
Construction in progress	54,048,289	3,252,787
Water rights	1,855,235	12,864
Other capital assets, net of accumulated depreciation:		
Buildings and site improvements	205,653,040	21,994,332
Vehicles	3,697,976	151,812
Software	271,201	—
Other equipment	4,740,378	529,890
	<u>889,381,656</u>	<u>49,395,512</u>
Total assets		
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	58,303,144	7,012,606
Deferred outflows related to OPEB	1,533,814	275,494
Deferred charges on debt refunding	886,654	29,947
	<u>60,723,612</u>	<u>7,318,047</u>
Total deferred outflows of resources		
LIABILITIES		
Accounts payable	23,363,176	1,486,392
Due to component units	102,802	—
Due to primary government	—	7,751
Accrued salaries and benefits	18,400,562	863,008
Accrued interest	916,554	513,869
Other	—	14,004
Retirement severance payable	285,212	—
Unearned revenue	5,706,273	124,357
Estimated liability for unsubmitted claims	3,740,000	—
Noncurrent liabilities:		
Due within one year	27,711,000	743,265
Due in more than one year	997,528,650	60,782,435
	<u>1,077,754,229</u>	<u>64,535,081</u>
Total liabilities		
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	314,591,447	19,042,423
Deferred inflows related to OPEB	4,491,008	299,768
Deferred credits on debt refunding	—	52,378
	<u>319,082,455</u>	<u>19,394,569</u>
Total deferred inflows of resources		
NET POSITION		
Net investment in capital assets	141,461,041	3,463,060
Restricted for:		
TABOR	11,185,000	802,812
School site acquisition, expansion and development	4,875,621	—
Payment of claims	77,889	—
Colorado Preschool Program	2,126	—
Debt service	60,207,985	3,301,332
Public school activities	4,057,735	—
Food service activities	708,170	—
Construction/repair and replacement of facility	—	972,882
Other	—	3,934
Unrestricted	(669,306,983)	(35,760,123)
	<u>(446,731,416)</u>	<u>(27,216,103)</u>
Total net position	<u>\$ (446,731,416)</u>	<u>\$ (27,216,103)</u>

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



POUDRE SCHOOL DISTRICT

**Poudre School District
Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2020**

Activities:	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities:			
Instruction	\$ 140,081,791	\$ 5,313,828	\$ 29,173,069
Support services:			
Students	15,819,756	—	4,123,233
Instructional staff	13,853,156	160,082	1,674,919
General administration	1,781,882	—	4,515
School administration	14,493,174	—	—
Business	3,199,281	150,915	760,735
Operations and maintenance of plant	25,353,779	1,180	56,379
Student transportation	6,234,661	40,828	2,249,029
Central	18,622,216	9,781,469	913,574
Other	97,459	—	—
Food services operations	8,130,151	3,012,488	4,415,234
Community services	396,863	387,257	369,554
Education for adults	65,072	—	—
Facilities acquisition and construction	—	—	—
Unallocated depreciation	1,270,501	—	—
Interest expense	18,955,973	—	108,897
Charter school funding	24,988,522	—	—
Total primary government	\$ 293,344,237	\$ 18,848,047	\$ 43,849,138
Component units	\$ 22,157,464	\$ 690,571	\$ 1,456,230

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>
\$ 55,000	\$ (105,539,894)	
—	(11,696,523)	
—	(12,018,155)	
—	(1,777,367)	
—	(14,493,174)	
—	(2,287,631)	
655,018	(24,641,202)	
434,121	(3,510,683)	
—	(7,927,173)	
—	(97,459)	
—	(702,429)	
—	359,948	
—	(65,072)	
7,044,605	7,044,605	
—	(1,270,501)	
—	(18,847,076)	
—	(24,988,522)	
<u>\$ 8,188,744</u>	<u>\$ (222,458,308)</u>	
<u>\$ 655,019</u>		\$ (19,355,644)
	\$ 162,239,992	—
	46,496,516	—
	15,534,755	—
	1,026,904	—
	933,773	109,545
	385,574	3,505,671
	132,001,092	—
	<u>—</u>	<u>20,645,352</u>
	<u>358,618,606</u>	<u>24,260,568</u>
	136,160,298	4,904,924
	<u>(582,891,714)</u>	<u>(32,121,027)</u>
	<u>\$ (446,731,416)</u>	<u>\$ (27,216,103)</u>

**Poudre School District
Governmental Funds
Balance Sheet
June 30, 2020**

	General	Debt Service	Capital Projects	Designated Special Purpose Grants	Nonmajor Special Revenue	Total Governmental Funds
ASSETS						
Cash and investments (including restricted amounts)	\$ 99,436,095	\$ 59,279,622	\$ 388,180,022	\$ 3,998,390	\$ 4,899,151	\$ 555,793,280
Cash with Larimer County Treasurer	2,009,226	188,129	—	—	—	2,197,355
Accrued interest	7,619	—	32,744	—	—	40,363
Deposits	10,500	—	3,000	—	—	13,500
Property taxes receivable	5,771,315	1,656,788	—	—	—	7,428,103
Receivable from grantor agencies	—	—	—	4,118,656	14,617	4,133,273
Accounts receivable	1,441,846	—	—	16,864	191,050	1,649,760
Inventory	22,184	—	—	—	538,374	560,558
Due from component units	7,751	—	—	—	—	7,751
Due from other funds	801,535	—	—	—	—	801,535
Total assets	\$ 109,508,071	\$ 61,124,539	\$ 388,215,766	\$ 8,133,910	\$ 5,643,192	\$ 572,625,478
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 12,057,189	\$ —	\$ 9,980,348	\$ 55,284	\$ 164,997	\$ 22,257,818
Accrued salaries and benefits	16,164,967	—	—	1,990,036	235,771	18,390,774
Retirement severance payable	285,212	—	—	—	—	285,212
Unearned revenue	36,205	—	—	5,193,550	476,519	5,706,274
Due to component units	9,297	—	—	93,505	—	102,802
Due to other funds	—	—	—	801,535	—	801,535
Estimated liability for unsubmitted claims	1,223,000	—	—	—	—	1,223,000
Total liabilities	29,775,870	—	9,980,348	8,133,910	877,287	48,767,415
Deferred inflows of resources:						
Unavailable property taxes	3,220,287	926,681	—	—	—	4,146,968
Total liabilities and deferred inflows of resources	32,996,157	926,681	9,980,348	8,133,910	877,287	52,914,383
Fund balances:						
Nonspendable:						
Inventory	22,184	—	—	—	538,374	560,558
Restricted for:						
TABOR - emergency reserves	9,890,000	—	—	—	—	9,890,000
TABOR - multi-year contracts	1,295,000	—	—	—	—	1,295,000
School site acquisition, expansion and development	4,875,621	—	—	—	—	4,875,621
Payment of claims	33,543	—	—	—	—	33,543
Colorado Preschool Program	2,126	—	—	—	—	2,126
Debt service	—	60,197,858	—	—	—	60,197,858
Capital projects	—	—	378,235,418	—	—	378,235,418
Public school activities	—	—	—	—	4,057,735	4,057,735
Food service	—	—	—	—	169,796	169,796
Assigned for:						
Carryover budgets	36,961,461	—	—	—	—	36,961,461
Pandemic response	9,952,377	—	—	—	—	9,952,377
Unassigned:						
Required contingency reserves	4,882,652	—	—	—	—	4,882,652
Appropriated reserve	8,596,950	—	—	—	—	8,596,950
Total fund balances	76,511,914	60,197,858	378,235,418	—	4,765,905	519,711,095
Total liabilities, deferred inflows of resources, and fund balances	\$ 109,508,071	\$ 61,124,539	\$ 388,215,766	\$ 8,133,910	\$ 5,643,192	\$ 572,625,478

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, 2020

Total fund balances - governmental funds	\$	519,711,095
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.		4,146,968
Payments to vendors that reflect costs applicable to future accounting periods are not reported as assets in the governmental funds.		1,439,557
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		
Governmental capital assets	\$ 538,915,266	
Accumulated depreciation	<u>(242,134,489)</u>	296,780,777
Deferred outflows/inflows of resources are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflow on debt refunding	886,654	
Deferred outflow related to pensions	58,303,144	
Deferred outflow related to OPEB	1,533,814	
Deferred inflow related to pensions	(314,591,447)	
Deferred inflow related to OPEB	<u>(4,491,008)</u>	(258,358,843)
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.		
		15,663,942
Accrued interest is not due and payable in the current period and therefore not reported as a liability in the funds.		
		(916,554)
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	(480,235,000)	
Bond premium payable	(54,206,808)	
Net pension liability	(466,118,301)	
Net OPEB liability	(22,916,149)	
Compensated absences	<u>(1,722,100)</u>	<u>(1,025,198,358)</u>
Total net position - governmental activities	\$	<u><u>(446,731,416)</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, 2020**

	<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	\$ 183,886,273	\$ 45,812,286	\$ 7,099,605	\$ 217,676	\$ 8,546,204	\$ 245,562,044
State sources	147,781,224	—	670,733	2,412,381	140,797	151,005,135
Federal sources	80,838	108,897	—	22,902,581	4,226,292	27,318,608
Total revenues	<u>331,748,335</u>	<u>45,921,183</u>	<u>7,770,338</u>	<u>25,532,638</u>	<u>12,913,293</u>	<u>423,885,787</u>
Expenditures:						
Current—						
Instruction	158,422,506	—	2,654,904	19,418,212	4,916,875	185,412,497
Support services:						
Students	20,008,515	—	—	3,376,989	150,870	23,536,374
Instructional staff	19,209,344	—	—	1,309,449	44,011	20,562,804
General administration	2,835,563	—	—	—	—	2,835,563
School administration	22,746,052	—	—	—	182,497	22,928,549
Business	4,142,333	—	77,314	680,283	—	4,899,930
Operation and maintenance of plant	24,928,814	—	6,221,741	46,701	59,237	31,256,493
Student transportation	9,655,340	—	—	—	—	9,655,340
Central	12,561,288	—	133,044	24,303	15,254	12,733,889
Other	185,401	—	—	—	—	185,401
Food services operations	149,957	—	—	—	8,079,000	8,228,957
Community services	145,941	—	—	207,760	44,359	398,060
Education for adults	65,072	—	—	—	—	65,072
Capital outlay	6,980,656	—	45,805,634	193,137	98,469	53,077,896
Debt service—						
Purchased services	—	5,000	—	—	—	5,000
Interest on debt	—	23,041,314	—	—	—	23,041,314
Retirement of debt	—	30,770,000	—	—	—	30,770,000
Charter school funding	24,712,718	—	—	275,804	—	24,988,522
Total expenditures	<u>306,749,500</u>	<u>53,816,314</u>	<u>54,892,637</u>	<u>25,532,638</u>	<u>13,590,572</u>	<u>454,581,661</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,998,835</u>	<u>(7,895,131)</u>	<u>(47,122,299)</u>	<u>—</u>	<u>(677,279)</u>	<u>(30,695,874)</u>
Other financing sources (uses):						
Transfers in	216,705	—	—	—	131,826	348,531
Transfers (out)	(131,826)	—	—	—	(22,652)	(154,478)
Total other financing sources (uses)	<u>84,879</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>109,174</u>	<u>194,053</u>
Net change in fund balance	<u>25,083,714</u>	<u>(7,895,131)</u>	<u>(47,122,299)</u>	<u>—</u>	<u>(568,105)</u>	<u>(30,501,821)</u>
Fund balances at beginning of year, restated	<u>51,428,200</u>	<u>68,092,989</u>	<u>425,357,717</u>	<u>—</u>	<u>5,334,010</u>	<u>550,212,916</u>
Fund balances at end of year	<u>\$ 76,511,914</u>	<u>\$ 60,197,858</u>	<u>\$ 378,235,418</u>	<u>\$ —</u>	<u>\$ 4,765,905</u>	<u>\$ 519,711,095</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, 2020

Total net changes in fund balances - governmental funds \$ (30,501,821)

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. 3,101,203

Capital outlays are reported in governmental funds as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	:	53,077,896	
Depreciation expense		<u>(12,838,372)</u>	40,239,524

In the Statement of Activities, only the gain/loss on the sale of capital assets is reported. In the governmental funds, the proceeds from the sale increases financial resources (32,047)

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		36,335,108	
Pension income		52,990,670	
Nonemployer pension contribution		(1,870,085)	
On behalf contribution		(4,477,862)	
District OPEB contributions		1,912,360	
OPEB expense		<u>(1,418,802)</u>	83,471,389

Repayment of debt principal is an expenditure in the governmental funds, but it 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. These amounts are amortized in the Statement of Activities.

Principal repaid		30,770,000	
Bond premium amortized		6,236,408	
Deferred charge amortization		<u>(2,201,591)</u>	34,804,817

In the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the Statement of Activities, these expenses are reported regardless of when the financial resources are available.

Decrease in accrued interest		55,524	
Increase in compensated absences		<u>(200,445)</u>	(144,921)

Cash outlays that reflect costs applicable to future periods (prepaid items) are reported in the governmental funds as expenditures when purchased. In the Statement of Activities, they are reported as expenses when consumed. (95,350)

Internal service funds are used by management to charge the costs of employee self-insurance and warehouse supplies to individual funds. The change in net position of the internal funds is reported with governmental activities in the Statement of Activities. 5,286,537

Reassignment of capital assets and long-term liabilities from the closed Warehouse internal service fund to governmental activities. 30,967

Change in net position - governmental activities \$ 136,160,298

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

**Poudre School District
Proprietary Funds
Statement of Net Position
June 30, 2020**

		Governmental Activities Internal Service Funds Total
<hr/>		
ASSETS		
Current assets:		
Cash and cash equivalents	\$	17,259,590
Cash - restricted		209,330
Accrued interest		3,350
Accounts receivable		1,549,336
Prepaid items		<u>315,773</u>
Total current assets		<u>19,337,379</u>
LIABILITIES		
Current liabilities:		
Accounts payable		1,105,357
Accrued salaries and benefits		9,788
Estimated liability for unsubmitted claims		<u>2,517,000</u>
Total current liabilities		<u>3,632,145</u>
Noncurrent liabilities:		
Employee compensated absences		<u>41,292</u>
Total noncurrent liabilities		<u>41,292</u>
Total liabilities		<u>3,673,437</u>
NET POSITION		
Restricted for payment of claims		44,346
Unrestricted		<u>15,619,596</u>
Total net position	\$	<u><u>15,663,942</u></u>

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, 2020**

	Governmental Activities Internal Service Funds Total
Operating revenues:	
District ontributions	\$ 25,523,806
Employee contributions	9,403,677
Sales	405,678
	35,333,161
Operating expenses:	
Administration:	
Salaries	702,814
Employee benefits	215,438
Purchased services	1,461,920
Operating supplies	434,675
Internal charges	875
Claims	24,122,012
Premiums	2,929,818
Other	27,677
	29,895,229
Operating gain	5,437,932
Non-operating revenues (expenses):	
Investment earnings	73,625
Miscellaneous expense	(30,967)
	42,658
Gain before transfers	5,480,590
Transfer out	(194,053)
	5,286,537
Total net position at beginning of year	10,377,405
Total net position at end of year	\$ 15,663,942

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, 2020**

	<u>Governmental Activities Internal Service Funds Total</u>
Cash flows from operating activities:	
Received from customers	\$ 35,252,488
Payments to employees	(895,337)
Payments to suppliers for goods and services	(1,652,352)
Payments for claims and insurance	(26,964,704)
Payments to other funds	<u>(875)</u>
Net cash provided by operating activities	<u>5,739,220</u>
Cash flows from noncapital financing activities:	
Transfers out for operating purposes	<u>(194,053)</u>
Net cash used for noncapital financing activities	<u>(194,053)</u>
Cash flows from investing activities:	
Interest received	<u>73,544</u>
Net cash provided by investing activities	<u>73,544</u>
Net increase in cash and cash equivalents	5,618,711
Cash and cash equivalents at beginning of year	<u>11,850,209</u>
Cash and cash equivalents at end of year	<u>\$ 17,468,920</u>
Reconciliation of operating gain to net cash provided by operating activities:	
Operating gain	\$ 5,437,932
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Depreciation expense	5,797
Accounts receivable	(18,404)
Prepaid expense	(12,909)
Inventory	160,094
Accounts payable	297,582
Accrued salaries and benefits	9,788
Employee compensated absences	13,127
Estimated liability for unsubmitted claims	<u>(153,787)</u>
Net cash provided by operating activities	<u>\$ 5,739,220</u>

Non-cash activities - capital assets, net of depreciation and compensated absences payable, included in government-wide capital assets and long-term liabilities were formerly reported in the Warehouse Fund.

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, 2020**

ASSETS

Cash and investments	\$ 118,711
Contributions receivable	<u>3,000</u>
Total assets	<u>121,711</u>

LIABILITIES

Scholarships payable	<u>21,600</u>
Total Liabilities	<u>21,600</u>

NET POSITION

Held in trust for:	
Individuals, organizations and other governments	<u>100,111</u>
Total net position	<u>\$ 100,111</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, 2020**

ADDITIONS

Contributions:	
Private donations	\$ 27,605
Interest earnings	<u>576</u>
Total additions	<u>28,181</u>

DEDUCTIONS

Payments in accordance with trust agreements	<u>40,096</u>
Total deductions	<u>40,096</u>
Change in net position	(11,915)
Net position at beginning of year, restated	<u>112,026</u>
Net position at end of year	<u>\$ 100,111</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, 2020

	Liberty Common School	Ridgeview Classical Schools	Mountain Sage Community School	Fort Collins Montessori School	Compass Community Collaborative School	Total Discretely Presented Component Units
ASSETS						
Cash and investments	\$ 5,731,008	\$ 3,189,454	\$ 847,305	\$ 431,062	\$ 463,511	\$ 10,662,340
Restricted cash and investments	2,970,417	254,959	—	4,594,406	—	7,819,782
Prepaid expense and other assets	51,653	—	15,163	—	6,969	73,785
Deposits	—	—	—	8,000	20,000	28,000
Accounts receivable	109,383	—	—	63	757	110,203
Due from primary government	1,431	9,439	18,610	3,482	69,840	102,802
Land	2,443,720	785,000	—	1,428,195	—	4,656,915
Construction in progress	—	216,149	—	3,036,638	—	3,252,787
Water rights	12,864	—	—	—	—	12,864
Other capital assets, net of accumulated depreciation:						
Buildings and site improvements	14,632,829	6,043,810	333,186	—	984,507	21,994,332
Vehicles	151,812	—	—	—	—	151,812
Equipment	221,369	295,029	—	—	13,492	529,890
Total assets	26,326,486	10,793,840	1,214,264	9,501,846	1,559,076	49,395,512
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	2,691,419	967,242	1,147,052	270,238	1,936,655	7,012,606
Deferred outflows related to OPEB	96,620	21,629	54,551	16,399	86,295	275,494
Deferred charges on debt refunding	29,947	—	—	—	—	29,947
Total deferred outflows of resources	2,817,986	988,871	1,201,603	286,637	2,022,950	7,318,047
LIABILITIES						
Accounts payable	217,534	158,965	11,049	1,050,265	48,579	1,486,392
Due to primary government	—	—	551	1,441	5,759	7,751
Accrued salaries and benefits	340,180	297,151	116,549	32,891	76,237	863,008
Accrued interest	377,402	80,884	—	55,583	—	513,869
Other	—	14,004	—	—	—	14,004
Unearned revenue	—	39,329	—	22,296	62,732	124,357
Noncurrent liabilities:						
Due within one year	425,000	257,965	40,675	—	19,625	743,265
Due in more than one year	30,862,832	13,257,376	3,918,777	10,264,628	2,478,822	60,782,435
Total liabilities	32,222,948	14,105,674	4,087,601	11,427,104	2,691,754	64,535,081
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	8,514,536	6,197,016	2,300,596	920,988	1,109,287	19,042,423
Deferred inflows related to OPEB	118,247	116,198	33,098	14,618	17,607	299,768
Deferred credit on debt refunding	—	52,378	—	—	—	52,378
Total deferred inflows of resources	8,632,783	6,365,592	2,333,694	935,606	1,126,894	19,394,569
NET POSITION						
Net investment in capital assets	(128,624)	1,720,655	199,896	1,137,125	534,008	3,463,060
Restricted for:						
Debt service	2,696,982	77,783	—	526,567	—	3,301,332
TABOR	361,519	232,035	101,258	44,000	64,000	802,812
Repair and replacement of facility	240,559	732,323	—	—	—	972,882
Other	—	3,934	—	—	—	3,934
Unrestricted	(14,881,695)	(11,455,285)	(4,306,588)	(4,281,919)	(834,636)	(35,760,123)
Total net position	\$ (11,711,259)	\$ (8,688,555)	\$ (4,005,434)	\$ (2,574,227)	\$ (236,628)	\$ (27,216,103)

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

Poudre School District
Discretely Presented Component Units
Statement of Activities
For the Fiscal Year Ended June 30, 2020

Activities:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants/ Restricted Investment Earnings
Liberty Common School				
Instruction	\$ 5,295,159	\$ 239,163	\$ 917,312	\$ —
Support services	3,791,482	—	—	311,197
Interest on debt	843,271	—	—	—
Total - Liberty Common School	<u>9,929,912</u>	<u>239,163</u>	<u>917,312</u>	<u>311,197</u>
Ridgeview Classical Schools				
Instruction	3,437,749		121,314	—
Support services:				
Operations and maintenance of plant	144,218	40,090	—	183,483
General administration	698,352	—	—	—
Interest on debt	233,736	—	—	—
Total - Ridgeview Classical Schools	<u>4,514,055</u>	<u>40,090</u>	<u>121,314</u>	<u>183,483</u>
Mountain Sage Community School				
Instruction	1,781,430	60,155	145,101	—
Support services	1,327,334	—	17,054	83,516
Interest on debt	9,158	—	—	—
Total - Mountain Sage Community School	<u>3,117,922</u>	<u>60,155</u>	<u>162,155</u>	<u>83,516</u>
Fort Collins Montessori School				
Instruction	524,988	316,864	26,051	28,303
Support services:				
Operations and maintenance of plant	757,616	—	—	—
Other support services	634,322	—	—	—
Total - Fort Collins Montessori School	<u>1,916,926</u>	<u>316,864</u>	<u>26,051</u>	<u>28,303</u>
Compass Community Collaborative School				
Instruction	1,411,596	34,299	229,398	48,520
Support services:				
Operations and maintenance of plant	39,231	—	—	—
Other support services	1,227,822	—	—	—
Total - Compass Community Collaborative School	<u>2,678,649</u>	<u>34,299</u>	<u>229,398</u>	<u>48,520</u>
Total component units	<u>\$ 22,157,464</u>	<u>\$ 690,571</u>	<u>\$ 1,456,230</u>	<u>\$ 655,019</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
\$ (4,138,684)	\$ —	\$ —	\$ —	\$ —	\$ (4,138,684)
(3,480,285)	—	—	—	—	(3,480,285)
(843,271)	—	—	—	—	(843,271)
<u>(8,462,240)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(8,462,240)</u>
—	(3,316,435)	—	—	—	(3,316,435)
—	79,355	—	—	—	79,355
—	(698,352)	—	—	—	(698,352)
—	<u>(233,736)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(233,736)</u>
<u>—</u>	<u>(4,169,168)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(4,169,168)</u>
—	—	(1,576,174)	—	—	(1,576,174)
—	—	(1,226,764)	—	—	(1,226,764)
—	—	<u>(9,158)</u>	<u>—</u>	<u>—</u>	<u>(9,158)</u>
<u>—</u>	<u>—</u>	<u>(2,812,096)</u>	<u>—</u>	<u>—</u>	<u>(2,812,096)</u>
—	—	—	(153,770)	—	(153,770)
—	—	—	(757,616)	—	(757,616)
—	—	—	<u>(634,322)</u>	<u>—</u>	<u>(634,322)</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,545,708)</u>	<u>—</u>	<u>(1,545,708)</u>
—	—	—	—	(1,099,379)	(1,099,379)
—	—	—	—	(39,231)	(39,231)
—	—	—	—	<u>(1,227,822)</u>	<u>(1,227,822)</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,366,432)</u>	<u>(2,366,432)</u>
					<u>(19,355,644)</u>
63,864	41,351	—	351	3,979	109,545
9,034,362	6,636,284	2,415,932	819,547	1,739,227	20,645,352
2,493,518	17,680	687,771	257,014	49,688	3,505,671
<u>11,591,744</u>	<u>6,695,315</u>	<u>3,103,703</u>	<u>1,076,912</u>	<u>1,792,894</u>	<u>24,260,568</u>
3,129,504	2,526,147	291,607	(468,796)	(573,538)	4,904,924
<u>(14,840,763)</u>	<u>(11,214,702)</u>	<u>(4,297,041)</u>	<u>(2,105,431)</u>	<u>336,910</u>	<u>(32,121,027)</u>
\$ <u>(11,711,259)</u>	\$ <u>(8,688,555)</u>	\$ <u>(4,005,434)</u>	\$ <u>(2,574,227)</u>	\$ <u>(236,628)</u>	\$ <u>(27,216,103)</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

For the year ended June 30, 2020, the District implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes. Fiduciary funds the District reported in the prior year that do not meet these new fiduciary activities criteria have been reclassified as governmental activities.

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, as discretely presented component units, 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, 2020, 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. Liberty Common School includes 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

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

Ridgeview Classical Schools
1800 S Lemay Ave
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, 2020

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 is charges between the District and its discretely presented component units.

Fund financial statements – Provide information about the District's 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, 2020

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, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are received within 60 days after year-end. The District's major revenue sources that are susceptible to accrual are property taxes, tuition, intergovernmental revenues, facilities rental, and investment earnings. Expenditures are recorded 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, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted cash and investments consist of money market investments held by the bond redemption fund custodian (Debt Service Fund), investments held for bond projects (Capital Projects Fund) and cash held by third-party administrators for self-insurance (General Fund and Employee Self Insurance Fund).

E. Inventories and Prepaid Items

Inventories are recorded as assets when purchased and expenditures/expenses when consumed. General Warehouse inventory stated at cost using the first in first out method. Food Service inventory is 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, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of June 30, 2020.

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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Investment Earnings

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

M. Compensated Absences

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

Employees may accumulate an unlimited number of sick leave hours. Generally sick leave benefits provide for ordinary sick pay and are cumulative. Non-licensed employees forfeit sick leave benefits 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 employees are eligible for these benefits after meeting specified criteria, including years of service, continuous years of service and type of service. These benefits are recorded as a retirement severance payable and generally paid out over a one-year period.

N. Accrued Salaries and Benefits

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

O. Use of Estimates in the Preparation of Financial Statements

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

NOTE 2: DEPOSITS AND INVESTMENTS

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

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

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

To facilitate the recording of cash transactions and maximize earnings on investments, the District has combined the cash and investments of most funds and maintains accountability for each fund's equity in the pooled cash and investments. All funds of the District are eligible for investment and may be combined in an investment instrument to maximize earnings except for the Debt Service 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	\$ 85,094	\$ 8
Cash with Larimer County Treasurer	2,197,355	—
Deposits	111,036,730	6,760,910
Investments	462,140,376	11,721,204
Total	\$ 575,459,555	\$ 18,482,122

	Statement of Net Position Governmental Activities	Private Purpose Trust Fund	Discretely Presented Component Units
Deposits and cash – unrestricted	\$ 105,226,102	\$ 118,711	\$ 6,505,959
Investments – unrestricted	8,570,716	—	4,156,381
Investments -restricted for grants	13,960,220	—	—
Cash/Investments – restricted for bond projects and capital	388,180,022	—	—
Deposits/Investments - restricted for future facility and equipment/debt service	—	—	7,621,786
Deposits – restricted for use by third party administrators	242,873	—	—
Deposits – restricted; held by debt service custodian	59,279,622	—	197,996
Total	\$ 575,459,555	\$ 118,711	\$ 18,482,122

Deposits

Custodial credit risk – At June 30, 2020, the carrying amount of the District's deposits, including cash in the Private Purpose Trust Fund, was \$111,155,441 and the bank balance was \$112,357,130. 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 more than 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, 2020

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

Investments

Investments at June 30, 2020 were as follows:

	Primary Government	Discretely Presented Component Units
Investments measured by Level 2 fair value level:		
U.S. Agency Securities	\$ 8,073,910	\$ —
U.S. Treasury Securities	50,132,900	1,411,601
Total investments measured by fair value level	<u>58,206,810</u>	<u>1,411,601</u>
Investments measured at amortized cost:		
Colorado Surplus Asset Fund Trust	—	317,132
Money market investments	95,204,541	2,263,542
Total investments measured at amortized cost	<u>95,204,541</u>	<u>2,580,674</u>
Investments at net asset value:		
ColoTrust Investment Pool	231,400,326	7,728,929
CSIP Investment Pool	77,328,699	—
Total investments at net asset value	<u>308,729,025</u>	<u>7,728,929</u>
Total	<u>\$ 462,140,376</u>	<u>\$ 11,721,204</u>

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 – The Colorado Local Government Liquid Asset Trust (ColoTrust), Colorado Statewide Investment Program (CSIP) and Colorado Surplus Asset Fund Trust (CSAFE) 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. 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, 2020, credit risk for investments was as follows:

Investment Type	Rating	Rating Agency	Primary Government	Discretely Presented Component Units
ColoTrust Investment Pool	AAAm	S&P	\$ 231,400,326	\$ 7,728,929
CSIP Investment Pool	AAAm	S&P	77,328,699	—
CSAFE Investment Pool	AAAm	S&P	—	317,132
Money market investments	Aaa-mf/AAAm	Moody's/S&P	95,204,541	2,263,542
U.S. Agency Securities	Aaa/AA+	Moody's/S&P	8,073,910	—
U.S. Treasury Securities	Aaa/AA+	Moody's/S&P	50,132,900	1,411,601
Total			<u>\$ 462,140,376</u>	<u>\$ 11,721,204</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 2: 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 five years or less. The District policy is to follow State law.

At June 30, 2020, the District and its component units had the following investments in debt securities:

	Primary Government		Discretely Presented Component Units
	Amount	Less than 1 year	Less than 1 year
U.S. Agency Securities	\$ 8,073,910	\$ 8,073,910	\$ —
U.S. Treasury Securities	50,132,900	50,132,900	1,411,601
Total	<u>\$ 58,206,810</u>	<u>\$ 58,206,810</u>	<u>\$ 1,411,601</u>

NOTE 3: CAPITAL ASSETS

Capital asset activity, for the primary government, for the year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 26,434,368	\$ 80,290	\$ —	\$ 26,514,658
Construction in progress	7,869,807	51,338,803	(5,160,321)	54,048,289
Water rights	1,855,235	—	—	1,855,235
Total	<u>36,159,410</u>	<u>51,419,093</u>	<u>(5,160,321)</u>	<u>82,418,182</u>
Capital assets being depreciated:				
Buildings	402,200,995	3,655,763	—	405,856,758
Site improvements	13,019,543	1,126,281	—	14,145,824
Vehicles	19,267,235	1,019,834	(335,271)	19,951,798
Software	829,277	—	—	829,277
Other equipment	14,728,228	996,867	(11,668)	15,713,427
Total	<u>450,045,278</u>	<u>6,798,745</u>	<u>(346,939)</u>	<u>456,497,084</u>
Less accumulated depreciation for:				
Buildings	(197,905,085)	(10,327,679)	—	(208,232,764)
Site improvements	(5,683,820)	(432,958)	—	(6,116,778)
Vehicles	(15,586,273)	(1,002,820)	335,271	(16,253,822)
Software	(475,148)	(82,928)	—	(558,076)
Other equipment	(9,975,265)	(997,784)	—	(10,973,049)
Total	<u>(229,625,591)</u>	<u>(12,844,169)</u>	<u>335,271</u>	<u>(242,134,489)</u>
Total capital assets, being depreciated, net	<u>220,419,687</u>	<u>(6,045,424)</u>	<u>(32,047)</u>	<u>214,362,595</u>
Governmental activities capital assets, net	<u>\$ 256,579,097</u>	<u>\$ 45,373,669</u>	<u>\$ (5,171,989)</u>	<u>\$ 296,780,777</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 3: CAPITAL ASSETS (Continued)

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

Governmental activities:	
Instruction	\$ 11,504,212
Food service operations	69,456
Unallocated	<u>1,270,501</u>
Total depreciation expense – governmental activities	<u>\$ 12,844,169</u>

Discretely Presented Component Units:

Capital asset activity of the discretely presented component units for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 3,228,720	\$ 1,428,195	\$ —	\$ 4,656,915
Construction in progress	69,654	3,285,212	(102,079)	3,252,787
Water rights	<u>12,864</u>	<u>—</u>	<u>—</u>	<u>12,864</u>
Total	<u>3,311,238</u>	<u>4,713,407</u>	<u>(102,079)</u>	<u>7,922,566</u>
Capital assets being depreciated:				
Buildings and site improvements	30,347,037	636,299	—	30,983,336
Leasehold improvements	1,195,626	—	—	1,195,626
Vehicles	159,600	91,899	—	251,499
Other equipment	<u>1,054,741</u>	<u>91,072</u>	<u>—</u>	<u>1,145,813</u>
Total	<u>32,757,004</u>	<u>819,270</u>	<u>—</u>	<u>33,576,274</u>
Less accumulated depreciation for:				
Buildings and site improvements	(9,058,730)	(924,641)	—	(9,983,371)
Leasehold improvements	(115,889)	(85,370)	—	(201,259)
Vehicles	(74,745)	(24,942)	—	(99,687)
Other equipment	<u>(508,451)</u>	<u>(107,472)</u>	<u>—</u>	<u>(615,923)</u>
Total	<u>(9,757,815)</u>	<u>(1,142,425)</u>	<u>—</u>	<u>(10,900,240)</u>
Total capital assets, being depreciated, net	<u>22,999,189</u>	<u>(323,155)</u>	<u>—</u>	<u>22,676,034</u>
Component unit capital assets, net	<u>\$ 26,310,427</u>	<u>\$ 4,390,252</u>	<u>\$ (102,079)</u>	<u>\$ 30,598,600</u>

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

Instructional	\$ 1,082,820
General administration	<u>59,605</u>
Total depreciation expense – component units	<u>\$ 1,142,425</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 4: LONG-TERM LIABILITIES

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due within 1 year
Governmental activities:					
General obligation bonds payable	\$ 511,005,000	\$ —	\$ 30,770,000	\$ 480,235,000	\$ 27,545,000
Premiums	60,443,216	—	6,236,408	54,206,808	—
Total bonds payable	571,448,216	—	37,006,408	534,441,808	27,545,000
Net pension liability	550,996,544	171,856,848	256,735,091	466,118,301	—
Net OPEB liability	27,518,929	1,643,472	6,246,252	22,916,149	—
Compensated absences payable	1,549,820	1,505,543	1,291,971	1,763,392	166,000
Total	\$ 1,151,513,509	\$ 175,005,863	\$ 301,279,722	\$ 1,025,239,650	\$ 27,711,000

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. Bonds have also been issued to advance-refund previously issued bonds.

The District's legal debt margin is \$1.8 billion. Bonds outstanding at June 30, 2020 were:

General Obligation Bonds:	Original amount issued	Original maturity ranges	Original interest rates	Outstanding principal
Improvement	\$ 60,000,000	2010-2020	3.609-6.035%	\$ 3,760,000
Improvement/Refunding	45,975,000	2012-2030	2.00-4.00%	35,485,000
Refunding	37,655,000	2014-2023	2.00-5.00%	16,270,000
Improvement	30,000,000	2016-2030	2.00-5.00%	19,840,000
Improvement	375,000,000	2019-2040	4.00-5.00%	363,235,000
Refunding	41,645,000	2021-2030	2.00-5.00%	41,645,000
				\$ 480,235,000

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for these defeased bonds are not included in the District's financial statements. At June 30, 2020, \$45,530,000 of general obligation bonds were considered defeased.

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2020:

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 4: LONG-TERM LIABILITIES (Continued)

Year ending June 30,	Principal	Interest	Total
2021	\$ 27,545,000	\$ 21,723,252	\$ 49,268,252
2022	28,610,000	20,442,226	49,052,226
2023	29,890,000	19,094,813	48,984,813
2024	31,305,000	17,656,825	48,961,825
2025	31,690,000	16,208,775	47,898,775
2026-2030	104,705,000	65,764,650	170,469,650
2031-2035	109,095,000	38,592,475	147,687,475
2036-2040	95,530,000	17,110,475	112,640,475
2041	21,865,000	546,625	22,411,625
Total	\$ 480,235,000	\$ 217,140,116	\$ 697,375,116

Discretely Presented Component Units

Discretely presented component units long-term debt activity for the year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due within 1 year
Loans payable	\$ 654,446	\$ 9,200,000	\$ (57,165)	\$ 9,797,281	\$ 60,300
Revenue bonds payable	23,877,984	—	(662,058)	23,215,926	682,965
Net Premium/ (discount)	(123,752)	(693,864)	3,651	(813,965)	—
Total	\$ 24,408,678	\$ 8,506,136	\$ (715,572)	\$ 32,199,942	\$ 743,265

Loans payable include \$463,991 in direct borrowings from a charter school board member.

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 when 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, 2020:

	Original interest rates	Outstanding principal
Revenue/Refunding	3.00%-5.00%	\$ 13,445,000
Revenue	5.625%	1,490,000
Revenue	2.00%-4.00%	2,860,000
Refunding	4.00%	4,198,884
Refunding	4.00%	1,222,042
Total		\$ 23,215,926

The following schedule details debt service requirements for bonds and loans to maturity for discretely presented component units at June 30, 2020:

Year ending June 30,	Principal	Interest	Total
2021	\$ 743,265	\$ 1,710,945	\$ 2,454,210
2022	771,684	1,683,869	2,455,553
2023	800,686	1,654,437	2,455,123
2024	785,900	1,624,065	2,409,965
2025	884,370	1,588,506	2,472,876
2026-2030	14,004,282	6,543,416	20,547,698
2031-2035	5,597,858	2,812,776	8,410,634
2036-2040	4,690,162	1,613,625	6,303,787
2041-2045	4,565,000	391,169	4,956,169
2046-2049	170,000	6,800	176,800
Total	\$ 33,013,207	\$ 19,629,608	\$ 52,642,815

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 5: LEASE OBLIGATIONS

Broadband Lease – Effective November 15, 2017, the 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 the 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.

Operating Leases – Effective January 10, 2020, the District entered into an agreement to lease real property and a building to be used to temporarily house District staff, materials, and equipment while other District buildings were being remodeled. The lease had an original fixed term commencing on January 10, 2020 and ending on November 30, 2024.

The terms of the lease require a \$10,000 security deposit and payment of a monthly base rent payment plus tax and insurance. Payment for rent and other expenses is due in advance of the first day of each month during the term. The lessor is responsible for structural maintenance and HVAC repairs and maintenance, all other maintenance and operating costs are at the expense of the District. Total costs paid, including the security deposit and maintenance and operating costs, during fiscal year 2020 were \$124,391.

On June 23, 2020, the lease was amended to allow for the cancellation and termination of the lease upon sale of the property to a third party. The terms of the amendment require the District to deposit \$30,000 in an escrow fund as a lease termination fee upon notification from the lessor of intent to sell. If the property is sold and closed prior to November 4, 2020 the escrow funds will be paid in full to the lessor. If closing does not occur prior to November 4, 2020, the escrow funds will be refunded to the District and the amendment to the lease terminates.

In addition, the District leases office space. The noncancellable lease has a 5-year term ending on June 30, 2024. The terms of the lease require payment of base rent plus a proportionate share of common area maintenance expenses. Total costs paid during fiscal year 2020 were \$33,616.

The base rent obligation under the operating leases is as follows:

Year ending June 30,		
2021	\$	147,873
2022		150,414
2023		154,927
2024		159,573
2025		<u>57,520</u>
Total	\$	<u>670,307</u>

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

Year ending June 30,		
2021	\$	1,724,669
2022		1,693,259
2023		1,704,123
2024		1,468,478
2025		1,506,270
2026-2030		15,307,798
2031-2035		2,359,471
2036-2039		<u>244,849</u>
Total	\$	<u>26,008,917</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 6: DEFINED BENEFIT PENSION PLAN

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.

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, 2019, 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, the annual increase for 2019 is 0.00 percent for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to CRS §24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007 will receive the lessor of an annual increase of 1.5 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to .25 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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

Contributions provisions as of June 30, 2020: 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 8.75 percent of their PERA-includable salary during the period of July 1, 2019 through June 30, 2020.

The employer contribution requirements are summarized in the table below:

	January 1, 2019 through June 30, 2020
Employer Contribution Rate	10.40%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount Apportioned to the SCHDTF	9.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
Total Employer Contribution Rate to the SCHDTF	19.38%

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.

Subsequent to the SCHDTF's December 31, 2019 measurement date, HB 20-1379 *Suspend Direct Distribution to PERA Public Employees Retirement Association for 2020-21 Fiscal Year*, was passed into law during the 2020 legislative session and signed by Governor Polis on June 29, 2020. This bill suspends the July 1, 2020 \$225 million direct distribution allocated to the State, School, Judicial and DPS Divisions, as required under Senate Bill 18-200.

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 \$38,247,198 for the year ended June 30, 2020. Employer contributions recognized by the SCHDTF from discretely presented component units were \$2,325,352 for the year ended June 30, 2020.

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, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. 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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

At June 30, 2020, the District and discretely presented component units reported a liability of \$466,118,301 and \$27,923,139, 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	\$	466,118,301
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District		<u>52,466,473</u>
Total	\$	<u>518,584,774</u>
Discretely presented component units' proportionate share of the net pension liability	\$	27,923,139
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the discretely presented component units		<u>3,541,693</u>
Total	\$	<u>31,464,832</u>

At December 31, 2019, the District's proportion was 3.12 percent, which was an increase of 0.008 percent from its proportion measured as of December 31, 2018. At December 31, 2019, the discretely presented component units' proportion was 0.19 percent, which was an increase of 0.005 percent from the proportion measured as of December 31, 2018.

For the year ended June 30, 2020, the District recognized net pension income of \$52,990,670 and expense of \$1,870,085 from the State as a nonemployer contributing entity. At June 30, 2020, 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	\$ 25,403,754	\$	—
Changes of assumptions or other inputs	13,306,966		211,426,844
Net difference between projected and actual earnings on pension plan investments	—		55,216,352
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,447,743		47,948,251
Contributions subsequent to the measurement date	<u>18,144,681</u>		<u>—</u>
Total	<u>\$ 58,303,144</u>	\$	<u>314,591,447</u>

\$18,144,681 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, 2021. 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,	
2021	\$ (152,797,773)
2022	(104,135,195)
2023	1,282,952
2024	<u>(18,782,968)</u>
Total	<u>\$ (274,432,984)</u>

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

For the year ended June 30, 2020 discretely presented component units recognized pension income of \$5,966,558 and revenue of \$112,029 from the State as a nonemployer contributing entity. At June 30, 2020, 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	\$ 1,521,829	\$ —
Changes of assumption or other inputs	797,163	12,665,670
Net difference between projected and actual earnings on pension plan investments	—	3,307,774
Changes in proportion and differences between contributions recognized and proportionate share of contributions	3,515,258	3,068,979
Contributions subsequent to the measurement date	1,178,356	—
Total	\$ 7,012,606	\$ 19,042,423

\$1,178,356 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, 2021.

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,	
2021	\$ (7,518,202)
2022	(5,028,970)
2023	464,206
2024	(1,125,207)
Total	\$ (13,208,173)

Actuarial assumptions. The total pension liability in the December 31, 2018 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	7.25 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic) ¹	1.25 percent compounded annually
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

¹ For 2019, the annual increase was 0.00 percent.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

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.

Post-retirement non-disabled 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, 2018, 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:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
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%	

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

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

Discount rate. The discount rate used to measure the total pension liability was 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 percent.
- 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 and the additional 0.50 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- As specified in law, the State provides an annual direct distribution of \$225 million, which commenced 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.
- The projected benefit payments reflect the lowered annual increase cap, from 1.50 percent to 1.25 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.
- 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 rate determination does not use the municipal bond rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior 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:

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

District:

	1% Decrease (6.25%)		Current Discount Rate (7.25%)		1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 618,172,667	\$	466,118,301	\$	338,455,411

Discretely Presented Component Units:

	1% Decrease (6.25%)		Current Discount Rate (7.25%)		1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 37,032,060	\$	27,923,139	\$	20,275,404

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, 2020 accounts payable reported in the General Fund included \$4,303,984 payable to the SCHDTF. The payable represents the June 2020 District and employee contributions remitted to PERA in July 2020.

NOTE 7: 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, 2020, program members contributed \$2,449,409 to the Voluntary Investment Program.

NOTE 8: 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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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 are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

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.

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 \$1,912,360 for the year ended June 30, 2020. Discretely presented component units recognized contributions of \$122,342 for the year ended June 30, 2020.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

At June 30, 2020, the District reported a liability of \$22,916,149 for its proportionate share of the net OPEB liability and discretely presented component units reported a liability of \$1,371,346. The net OPEB liability for the HCTF was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2019. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2019 relative to the total contributions of participating employers to the HCTF.

At December 31, 2019, the District's proportion was 2.04 percent, which was an increase of 0.02 from its proportion measured as of December 31, 2018. At December 31, 2019, the discretely presented component units' proportion was 0.12 percent, which was an increase of 0.008 from the proportion measured as of December 31, 2018.

For the year ended June 30, 2020, the District recognized OPEB revenue of \$493,558. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 76,047	\$ 3,850,756
Changes of assumption or other inputs	190,119	—
Net difference between projected and actual earnings on OPEB investments	—	382,501
Changes in proportion and differences between contributions recognized and proportionate share of contributions	312,665	257,751
Contributions subsequent to the measurement date	954,983	—
Total	\$ 1,533,814	\$ 4,491,008

\$954,983 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, 2021. 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,	
2021	\$ (827,107)
2022	(827,066)
2023	(716,318)
2024	(788,559)
2025	(710,396)
2026	(42,731)
Total	\$ (3,912,177)

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

For the year ended June 30, 2020, discretely presented component units recognized OPEB expense of \$60,972. At June 30, 2020, discretely presented component units reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,551	\$ 230,436
Changes of assumption or other inputs	11,377	—
Net difference between projected and actual earnings on OPEB investments	—	22,890
Changes in proportion and differences between contributions recognized and proportionate share of contributions	197,547	46,442
Contributions subsequent to the measurement date	62,019	—
Total	\$ 275,494	\$ 299,768

\$62,019 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, 2021. 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,		
2021	\$	(15,508)
2022		(15,504)
2023		(8,877)
2024		(19,371)
2025		(25,596)
2026		(1,437)
Total	\$	(86,293)

Actuarial assumptions. The total OPEB liability in the December 31, 2018 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	5.60% in 2019, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.50% for 2019, gradually rising to 4.50% in 2029

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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, 2018, 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 2019 for the PERA Benefit Structure:

<u>Medicare Plan</u>	<u>Cost for Members Without Medicare Part A</u>	<u>Premiums for Members Without Medicare Part A</u>
Medicare Advantage/Self-Insured Prescriptions	\$601	\$240
Kaiser Permanente Medicare Advantage HMO	605	237

The 2019 Medicare Part A premium is \$437 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:

<u>Medicare Plan</u>	<u>Cost for Members Without Medicare Part A</u>
Medicare Advantage/Self-Insured Prescriptions	\$562
Kaiser Permanente Medicare Advantage HMO	571

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

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, 2018, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

<u>Year</u>	<u>PERACare Medicare Plans</u>	<u>Medicare Part A Premiums</u>
2019	5.60%	3.50%
2020	8.60%	3.50%
2021	7.30%	3.50%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	3.75%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

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.

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

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

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

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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 2019 plan year.
- The morbidity assumptions were updated to reflect the assumed standard aging factors.
- 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:

<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%.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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:

<u>District:</u>	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate	4.60%	5.60%	6.60%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$22,371,788	\$22,916,149	\$23,358,551

<u>Discretely Presented Component Units:</u>	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate	4.60%	5.60%	6.60%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$1,338,772	\$1,371,346	\$1,408,990

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, 2019, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- 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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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	\$ 25,911,320	\$	22,916,149	\$	20,354,653

Discretely Presented Component

Units:

	1% Decrease (6.25%)		Current Discount Rate (7.25%)		1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 1,550,584	\$	1,371,346	\$	1,218,061

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, 2020 accounts payable reported in the General Fund included \$44,353 payable to the HCTF. The payable represents the June 2020 District and employee contributions remitted to PERA in July 2020.

NOTE 9: 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; unemployment claims; and natural disasters. 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.

Property and Liability - 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.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 9: RISK MANAGEMENT (Continued)

Total costs for property and liability, including premiums of \$1,267,604, for the fiscal year ended June 30, 2020 were \$1,295,161.

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

The funds' claims payable liabilities at June 30, 2020, is the estimated ultimate cost of settling claims that have been incurred but not reported. The estimates are based on actuarial estimates. Changes in claims payable, accounted for in the General Fund, for the years ended June 30, 2019 and 2020, were as follows:

	2019	2020
Claims payable, beginning of the year	\$ 1,342,000	\$ 1,181,000
Current-year claims and changes in estimates	757,119	898,742
Claim payments	918,119	856,742
Claims payable, end of year	\$ 1,181,000	\$ 1,223,000

Unemployment - The District is self-insured for unemployment and fully reimburses the State for unemployment claims in lieu of contributions. Total unemployment costs for the fiscal year ended June 30, 2020 were \$276,905.

Employee Health and Dental - 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 \$325,000 for each medical claim.

The Claims payable liability at June 30, 2020, is the estimated ultimate cost of settling 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, 2019 and 2020, were as follows:

	2019	2020
Claims payable, beginning of the year	\$ 3,216,313	\$ 2,670,787
Current-year claims and changes in estimates	23,131,941	24,122,012
Claim payments	23,677,467	24,275,799
Claims payable, end of year	\$ 2,670,787	\$ 2,517,000

NOTE 10: INTERFUND BALANCES AND ACTIVITY

Interfund balances of \$801,535 due to the General Fund from the Designated Special Purpose Grants Fund were the result of (1) indirect and overhead costs due to the General Fund from the Designated Special Purpose Grants Fund, and (2) advances from the General Fund to the Designated Special Purpose Grants Fund to fund grants operating on a reimbursement basis.

Interfund transfers for the year ended June 30, 2020 were as follows:

	Transfers to		
	General Fund	Nonmajor Governmental Funds	Total
General Fund	\$ —	\$ 131,826	\$ 131,826
Nonmajor Special Revenue Fund	22,652	—	22,652
Warehouse Internal Service Fund	194,053	—	194,053
Total	\$ 216,705	\$ 131,826	\$ 348,531

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 10: INTERFUND BALANCES AND ACTIVITY (Continued)

Interfund transfers from the General Fund to the Nonmajor Special Revenue Fund were used to (1) 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. In addition, transfers from the Public School Activities Fund, a nonmajor special revenue fund, were used to move resources to support activities in the General Fund. On December 31, 2019, the Warehouse Fund, an Internal Service Fund was closed, and remaining equity was transferred to the General Fund.

NOTE 11: COMMITMENTS AND CONTINGENCIES

Encumbrances - The General Fund and Capital Projects Fund have outstanding encumbrances totaling \$11,375,611 and \$260,638,368 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, 2020, \$50,609,586 of the projects were complete with estimated remaining contractual commitments of \$257,113,822. 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 for 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, 2020, the District had no liability for arbitrage.

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

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

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 12: 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 13, 2020.

Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020
\$ —	\$ 25,288,727	\$ 25,288,727	\$ —

NOTE 13: RELATED PARTY TRANSACTIONS

Discretely Presented Component Units - The District provided administrative and other services for the fiscal year ended June 30, 2020 to the District sponsored charter schools as follows:

Charter School	Amount
Liberty Common School	\$ 361,063
Fort Collins Montessori School	35,472
Mountain Sage Community School	117,304
Ridgeview Classical Schools	202,934
Compass Community Collaborative School	84,950
Total	\$ 801,723

Poudre School District Foundation – The District employs two classified employees who are shared with the Foundation to serve as its Executive Director and Administrative Assistant. During the year ended June 30, 2020, the Executive Director position was vacant. In addition, the District provided office space to the Foundation.

NOTE 14: RESTATEMENTS

The fund balance of the Governmental Funds and the net position of the Fiduciary Fund and Governmental Activities at the beginning of the year was restated, due to the implementation of GASB Statement No. 84, *Fiduciary Activities*. Some scholarship accounts previously accounted for in the Fiduciary Fund were reclassified to be accounted for in the Public School Activities Fund, a nonmajor special revenue fund.

Fund balance/Net position – beginning of the year:

Primary Government:	Governmental Funds	Fiduciary Fund	Governmental Activities
As originally presented	\$ 550,098,665	\$ 226,277	\$ (583,005,965)
Reclassification due to GASB 84	114,251	(114,251)	114,251
As restated	\$ 550,212,916	\$ 112,026	\$ (582,891,714)

Net position at the beginning of the year for Liberty Common School and Ridgeview Classical Schools was restated due to the implementation of GASB Statement No. 84, *Fiduciary Activities*. In addition, net position at the beginning of the year for Liberty Common School was restated due to the corrections of errors in the calculation of pension related items (deferred outflows of resources, deferred inflows of resources, net pension liability) and net OPEB liability. Liberty Common School's net position was also restated to correct revenue recognition related to the building corporation. Net position for Mountain Sage Community School was restated at the beginning of the year due to the correction of errors in the calculation of deferred outflows and deferred inflows of resources related to pensions.

Poudre School District
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 14: RESTATEMENTS

Discretely Presented Component Units:	Liberty Common School	Ridgeview Classical Schools	Mountain Sage Community School	Total
Net position as originally presented	\$ (10,555,808)	\$ (11,295,528)	\$ (4,109,175)	\$ 25,960,511
Reclassification due to GASB 84	60,043	80,826		140,869
Correction of pension related items	(4,267,885)		(187,866)	(4,455,751)
Correction of OPEB liability	(181,080)			(181,080)
Correction of revenue recognition	103,967			103,967
Net position as restated	<u>\$ (14,840,763)</u>	<u>\$ (11,214,702)</u>	<u>\$ (4,297,041)</u>	<u>\$ (30,352,506)</u>

NOTE 15: SUBSEQUENT EVENTS

Land Purchase – On July 13, 2020, the sale of a parcel of land to the District was closed. Total cost of the land, including closing costs, was \$2.7 million. The land is adjacent to the new middle/high school being constructed at the Prospect site east of Fort Collins. Purchase of this parcel provides the District with road access that otherwise would not have existed.

Operating Lease - On July 15, 2020, the District entered into an escrow agreement related to the real property and building operating lease described in Note 5. In accordance with the amendment to the original lease, the lessor provided the District with an intent to sell notice. Upon receipt of the intent to sell notice, the District provided \$30,000 in lease termination costs to an escrow agent to be placed in a trust pending the September 30, 2020 closing. On August 31, the District entered into a lease agreement with the new owner, to be effective on October 1, 2020, with a term of October 1, 2020 through March 31, 2021. The lease requires a \$10,000 security deposit and, for the 6 months ended March 31, 2021, the District will pay base rent of \$63,168 plus tax and insurance costs. The lessor is responsible for structural maintenance and HVAC repairs and maintenance, all other maintenance and operating costs are at the expense of the District. The terms of the new lease will save the District approximately \$485,000 in base rent costs.

Virtual School - In August 2020, the District introduced PSD Virtual, a 100% standalone online, preK-12, education option for families not ready to send their children to school during the coronavirus pandemic. Approximately 2,500 students are enrolled in PSD Virtual with co-enrollment in their home school for purposes of state enrollment reporting. The school's budget of approximately \$11 million was funded through a combination of General Fund reserves and a realignment of school-based resources between the traditional schools impacted by enrollment in the virtual school.

Decrease in Enrollment – Total K-12 District enrollment for the 2020-21 school year declined by approximately 900 students compared to 2019-20 enrollment. In the short-term, it is expected that this enrollment decrease will lead to a decline in School Finance Act revenue. The School Finance Act has an averaging provision that offsets some of the loss that would otherwise be felt in a declining enrollment situation. The District is currently analyzing the situation and making budget adjustments as appropriate to respond to both a potential loss of \$3.0 million in revenue as well as higher than expected expenditures related to the rapid growth of the online school.

Issuance of Refunding Bonds - In October 2020, the District issued \$41,750,000 in taxable refunding bonds with an interest rate of 1.44% to advance-refund older, higher-rate issues with an average interest rate of 4.28%. The issuance resulted in a reduction of debt service payments of \$2,185,807 and an economic gain of \$2,096,711.



POUDRE SCHOOL DISTRICT

Required Supplementary Information

**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, 2020**

	Budgeted Amounts		Actual (Non-GAAP Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local:				
Property taxes	\$ 143,271,249	\$ 160,905,957	\$ 158,470,294	\$ (2,435,663)
Specific ownership taxes	17,107,026	17,123,313	15,534,755	(1,588,558)
Delinquent taxes and penalties and interest on taxes	1,400,000	1,400,000	1,352,726	(47,274)
Interest on investments	1,400,000	1,400,000	854,037	(545,963)
Building and other rental	650,000	650,000	386,807	(263,193)
Athletic support	190,000	175,000	168,869	(6,131)
Student fees	1,000,000	1,050,000	714,145	(335,855)
Services to charter schools	803,706	803,926	801,722	(2,204)
Indirect and overhead costs	800,000	1,000,000	680,283	(319,717)
E-rate	500,000	500,000	912,202	412,202
Cash in lieu of land	1,900,000	1,800,000	1,026,904	(773,096)
Tuition	300,000	300,000	247,853	(52,147)
Other	2,060,000	2,185,000	2,735,676	550,676
Total local sources	171,381,981	189,293,196	183,886,273	(5,406,923)
State:				
Equalization	131,007,451	132,000,995	132,001,092	97
Vocational education	1,027,360	1,085,905	1,085,905	—
Special education	4,589,126	5,302,126	5,334,207	32,081
At-risk funding	—	—	125,353	125,353
Career success pilot	—	—	197,037	197,037
Transportation	1,830,180	1,908,848	1,983,270	74,422
ELPA	1,031,106	931,490	931,490	—
Gifted and talented	291,272	287,999	287,999	—
READ Act funding	852,554	690,342	690,342	—
State on-behalf payment	—	4,500,000	4,477,862	(22,138)
Charter school capital construction	635,720	642,294	655,019	12,725
Small attendance center	93,570	93,570	—	(93,570)
Other	280,000	300,000	11,648	(288,352)
Total state sources	141,638,339	147,743,569	147,781,224	37,655
Federal:				
National Forest Reserve Act	135,000	100,000	80,838	(19,162)
Total federal sources	135,000	100,000	80,838	(19,162)
Total revenues	313,155,320	337,136,765	331,748,335	(5,388,430)

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, 2020
(Continued)**

	Budgeted Amounts		Actual (Non-GAAP Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current—				
Instruction	\$ 160,526,844	\$ 173,953,244	\$ 158,494,459	\$ 15,458,785
Support services:				
Students	20,087,286	21,767,379	19,834,481	1,932,898
Instructional staff	19,772,975	21,426,780	19,540,882	1,885,898
General administration	2,885,940	3,127,319	2,837,578	289,741
School administration	22,944,652	24,863,734	22,670,990	2,192,744
Business	4,171,755	4,520,679	4,127,329	393,350
Operation and maintenance of plant	25,287,693	27,402,747	24,983,027	2,419,720
Student transportation	9,772,193	10,589,537	9,643,236	946,301
Central	12,715,280	13,778,782	12,561,023	1,217,759
Other	200,016	216,745	184,671	32,074
Food services operations	142,868	154,818	149,957	4,861
Community services	142,868	154,818	146,092	8,726
Education for adults	57,147	61,927	65,072	(3,145)
Total current expenditures	<u>278,707,517</u>	<u>302,018,509</u>	<u>275,238,797</u>	<u>26,779,712</u>
Capital outlay—				
Support services:				
Instruction	28,574	30,964	39,759	(8,795)
School administration	—	—	10,620	(10,620)
Operation and maintenance of plant	542,900	588,308	525,301	63,007
Central	971,505	1,052,761	959,544	93,217
Food services operations	57,147	61,927	47,656	14,271
Facilities acquisition and construction	5,457,570	5,914,039	5,397,776	516,263
Total capital outlay	<u>7,057,696</u>	<u>7,647,999</u>	<u>6,980,656</u>	<u>667,343</u>
Payments to charter schools	<u>23,297,934</u>	<u>24,690,563</u>	<u>24,712,718</u>	<u>(22,155)</u>
Operating contingencies	<u>72,953,560</u>	<u>70,605,534</u>	<u>—</u>	<u>70,605,534</u>
Total expenditures	<u>382,016,707</u>	<u>404,962,605</u>	<u>306,932,171</u>	<u>98,030,434</u>
Excess of revenues over (under) expenditures	<u>(68,861,387)</u>	<u>(67,825,840)</u>	<u>24,816,164</u>	<u>92,642,004</u>
Other financing sources (uses):				
Transfers in	50,000	50,000	216,705	166,705
Transfers (out)	—	—	(131,826)	(131,826)
Total other financing (uses)	<u>50,000</u>	<u>50,000</u>	<u>84,879</u>	<u>34,879</u>
Net change in fund balance	<u>(68,811,387)</u>	<u>(67,775,840)</u>	<u>24,901,043</u>	<u>92,676,883</u>
Fund balances at beginning of year	<u>68,811,387</u>	<u>67,775,840</u>	<u>67,775,840</u>	<u>—</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 92,676,883</u>	<u>\$ 92,676,883</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, 2020**

	Actual (GAAP Basis)	Adjustments from GAAP to Non-GAAP Budgetary Basis	Actual (Non-GAAP Budgetary Basis)
Revenues:			
Local:			
Property taxes	\$ 158,470,294	\$ —	\$ 158,470,294
Specific ownership taxes	15,534,755	—	15,534,755
Delinquent taxes and penalties and interest on taxes	1,352,726	—	1,352,726
Interest on investments	854,037	—	854,037
Building and other rental	386,807	—	386,807
Athletic support	168,869	—	168,869
Student fees	714,145	—	714,145
Services to charter schools	801,722	—	801,722
Indirect and overhead costs	680,283	—	680,283
E-rate	912,202	—	912,202
Cash in lieu of land	1,026,904	—	1,026,904
Tuition	247,853	—	247,853
Other	2,735,676	—	2,735,676
Total local sources	183,886,273	—	183,886,273
State:			
Equalization	132,001,092	—	132,001,092
Vocational education	1,085,905	—	1,085,905
Special education	5,334,207	—	5,334,207
At-risk funding	125,353	—	125,353
Career success pilot	197,037	—	197,037
Transportation	1,983,270	—	1,983,270
ELPA	931,490	—	931,490
Gifted and talented	287,999	—	287,999
READ Act funding	690,342	—	690,342
State on-behalf payment	4,477,862	—	4,477,862
Charter school capital construction	655,019	—	655,019
Other	11,648	—	11,648
Total state sources	147,781,224	—	147,781,224
Federal:			
National Forest Reserve Act	80,838	—	80,838
Total federal sources	80,838	—	80,838
Total revenues	331,748,335	—	331,748,335

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, 2020
(Continued)**

	Actual (GAAP Basis)	Adjustments from GAAP to Non-GAAP Budgetary Basis	Actual (Non-GAAP Budgetary Basis)
Expenditures:			
Current—			
Instruction	\$ 158,422,506	\$ 71,953	\$ 158,494,459
Support services:			
Students	20,008,515	(174,034)	19,834,481
Instructional staff	19,209,344	331,538	19,540,882
General administration	2,835,563	2,015	2,837,578
School administration	22,746,052	(75,062)	22,670,990
Business	4,142,333	(15,004)	4,127,329
Operation and maintenance of plant	24,928,814	54,213	24,983,027
Student transportation	9,655,340	(12,104)	9,643,236
Central	12,561,288	(265)	12,561,023
Other	185,401	(730)	184,671
Food services operations	149,957	—	149,957
Community services	145,941	151	146,092
Education for adults	65,072	—	65,072
	<u>275,056,126</u>	<u>182,671</u>	<u>275,238,797</u>
Total current expenditures			
Capital outlay—			
Support services:			
Instruction	39,759	—	39,759
School administration	10,620	—	10,620
Operation and maintenance of plant	525,301	—	525,301
Central	959,544	—	959,544
Food services operations	47,656	—	47,656
Facilities acquisition and construction	5,397,776	—	5,397,776
	<u>6,980,656</u>	<u>—</u>	<u>6,980,656</u>
Total capital outlay			
Charter school funding	<u>24,712,718</u>	<u>—</u>	<u>24,712,718</u>
Total expenditures	<u>306,749,500</u>	<u>182,671</u>	<u>306,932,171</u>
Excess of revenues over expenditures	<u>24,998,835</u>	<u>(182,671)</u>	<u>24,816,164</u>
Other financing sources (uses):			
Transfers in	216,705	—	216,705
Transfers (out)	(131,826)	—	(131,826)
	<u>84,879</u>	<u>—</u>	<u>84,879</u>
Total other financing (uses)			
Net change in fund balance	25,083,714	(182,671)	24,901,043
Fund balances at beginning of year	<u>51,428,200</u>	<u>16,347,640</u>	<u>67,775,840</u>
Fund balances at end of year	<u>\$ 76,511,914</u>	<u>\$ 16,164,969</u>	<u>\$ 92,676,883</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local sources	\$ 500,000	\$ 500,000	\$ 217,676	\$ (282,324)
State sources	2,100,000	2,100,000	2,412,381	312,381
Federal sources	14,000,000	30,118,539	22,902,581	(7,215,958)
Total revenues	16,600,000	32,718,539	25,532,638	(7,185,901)
Expenditures:				
Current—				
Instruction	9,394,130	18,719,776	19,418,212	(698,436)
Support services:				
Students	4,199,070	8,276,351	3,376,989	4,899,362
Instructional staff	1,484,598	2,926,137	1,309,449	1,616,688
School administration	3,742	7,376	—	7,376
Business	725,752	1,430,454	680,283	750,171
Operation and maintenance of plant	35,136	69,252	46,701	22,551
Central	10,391	20,481	24,303	(3,822)
Community services	236,108	465,368	207,760	257,608
Charter school funding	301,001	593,272	275,804	317,468
Total current expenditures	16,389,928	32,508,467	25,339,501	7,168,966
Capital outlay—				
Instruction	10,072	10,072	13,137	(3,065)
Support services:				
Student transportation	200,000	200,000	180,000	20,000
Total capital outlay	210,072	210,072	193,137	16,935
Total expenditures	16,600,000	32,718,539	25,532,638	7,185,901
Net change in fund balance	—	—	—	—
Fund balance at beginning of year	—	—	—	—
Fund balance at end of year	\$ —	\$ —	\$ —	\$ —

Poudre School District
NOTES TO BUDGETARY COMPARISON SCHEDULE
June 30, 2020

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 revised budget as adopted by the Board of Education on January 28, 2020 for all funds except the Designated Special Purpose Grants Fund. A supplemental budget for the Designated Special Purpose Grants Fund was adopted by The Board of Education on June 23, 2020. Original budgets for all funds were adopted by the Board of Education on June 11, 2019.

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.
- On 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.

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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Cumulative Proportion of the Net Pension Liability	3.12%	3.11%	3.53%	3.60%	3.59%
District's Cumulative Proportionate Share of the Net Pension Liability	\$ 466,118,301	\$ 550,996,544	\$ 1,142,573,549	\$ 1,071,153,104	\$ 549,208,215
State's Proportionate Share of the Net Pension Liability as a Nonemployer Contributing Entity Associated with the District ¹	<u>52,466,473</u>	<u>66,278,466</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 518,584,774</u>	<u>\$ 617,275,010</u>	<u>\$ 1,142,573,549</u>	<u>\$ 1,071,153,104</u>	<u>\$ 549,208,215</u>
District's Covered Payroll	\$ 183,321,467	\$ 171,034,992	\$ 162,891,337	\$ 161,469,108	\$ 156,489,325
District's Cumulative Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	254.26%	322.15%	701.43%	663.38%	350.96%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.52%	57.01%	43.96%	43.10%	59.20%
Measurement Date (December 31)	<u>2014</u>				
District's Cumulative Proportion of the Net Pension Liability	3.50%				
District's Cumulative Proportionate Share of the Net Pension Liability	\$ 474,471,702				
State's Proportionate Share of the Net Pension Liability as a Nonemployer Contributing Entity Associated with the District ¹	<u>-</u>				
Total	<u>\$ 474,471,702</u>				
District's Covered Payroll	\$ 152,097,457				
District's Cumulative Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	311.95%				
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 38,247,198	\$ 35,646,087	\$ 31,200,080	\$ 29,755,681	\$ 28,479,916
Contributions in Relation to the Statutorily Required Contributions	<u>(38,247,198)</u>	<u>(35,646,087)</u>	<u>(31,200,080)</u>	<u>(29,755,681)</u>	<u>(28,479,916)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 187,486,263	\$ 176,903,660	\$ 165,228,762	\$ 161,883,105	\$ 160,609,358
Contributions as a Percentage of Covered Payroll	20.40%	20.15%	18.88%	18.38%	17.73%

Fiscal Year Ended (June 30)	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 25,679,649	\$ 22,618,176
Contributions in Relation to the Statutorily Required Contributions	<u>(25,679,649)</u>	<u>(22,618,176)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 152,097,457	\$ 141,513,227
Contributions as a Percentage of Covered Payroll	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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Cumulative Proportion of the Net OPEB Liability	2.04%	2.02%	2.01%	2.04%
District's Cumulative Proportionate Share of the Net OPEB Liability	\$ 22,916,149	\$ 27,518,929	\$ 26,091,559	\$ 26,513,459
District's Covered Payroll	\$ 183,321,467	\$ 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	12.50%	16.09%	16.02%	16.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	24.49%	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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 1,912,360	\$ 1,804,417	\$ 1,685,334	\$ 1,651,208	\$ 1,638,215
Contributions in Relation to the Statutorily Required Contributions	<u>(1,912,360)</u>	<u>(1,804,417)</u>	<u>(1,685,334)</u>	<u>(1,651,208)</u>	<u>(1,638,215)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 187,486,263	\$ 176,903,660	\$ 165,228,762	\$ 161,883,105	\$ 160,609,358
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%

Fiscal Year Ended (June 30)	<u>2015</u>
Contractually Required Contribution	\$ 1,551,394
Contributions in Relation to the Statutorily Required Contributions	<u>(1,551,394)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>
District's Covered Payroll	\$ 152,097,457
Contributions as a Percentage of Covered Payroll	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
Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance—Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources—				
Property taxes	\$ 52,670,822	\$ 46,653,312	\$ 45,493,364	\$ (1,159,948)
Delinquent taxes and penalties and interest on taxes	—	—	318,922	318,922
Federal sources—				
Build America Bonds subsidy	<u>135,725</u>	<u>108,809</u>	<u>108,897</u>	<u>88</u>
Total revenues	<u>52,806,547</u>	<u>46,762,121</u>	<u>45,921,183</u>	<u>(840,938)</u>
Expenditures:				
Debt service—				
Purchased services	4,200	5,000	5,000	—
Interest on debt	22,990,218	23,041,314	23,041,314	—
Retirement of bonds	<u>30,770,000</u>	<u>30,770,000</u>	<u>30,770,000</u>	—
Total debt service	<u>53,764,418</u>	<u>53,816,314</u>	<u>53,816,314</u>	—
Contingency	<u>67,139,407</u>	<u>61,038,796</u>	—	<u>61,038,796</u>
Total expenditures	<u>120,903,825</u>	<u>114,855,110</u>	<u>53,816,314</u>	<u>61,038,796</u>
Net change in fund balance	(68,097,278)	(68,092,989)	(7,895,131)	60,197,858
Fund balance at beginning of year	<u>68,097,278</u>	<u>68,092,989</u>	<u>68,092,989</u>	—
Fund balance at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 60,197,858</u>	<u>\$ 60,197,858</u>

**Poudre School District
Capital Projects Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Local sources—			
Interest on investments	\$ 10,000,000	\$ 7,044,605	\$ (2,955,395)
Intermediate sources	—	55,000	55,000
State sources—	—	670,733	670,733
	<u>10,000,000</u>	<u>7,770,338</u>	<u>(2,229,662)</u>
Expenditures:			
Current—			
Instruction	16,745,761	2,654,904	14,090,857
Support services:			
Business support	3,084,071	77,314	3,006,757
Operation and maintenance of plant Central	12,353,396	6,221,741	6,131,655
	<u>2,112,474</u>	<u>133,044</u>	<u>1,979,430</u>
Total current expenditures	<u>34,295,702</u>	<u>9,087,003</u>	<u>25,208,699</u>
Capital outlay—			
Support services:			
Operation and maintenance of plant Central	2,319,265	1,280,417	1,038,848
	—	6,484	(6,484)
Student transportation	669,570	598,991	70,579
Facilities acquisition and construction	62,715,463	43,919,742	18,795,721
Total capital outlay	<u>65,704,298</u>	<u>45,805,634</u>	<u>19,898,664</u>
Total expenditures	<u>100,000,000</u>	<u>54,892,637</u>	<u>45,107,363</u>
(Deficiency) of revenues (under) expenditures	<u>(90,000,000)</u>	<u>(47,122,299)</u>	<u>42,877,701</u>
Net change in fund balance	(90,000,000)	(47,122,299)	42,877,701
Fund balance at beginning of year	<u>428,374,265</u>	<u>425,357,717</u>	<u>(3,016,548)</u>
Fund balances at end of year	<u>\$ 338,374,265</u>	<u>\$ 378,235,418</u>	<u>\$ 39,861,153</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, 2020**

	<u>Food Service</u>	<u>Public School Activities</u>	<u>Nonmajor Special Revenue Funds Total</u>
ASSETS			
Cash and investments (including restricted amounts)	\$ 870,764	\$ 4,028,387	\$ 4,899,151
Receivable from grantor agencies	14,617	—	14,617
Accounts receivable	—	191,050	191,050
Inventory	<u>538,374</u>	<u>—</u>	<u>538,374</u>
Total assets	<u>\$ 1,423,755</u>	<u>\$ 4,219,437</u>	<u>\$ 5,643,192</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 15,933	\$ 149,064	\$ 164,997
Accrued salaries and benefits	223,133	12,638	235,771
Unearned revenue	<u>476,519</u>	<u>—</u>	<u>476,519</u>
Total liabilities	<u>715,585</u>	<u>161,702</u>	<u>877,287</u>
Fund balances:			
Nonspendable	538,374	—	538,374
Restricted	<u>169,796</u>	<u>4,057,735</u>	<u>4,227,531</u>
Total fund balances	<u>708,170</u>	<u>4,057,735</u>	<u>4,765,905</u>
Total liabilities and fund balances	<u>\$ 1,423,755</u>	<u>\$ 4,219,437</u>	<u>\$ 5,643,192</u>

**Poudre School District
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2020**

	Food Service	Public School Activities	Nonmajor Special Revenue Funds Total
Revenues:			
Local sources	\$ 3,018,316	\$ 5,527,888	\$ 8,546,204
State sources	140,797	—	140,797
Federal sources	4,226,292	—	4,226,292
	<u>7,385,405</u>	<u>5,527,888</u>	<u>12,913,293</u>
Expenditures:			
Current—			
Instruction	—	4,916,875	4,916,875
Support services:			
Students	—	150,870	150,870
Instructional staff	—	44,011	44,011
School administration	—	182,497	182,497
Operation and maintenance of plant	—	59,237	59,237
Central	—	15,254	15,254
Food services operations	8,079,000	—	8,079,000
Community services	—	44,359	44,359
Capital outlay	—	98,469	98,469
	<u>8,079,000</u>	<u>5,511,572</u>	<u>13,590,572</u>
(Deficiency) of revenues (under) expenditures	<u>(693,595)</u>	<u>16,316</u>	<u>(677,279)</u>
Other financing sources (uses):			
Transfers in	53,164	78,662	131,826
Transfers (out)	—	(22,652)	(22,652)
	<u>53,164</u>	<u>56,010</u>	<u>109,174</u>
Net change in fund balances	(640,431)	72,326	(568,105)
Fund balances at beginning of year, restated	<u>1,348,601</u>	<u>3,985,409</u>	<u>5,334,010</u>
Fund balances at end of year	<u>\$ 708,170</u>	<u>\$ 4,057,735</u>	<u>\$ 4,765,905</u>

**Poudre School District
Food Service Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Local sources—			
Interest on investments	\$ 10,000	\$ 5,647	\$ (4,353)
Other revenue	100,000	51,071	(48,929)
Food sales	4,100,000	2,961,598	(1,138,402)
State sources	140,000	140,797	797
Federal sources—			
Federal reimbursement	4,550,000	3,445,773	(1,104,227)
Commodities	800,000	780,519	(19,481)
	<u>9,700,000</u>	<u>7,385,405</u>	<u>(2,314,595)</u>
Expenditures:			
Current—			
Food services operations			
Salaries and benefits	3,950,000	3,973,303	(23,303)
Food	4,700,000	3,711,892	988,108
Non-food	1,050,000	393,805	656,195
	<u>9,700,000</u>	<u>8,079,000</u>	<u>1,621,000</u>
Contingency	1,497,048	—	1,497,048
	<u>11,197,048</u>	<u>8,079,000</u>	<u>3,118,048</u>
(Deficiency) of revenues (under) expenditures	<u>(1,497,048)</u>	<u>(693,595)</u>	<u>803,453</u>
Other financing sources (uses):			
Transfers in	—	53,164	53,164
Transfers (out)	—	—	—
	<u>—</u>	<u>53,164</u>	<u>53,164</u>
Net change in fund balances	(1,497,048)	(640,431)	856,617
Fund balances at beginning of year	<u>1,497,048</u>	<u>1,348,601</u>	<u>(148,447)</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ 708,170</u>	<u>\$ 708,170</u>

**Poudre School District
Public School Activities Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	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	\$ 1,730,773	\$ (669,227)
Activity revenue	5,750,000	2,777,242	(2,972,758)
Tuition and fees	500,000	885,448	385,448
Interest on investments	—	465	465
Other local sources	500,000	133,960	(366,040)
Total revenues	<u>9,150,000</u>	<u>5,527,888</u>	<u>(3,622,112)</u>
Expenditures:			
Current—			
Instruction	8,222,325	4,916,875	3,305,450
Support services:			
Students	295,075	150,870	144,205
Instructional staff	241,425	44,011	197,414
School administration	361,675	182,497	179,178
Operation and maintenance of plant	117,475	59,237	58,238
Central	11,100	15,254	(4,154)
Community services/other	925	44,359	(43,434)
Total current expenditures	<u>9,250,000</u>	<u>5,413,103</u>	<u>3,836,897</u>
Capital outlay	—	98,469	(98,469)
Contingency	4,173,310	—	4,173,310
Total expenditures	<u>13,423,310</u>	<u>5,511,572</u>	<u>7,911,738</u>
(Deficiency) of revenues over (under) expenditures	<u>(4,273,310)</u>	<u>16,316</u>	<u>4,289,626</u>
Other financing sources (uses):			
Transfers in	100,000	78,662	(21,338)
Transfers (out)	—	(22,652)	(22,652)
Total other financing sources	<u>100,000</u>	<u>56,010</u>	<u>(43,990)</u>
Net change in fund balance	(4,173,310)	72,326	4,245,636
Fund balances at beginning of year, restated	<u>4,173,310</u>	<u>3,985,409</u>	<u>(187,901)</u>
Fund balances at end of year	<u>\$ —</u>	<u>\$ 4,057,735</u>	<u>\$ 4,057,735</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, 2020**

	<u>Employee Self-Insurance</u>	<u>Warehouse</u>	<u>Internal Service Funds Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 17,259,590	\$ —	\$ 17,259,590
Cash - restricted	209,330	—	209,330
Accrued interest	3,350	—	3,350
Accounts receivable	1,549,336	—	1,549,336
Prepaid items	<u>315,773</u>	<u>—</u>	<u>315,773</u>
Total current assets	<u>19,337,379</u>	<u>—</u>	<u>19,337,379</u>
LIABILITIES			
Current liabilities:			
Accounts payable	1,105,357	—	1,105,357
Accrued salaries and benefits	9,788	—	9,788
Estimated liability for unsubmitted claims	<u>2,517,000</u>	<u>—</u>	<u>2,517,000</u>
Total current liabilities	<u>3,632,145</u>	<u>—</u>	<u>3,632,145</u>
Noncurrent liabilities:			
Employee compensated absences	<u>41,292</u>	<u>—</u>	<u>41,292</u>
Total noncurrent liabilities	<u>41,292</u>	<u>—</u>	<u>41,292</u>
Total liabilities	<u>3,673,437</u>	<u>—</u>	<u>3,673,437</u>
NET POSITION			
Restricted for payment of claims	44,346	—	44,346
Unrestricted	<u>15,619,596</u>	<u>—</u>	<u>15,619,596</u>
Total net position	<u>\$ 15,663,942</u>	<u>\$ —</u>	<u>\$ 15,663,942</u>

**Poudre School District
Internal Service Funds
Combining Statement of Revenues, Expenses
and Changes in Net Position
For the Fiscal Year Ended June 30, 2020**

	<u>Employee Self-Insurance</u>	<u>Warehouse</u>	<u>Internal Service Funds Total</u>
Operating revenues:			
District contributions	\$ 25,523,806	\$ —	\$ 25,523,806
Employee contributions	9,403,677	—	9,403,677
Sales	<u>—</u>	<u>405,678</u>	<u>405,678</u>
Total operating revenues	<u>34,927,483</u>	<u>405,678</u>	<u>35,333,161</u>
Operating expenses:			
Administration:			
Salaries	655,396	47,418	702,814
Employee benefits	197,152	18,286	215,438
Purchased services	1,460,325	1,595	1,461,920
Operating supplies	79,340	355,335	434,675
Internal charges	875	—	875
Claims	24,122,012	—	24,122,012
Premiums	2,929,818	—	2,929,818
Other	<u>21,880</u>	<u>5,797</u>	<u>27,677</u>
Total operating expenses	<u>29,466,798</u>	<u>428,431</u>	<u>29,895,229</u>
Operating gain (loss)	<u>5,460,685</u>	<u>(22,753)</u>	<u>5,437,932</u>
Non-operating revenues (expenses):			
Investment earnings	73,413	212	73,625
Miscellaneous expense	<u>—</u>	<u>(30,967)</u>	<u>(30,967)</u>
Total non-operating revenues (expense)	<u>73,413</u>	<u>(30,755)</u>	<u>42,658</u>
Gain (loss) before transfers	5,534,098	(53,508)	5,480,590
Transfer out	<u>—</u>	<u>(194,053)</u>	<u>(194,053)</u>
Change in net position	5,534,098	(247,561)	5,286,537
Total net position at beginning of year	<u>10,129,844</u>	<u>247,561</u>	<u>10,377,405</u>
Total net position at end of year	<u>\$ 15,663,942</u>	<u>\$ —</u>	<u>\$ 15,663,942</u>

**Poudre School District
Employee Self-Insurance Fund
Schedule of Revenues, Expenses
and Changes in Fund Net Position—Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Operating revenues:			
District contributions	\$ 24,609,970	\$ 25,523,806	\$ 913,836
Employee contributions	9,490,030	9,403,677	(86,353)
Total operating revenues	34,100,000	34,927,483	827,483
Operating expenses:			
Administration:			
Salaries	669,126	655,396	13,730
Employee benefits	191,475	197,152	(5,677)
Purchased services	1,590,278	1,460,325	129,953
Operating supplies	94,703	79,340	15,363
Internal charges	1,035	875	160
Claims	29,000,000	24,122,012	4,877,988
Premiums	2,618,550	2,929,818	(311,268)
Other	9,833	21,880	(12,047)
Contingency	6,437,383	—	6,437,383
Total operating expenses	40,612,383	29,466,798	11,145,585
Operating (loss)/gain	(6,512,383)	5,460,685	11,973,068
Non-operating revenues:			
Investment earnings	75,000	73,413	(1,587)
Change in net position	(6,437,383)	5,534,098	11,971,481
Total net position at beginning of year	6,437,383	10,129,844	3,692,461
Total net position at end of year	\$ —	\$ 15,663,942	\$ 15,663,942

**Poudre School District
Warehouse Fund
Schedule of Revenues, Expenses
and Changes in Fund Net Position—Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Operating revenues:			
Sales	\$ 725,000	\$ 405,678	\$ (319,322)
Total operating revenues	725,000	405,678	(319,322)
Operating expenses:			
Administration:			
Salaries	89,000	47,418	41,582
Employee benefits	35,000	18,286	16,714
Purchased services	6,000	1,595	4,405
Operating supplies	633,000	355,335	277,665
Other	12,000	5,797	6,203
Contingency	229,222	—	229,222
Total operating expenses	1,004,222	428,431	575,791
Operating loss	(279,222)	(22,753)	256,469
Non-operating revenues (expenses):			
Investment earnings	250	212	(38)
Miscellaneous expense	—	(30,967)	(30,967)
Total non-operating revenues (expenses)	250	(30,755)	(31,005)
Loss before transfers	(278,972)	(53,508)	225,464
Transfer out	—	(194,053)	(194,053)
Change in net position	(278,972)	(247,561)	31,411
Total net position at beginning of year	278,972	247,561	(31,411)
Total net position at end of year	\$ —	\$ —	\$ —

**Poudre School District
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2020**

	Employee Self- Insurance	Warehouse	Total
	<u> </u>	<u> </u>	<u> </u>
Cash flows from operating activities:			
Received from customers	\$ 34,846,810	\$ 405,678	\$ 35,252,488
Payments to employees	(829,633)	(65,704)	(895,337)
Payments to suppliers for goods and services	(1,434,326)	(218,026)	(1,652,352)
Payments for claims and insurance	(26,964,704)	—	(26,964,704)
Payments to other funds	(875)	—	(875)
	<u>5,617,272</u>	<u>121,948</u>	<u>5,739,220</u>
Net cash provided by operating activities			
Cash flows from noncapital financing activities:			
Transfers out for operating purposes	<u>—</u>	<u>(194,053)</u>	<u>(194,053)</u>
Net cash used for noncapital financing activities			
Cash flows from investing activities:			
Interest received	<u>73,332</u>	<u>212</u>	<u>73,544</u>
Net cash provided by investing activities			
Net increase/(decrease) in cash and cash equivalents	5,690,604	(71,893)	5,618,711
Cash and cash equivalents at beginning of year	<u>11,778,316</u>	<u>71,893</u>	<u>11,850,209</u>
Cash and cash equivalents at end of year	<u>\$ 17,468,920</u>	<u>\$ —</u>	<u>\$ 17,468,920</u>
Reconciliation of operating (loss)/gain to net cash provided by operating activities:			
Operating (loss)/gain	\$ 5,460,685	\$ (22,753)	\$ 5,437,932
Adjustments to reconcile operating (loss)/gain to net cash provided by operating activities:			
Depreciation expense	—	5,797	5,797
Accounts receivable	(18,404)	—	(18,404)
Prepaid items	(13,009)	100	(12,909)
Inventory	—	160,094	160,094
Accounts payable	318,872	(21,290)	297,582
Accrued salaries and benefits	9,788	—	9,788
Employee compensated absences	13,127	—	13,127
Estimated liability for unsubmitted claims	(153,787)	—	(153,787)
Net cash provided by operating activities	<u>\$ 5,617,272</u>	<u>\$ 121,948</u>	<u>\$ 5,739,220</u>

Non-cash activities - capital assets, net of depreciation and compensated absences payable, included in government-wide capital assets and long-term liabilities were formerly reported in the Warehouse Fund.

**Poudre School District
Private-Purpose Trust Fund
Schedule of Changes in Fiduciary Net Position—Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
ADDITIONS			
Contributions:			
Private donations	\$ 100,000	\$ 27,605	\$ (72,395)
Interest earnings	1,000	576	(424)
Total additions	<u>101,000</u>	<u>28,181</u>	<u>(72,819)</u>
DEDUCTIONS			
Payments in accordance with trust agreements	101,000	40,096	60,904
Contingency	<u>230,113</u>	<u>—</u>	<u>230,113</u>
Total deductions	<u>331,113</u>	<u>40,096</u>	<u>291,017</u>
Change in net position	(230,113)	(11,915)	218,198
Net position at beginning of year, restated	<u>230,113</u>	<u>112,026</u>	<u>(118,087)</u>
Net position at end of year	<u>\$ —</u>	<u>\$ 100,111</u>	<u>\$ 100,111</u>



POUDRE SCHOOL DISTRICT



Statistical Section

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



POUDRE SCHOOL DISTRICT

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

	Fiscal Year			
	2020	2019	2018	2017
Governmental activities				
Net investment in capital assets	\$ 141,461,041	\$ 113,576,842	\$ 96,955,749	\$ 89,615,195
Restricted	81,112,400	92,348,194	89,983,205	67,269,078
Unrestricted ⁽¹⁾	(669,304,857)	(788,931,001)	(855,449,352)	(621,536,676)
Total governmental activities net position	<u>\$ (446,731,416)</u>	<u>\$ (583,005,965)</u>	<u>\$ (668,510,398)</u>	<u>\$ (464,652,403)</u>
Business-type activities ⁽²⁾				
Net investment in capital assets	\$ —	\$ —	\$ —	\$ —
Unrestricted	—	—	—	—
Total business-type activities net position	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Primary government				
Net investment in capital assets	\$ 141,461,041	\$ 113,576,842	\$ 96,955,749	\$ 89,615,195
Restricted	81,112,400	92,348,194	89,983,205	67,269,078
Unrestricted	(669,304,857)	(788,931,001)	(855,449,352)	(621,536,676)
Total primary government net position	<u>\$ (446,731,416)</u>	<u>\$ (583,005,965)</u>	<u>\$ (668,510,398)</u>	<u>\$ (464,652,403)</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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	69,088,476	\$ 57,185,046	\$ 50,986,099	\$ 45,419,623	\$ 43,614,298	\$ 37,691,167
	62,861,134	55,324,165	50,899,116	50,722,325	47,722,851	56,620,442
	(435,864,904)	(395,589,297)	57,355,476	61,012,485	61,034,007	55,507,549
\$	<u>(303,915,294)</u>	<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>
\$	—	\$ —	\$ 431,892	\$ 428,894	\$ 274,726	\$ 50,672
	—	—	1,703,582	2,002,993	2,312,761	2,362,068
\$	<u>—</u>	<u>—</u>	<u>2,135,474</u>	<u>2,431,887</u>	<u>2,587,487</u>	<u>2,412,740</u>
\$	69,088,476	\$ 57,185,046	\$ 51,417,991	\$ 45,848,517	\$ 43,889,024	\$ 37,741,839
	62,861,134	55,324,165	50,899,116	50,722,325	47,722,851	56,620,442
	(435,864,904)	(395,589,297)	59,059,058	63,015,478	63,346,768	57,869,617
\$	<u>(303,915,294)</u>	<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>

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

	Fiscal Year			
	2020	2019	2018	2017
Expenses				
Governmental activities:				
Instruction	\$ 140,080,808	\$ 150,272,868	\$ 322,990,164	\$ 280,101,081
Support services				
Students	15,819,756	16,528,182	35,859,759	31,580,295
Instructional staff	13,853,156	15,921,478	33,056,393	35,167,240
General administration	1,781,882	2,452,659	4,293,927	5,197,005
School administration	14,493,174	16,693,783	33,873,578	34,914,666
Business	3,231,233	3,225,488	4,872,375	5,231,692
Operations and maintenance of plant	25,353,779	21,544,359	30,346,479	33,043,216
Student transportation	6,234,661	7,160,700	12,006,954	12,922,562
Central	18,622,216	17,737,598	23,090,314	21,094,984
Other	97,459	215,403	330,764	420,874
Food service operations ⁽¹⁾	8,130,151	8,717,233	11,127,154	12,044,275
Other	1,732,436	1,697,756	1,774,868	2,326,453
Debt service	18,955,973	18,830,354	5,883,521	6,606,717
Charter school funding	24,988,522	21,240,894	17,692,591	17,327,644
Total governmental activities expenses	<u>293,375,206</u>	<u>302,238,755</u>	<u>537,198,841</u>	<u>497,978,704</u>
Business-type activities:				
Food service operations ⁽¹⁾	—	—	—	—
Total primary government expenses	<u>\$ 293,375,206</u>	<u>\$ 302,238,755</u>	<u>\$ 537,198,841</u>	<u>\$ 497,978,704</u>
Program Revenues				
Governmental activities:				
Charges for services				
Instruction	\$ 5,313,828	\$ 9,945,341	\$ 9,434,195	\$ 10,116,912
Support services	10,134,474	10,148,750	10,147,602	8,862,432
Food service operations	3,012,488	4,016,194	3,892,012	3,921,050
Community services	387,257	314,194	297,319	378,495
Education for adults	—	—	—	—
Operating grants and contributions				
Instruction	29,324,893	19,493,043	19,440,342	18,080,298
Support services	9,630,560	9,846,961	8,170,887	6,990,431
Food service operations ⁽¹⁾	4,415,234	5,222,964	5,322,963	5,253,231
Community services	369,554	232	272,832	210,699
Education for adults	—	—	—	—
Debt service	108,897	988,576	1,028,535	1,045,723
Capital grants/restricted investment earnings				
Instruction	55,000	—	—	—
Support services	—	—	—	—
Operations and maintenance of plant	655,018	912,938	730,935	599,073
Student Transportation	434,121	—	—	—
Facilities acquisition and construction	7,044,605	9,147,275	—	—
Total governmental activities program revenues	<u>70,885,929</u>	<u>70,036,468</u>	<u>58,737,622</u>	<u>55,458,344</u>

Continued on next page

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	187,152,364	\$ 170,920,008	\$ 146,846,816	\$ 146,165,952	\$ 136,611,274	\$ 132,152,533
	20,060,394	17,679,219	15,772,945	14,975,448	14,441,020	14,161,384
	22,789,005	21,661,354	17,782,490	16,134,084	15,959,911	15,648,388
	3,312,293	3,258,028	2,798,230	2,645,082	2,585,270	2,679,711
	21,833,308	20,028,914	16,296,488	15,621,363	14,037,045	13,588,419
	4,807,707	3,098,427	2,361,805	2,126,703	2,360,098	2,333,169
	24,089,053	25,185,436	22,613,583	21,916,989	21,667,219	20,111,197
	8,282,372	7,854,413	7,257,434	6,854,130	6,770,350	6,428,610
	19,688,095	18,057,591	17,686,921	13,774,881	17,306,811	15,565,647
	208,744	243,262	175,346	198,910	232,080	299,665
	9,904,744	8,666,611	56,328	139,829	183,739	39,160
	3,085,632	3,191,063	3,144,226	3,427,451	5,396,697	2,373,119
	7,654,857	9,493,756	11,182,085	11,899,236	12,261,003	11,209,028
	16,683,753	15,412,916	13,694,681	11,783,210	11,506,662	10,876,836
	<u>349,552,321</u>	<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>
	—	—	8,091,533	7,673,977	7,407,160	6,564,602
\$	<u>349,552,321</u>	<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>
\$	9,995,214	\$ 4,892,838	\$ 3,609,196	\$ 3,173,314	\$ 3,097,556	\$ 2,957,620
	8,983,384	7,833,533	7,243,889	6,694,130	6,737,420	6,728,928
	1,137,848	3,479,640	—	—	—	—
	209,678	187,483	164,724	158,716	131,520	117,193
	—	—	—	—	—	—
	16,425,968	20,864,365	20,270,693	18,565,565	18,316,957	26,613,109
	7,900,997	8,623,679	8,149,080	7,672,971	7,538,844	9,477,298
	7,687,477	4,991,334	493	574	453	159
	188,170	205,959	247,156	337,311	287,368	302,250
	—	—	—	—	12	12
	1,046,847	1,041,230	1,042,354	1,074,366	1,123,226	546,018
	—	—	—	—	—	—
	—	—	—	—	—	—
	544,745	331	309	214	—	—
	—	—	—	—	—	—
	—	—	—	—	—	—
	<u>54,120,328</u>	<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>

Continued on next page

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

	Fiscal Year			
	2020	2019	2018	2017
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>\$ 70,885,929</u>	<u>\$ 70,036,468</u>	<u>\$ 58,737,622</u>	<u>\$ 55,458,344</u>
Net (Expense)/Revenue				
Governmental activities	\$ (222,489,277)	\$ (232,202,287)	\$ (478,461,219)	\$ (442,520,360)
Business-type activities ⁽¹⁾	—	—	—	—
Total primary government net expense	<u>\$ (222,489,277)</u>	<u>\$ (232,202,287)</u>	<u>\$ (478,461,219)</u>	<u>\$ (442,520,360)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general and debt purposes	\$ 208,736,508	\$ 172,421,440	\$ 171,039,247	\$ 152,692,336
Specific ownership taxes	15,534,755	15,743,121	15,283,163	13,754,704
Cash in lieu of land	1,026,904	1,723,381	1,495,540	2,437,047
Unrestricted earnings on investments	933,773	1,565,168	734,285	365,548
Miscellaneous	385,574	652,655	819,888	356,903
Gain/loss on asset disposal	—	—	—	—
Equalization	132,001,092	125,600,955	110,915,760	112,176,713
Extraordinary item	—	—	—	—
Total governmental activities	<u>358,618,606</u>	<u>317,706,720</u>	<u>300,287,883</u>	<u>281,783,251</u>
Business-type activities: ⁽¹⁾				
Unrestricted earnings on investments	—	—	—	—
Gain/loss on asset disposal	—	—	—	—
Miscellaneous	—	—	—	—
Total business-type activities	—	—	—	—
Total primary government	<u>\$ 358,618,606</u>	<u>\$ 317,706,720</u>	<u>\$ 300,287,883</u>	<u>\$ 281,783,251</u>
Change in Net Position ⁽²⁾				
Governmental activities	\$ 136,129,329	\$ 85,504,433	\$ (178,173,336)	\$ (160,737,109)
Business-type activities	—	—	—	—
Total primary government	<u>\$ 136,129,329</u>	<u>\$ 85,504,433</u>	<u>\$ (178,173,336)</u>	<u>\$ (160,737,109)</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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	—	—	\$ 3,276,336	\$ 3,019,987	\$ 3,287,904	\$ 3,405,656
	—	—	4,515,813	4,471,983	4,292,028	3,920,295
	—	—	7,792,149	7,491,970	7,579,932	7,325,951
\$	<u>54,120,328</u>	<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>
\$	(295,431,993)	(272,630,606)	(236,941,484)	(229,986,107)	(224,085,823)	(200,724,279)
	—	—	(299,384)	(182,007)	172,772	761,349
\$	<u>(295,431,993)</u>	<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>
\$	149,368,884	129,411,406	127,400,081	128,253,445	124,105,741	118,774,939
	11,942,335	11,426,061	10,272,642	8,962,377	8,253,845	7,874,996
	1,593,732	1,902,550	1,956,301	1,597,350	867,123	426,771
	447,503	324,064	476,355	76,203	139,554	154,395
	586,806	1,104,632	1,448,621	1,385,386	1,177,008	1,667,291
	—	(65,977)	31,125	277,465	13,041	657,386
	110,657,525	110,698,549	99,266,299	94,217,158	92,081,509	89,658,449
	—	—	(187,644)	—	—	—
	<u>274,596,785</u>	<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>
	—	—	2,971	4,464	1,975	1,676
	—	—	—	21,943	—	—
	—	—	—	—	—	—
	—	—	2,971	26,407	1,975	1,676
\$	<u>274,596,785</u>	<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>
\$	(20,835,208)	(17,829,321)	3,722,296	4,783,277	2,551,998	18,489,948
	—	—	(296,413)	(155,600)	174,747	763,025
\$	<u>(20,835,208)</u>	<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>

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

	Fiscal Year			
	2020	2019	2018	2017
General Fund				
Nonspendable	\$ 22,184	\$ —	\$ 550,631	\$ 85,080
Restricted	16,096,290	18,865,757	19,160,800	17,453,772
Assigned	46,913,838	21,324,992	19,862,797	16,825,357
Unassigned	13,479,602	11,237,451	9,936,010	8,849,931
Total General Fund	<u>\$ 76,511,914</u>	<u>\$ 51,428,200</u>	<u>\$ 49,510,238</u>	<u>\$ 43,214,140</u>
All Other Governmental Funds				
Nonspendable	\$ 538,374	\$ 297,788	\$ 508,784	\$ 364,141
Restricted ⁽¹⁾	442,660,807	498,372,677	80,176,612	63,716,755
Assigned	—	—	833,145	680,908
Total all other governmental funds	<u>\$ 443,199,181</u>	<u>\$ 498,670,465</u>	<u>\$ 81,518,541</u>	<u>\$ 64,761,804</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.

2016	2015	2014	2013	2012	2011
\$ 580,951	\$ 347,759	\$ 150,352	\$ 463,730	\$ 130,423	\$ 446,248
14,626,076	14,932,256	12,429,706	10,273,096	8,075,746	6,600,000
21,395,280	22,453,840	26,280,103	26,097,242	24,292,674	26,497,194
8,086,205	12,206,743	15,714,968	15,931,917	20,934,082	15,062,957
<u>\$ 44,688,512</u>	<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>
\$ 401,773	\$ —	\$ —	\$ —	\$ —	\$ —
71,441,936	46,186,810	59,270,732	77,423,345	68,964,950	103,562,038
871,833	718,486	603,599	440,807	316,075	671,148
<u>\$ 72,715,542</u>	<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>

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

	Fiscal Year			
	2020	2019	2018	2017
Revenues:				
Local sources	\$ 245,562,044	\$ 221,677,260	\$ 209,249,996	\$ 189,367,441
State sources	151,005,135	142,743,881	122,683,307	122,953,358
Federal sources	27,318,608	19,553,887	18,895,234	18,290,256
Total revenues ^{(1) (2)}	<u>423,885,787</u>	<u>383,975,028</u>	<u>350,828,537</u>	<u>330,611,055</u>
Expenditures:				
Instruction	185,412,497	180,507,709	161,301,143	158,576,752
Support services:				
Students	23,536,374	22,142,300	18,972,213	18,113,389
Instructional staff	20,562,804	20,763,613	20,020,793	20,491,215
General administration	2,835,563	2,927,854	3,095,308	3,357,808
School administration	22,928,549	22,256,205	20,323,409	19,895,822
Business	4,899,930	5,164,743	4,096,885	3,958,308
Operation and maintenance of plant	31,256,493	25,568,500	23,305,187	22,809,911
Student transportation	9,655,340	9,467,569	8,442,701	7,646,429
Central	12,733,889	12,753,554	10,309,988	9,190,524
Other	185,401	280,331	246,650	258,592
Food service operations ⁽²⁾	8,228,957	9,684,522	9,217,756	9,256,856
Community services	398,060	384,268	364,885	361,615
Education for adults	65,072	72,127	86,548	80,825
Facilities acquisition and construction	—	—	—	265,246
Capital outlay	53,077,896	15,337,904	4,888,465	11,580,043
Debt service:				
Purchased services	5,000	2,128,165	3,750	4,500
Other	—	132,700	—	—
Interest on debt	23,041,314	20,450,019	7,797,430	8,781,292
Retirement of debt	30,770,000	18,345,000	17,610,000	28,110,000
Payment to escrow agent	—	—	—	—
Charter school funding	24,988,522	21,240,894	17,692,591	17,327,644
Total expenditures	<u>\$ 454,581,661</u>	<u>\$ 389,607,977</u>	<u>\$ 327,775,702</u>	<u>\$ 340,066,771</u>
Deficiency of revenues under expenditures	<u>\$ (30,695,874)</u>	<u>\$ (5,632,949)</u>	<u>\$ 23,052,835</u>	<u>\$ (9,455,716)</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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	181,105,140	\$ 160,547,794	\$ 154,301,143	\$ 151,084,387	\$ 151,525,792	\$ 141,239,188
	120,874,490	120,549,250	107,650,226	101,245,687	99,353,409	96,692,010
	<u>18,614,912</u>	<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>320,594,542</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>
	155,522,554	149,556,293	136,724,962	138,325,096	128,565,305	124,625,333
	17,426,484	16,374,787	15,693,239	15,115,703	14,463,459	14,246,425
	19,951,728	20,171,679	17,744,833	16,408,486	15,969,255	15,710,896
	3,003,320	3,100,104	2,781,822	2,650,426	2,614,291	2,672,459
	19,062,729	18,525,691	16,218,202	15,747,993	14,049,089	13,653,091
	3,594,553	2,943,192	2,707,557	2,455,558	2,312,025	2,633,495
	22,934,992	24,131,913	22,501,291	22,041,500	28,954,631	21,458,935
	7,371,639	7,333,824	7,205,599	6,939,291	6,781,484	6,488,231
	9,659,177	10,352,572	10,618,405	8,374,688	11,592,980	9,938,422
	208,744	226,472	174,862	200,342	233,093	303,011
	9,287,441	8,306,827	56,328	139,829	183,739	39,160
	374,071	379,352	418,353	519,052	465,782	475,662
	95,647	50,954	41,784	—	67,861	89,688
	385,633	1,388,698	1,428,185	1,645,370	3,479,795	378,752
	18,970,669	13,019,892	14,023,941	20,201,012	16,997,238	3,425,110
	246,783	292,536	3,850	362,850	3,600	445,629
	—	—	—	—	—	—
	10,735,033	10,314,608	11,979,215	12,388,051	12,890,374	11,915,879
	18,937,540	17,964,526	17,805,839	17,079,687	23,577,412	16,876,756
	—	—	—	58,764	—	—
	<u>16,683,753</u>	<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>334,452,490</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>(13,857,948)</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>

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			
	2020	2019	2018	2017
Other financing sources (uses):				
Proceeds from sale of assets	\$ —	\$ —	\$ —	\$ 27,606
Premium on bonds	—	56,189,263	—	—
Issuance of general obligation bonds	—	375,000,000	—	—
Issuance of refunding bonds	—	41,645,000	—	—
Payment to bond refunding escrow agent	—	(48,131,428)	—	—
Transfers in	348,531	94,512	108,071	143,167
Transfers (out)	(154,478)	(94,512)	(108,071)	(143,167)
Total other financing sources (uses)	<u>194,053</u>	<u>424,702,835</u>	<u>—</u>	<u>27,606</u>
Net change in fund balance before extraordinary item	(30,501,821)	419,069,886	23,052,835	(9,428,110)
Extraordinary item ⁽³⁾	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total net change in fund balance	<u>\$ (30,501,821)</u>	<u>\$ 419,069,886</u>	<u>\$ 23,052,835</u>	<u>\$ (9,428,110)</u>
Debt service as a percentage of non-capital expenditures	13.40%	10.37%	7.87%	11.23%

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

Continued on next page

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	—	\$ 18,445	\$ 31,125	\$ 283,545	\$ 19,433	\$ 657,775
	4,416,108	6,210,514	—	6,212,785	—	—
	30,000,000	—	—	30,000,000	—	60,000,000
	—	37,655,000	—	15,975,000	—	—
	—	(43,573,782)	—	(18,041,132)	—	—
	5,618,524	1,213,106	1,337,577	1,404,916	1,474,942	1,324,327
	(5,618,524)	(1,213,106)	(1,337,577)	(1,404,916)	(1,474,942)	(1,324,327)
	<u>34,416,108</u>	<u>310,177</u>	<u>31,125</u>	<u>34,430,198</u>	<u>19,433</u>	<u>60,657,775</u>
	20,558,160	(19,307,148)	(15,993,033)	7,916,187	(30,125,635)	66,126,011
	—	—	(187,644)	—	—	—
\$	<u>20,558,160</u>	<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>
	9.41%	9.22%	10.72%	10.82%	13.13%	11.39%

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
2020	\$ 209,459,269	\$ 203,963,658	97.38 %	\$ —	\$ 203,963,658	97.38 %
2019	172,837,126	170,746,071	98.79	1,671,648	172,417,719	99.76
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

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
2020	43.527	12.473	56.000	21.863	9.797	41.464	341.076
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

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
2020	\$ 2,247,298,525	\$ 1,125,588,406	\$ 336,936,413	\$ 126,122,730	\$ 88,114,613	\$ 18,081,668
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

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
2020	\$ 2,891,752	\$ 1,964,282	\$ 3,947,392,615	56.000	\$ 37,289,512,536	10.59 %
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

⁽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.

The total assessed and "actual" valuations shown reflect adjustments after the certification of values and include valuations attributable to the Authorities. Therefore, the total assessed and "actual" assessed valuation figures herein differ from the figures set forth elsewhere in the statistical section.

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>2020</u>			<u>2011</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 Wireless (USA)	\$ 115,308,246	1	3.08 %	\$ 18,580,640	4	0.76 %
Anheuser Busch LLC ¹	71,898,074	2	1.92	88,460,790	1	3.60
Ramco-Gershenson Properties LP	32,138,919	3	0.86	—	—	—
Woodward ²	30,018,347	4	0.80	—	—	—
Public Service Company of Colorado (Xcel)	27,575,963	5	0.74	13,965,440	6	0.57
Walton Foothills Holdings VI LLC	25,773,138	6	0.69	11,737,280	7	0.48
AmCap Harmony LLC	15,809,002	7	0.42	—	—	—
New Belgium Brewing Co. Inc.	14,638,401	8	0.39	8,008,820	10	—
Qwest Corporation	12,535,350	9	0.34	23,769,400	2	0.97
BNSF Railway Company	11,966,700	10	0.32	—	—	—
Front Range Retail Company LLC	—	—	—	19,189,620	3	0.78
Hewlett Packard	—	—	—	16,765,540	5	0.68
F.C. Timberline Development	—	—	—	9,279,910	8	0.38
Intel Corporation	—	—	—	8,114,880	9	0.33
Total	<u>\$ 357,662,140</u>		<u>9.56 %</u>	<u>\$ 217,872,320</u>		<u>8.55 %</u>

Based on a 2019 certified assessed valuation of \$3,740,344,095 (net of \$207,048,520 of assessed valuation attributable to authorities).

1 Anheuser Busch includes Anheuser-Busch Commercial and Anheuser Busch LLC

2 Woodward includes Woodward Governor Company and Woodward Inc.

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			
	2020	2019	2018	2017
Revenues:				
Local:				
Property taxes	\$ 203,963,658	\$ 170,746,071	\$ 169,342,057	\$ 151,713,220
Specific ownership taxes	15,534,755	15,743,121	15,283,163	13,754,704
Delinquent taxes and penalties and interest on taxes	1,671,648	1,908,974	1,671,424	1,599,145
Interest on investments	7,898,642	10,631,824	821,532	252,373
Building and other rental	386,807	314,195	711,593	378,496
Athletic support	168,869	170,387	180,430	173,147
Student fees	714,145	1,063,347	891,036	757,394
Services to charter schools	801,722	771,824	667,220	662,820
Food service	3,018,316	3,951,273	3,843,431	3,961,046
Indirect and overhead	680,283	1,135,358	945,159	1,114,647
Other	10,723,199	15,240,886	14,892,951	15,000,449
Total local sources	245,562,044	221,677,260	209,249,996	189,367,441
Percent of total revenue provided by local sources	57.93%	57.73%	59.64%	57.28%
Percent change in local source revenue	10.77%	5.94%	10.50%	4.56%
State:				
Equalization	132,001,092	125,600,955	110,915,761	112,176,713
Vocational education	1,085,905	987,572	1,170,267	950,941
Special education	5,334,207	4,440,561	4,374,030	4,249,374
At-risk funding	125,353	124,949	117,987	112,882
Career success pilot	197,037	154,040	—	—
Transportation	1,983,270	1,811,785	1,730,343	1,611,817
ELPA	931,490	1,000,927	887,616	786,420
Gifted and talented	287,999	281,901	275,618	272,070
READ Act funding	690,342	823,938	841,660	825,042
Small attendance center	—	87,528	88,185	105,502
Charter capital construction	655,019	689,025	558,079	599,073
School nutrition programs	140,797	159,638	141,841	141,343
Other	7,572,624	6,581,062	1,581,920	1,122,181
Total state sources	151,005,135	142,743,881	122,683,307	122,953,358
Percent of total revenue provided by state sources	35.62%	37.18%	34.97%	37.19%
Percent change in state source revenue	5.79%	16.35%	-0.22%	1.72%
Federal:				
Medicaid	—	—	—	—
National Forest Reserve Act	80,838	89,615	99,695	17,810
School nutrition programs	4,226,292	5,057,404	5,181,122	5,111,888
Other	23,011,478	14,406,868	13,614,417	13,160,558
Total federal sources	27,318,608	19,553,887	18,895,234	18,290,256
Percent of total revenue provided by federal sources	6.44%	5.09%	5.39%	5.53%
Percent change in federal source revenue	39.71%	3.49%	3.31%	-1.74%
Total revenues	\$ 423,885,787	\$ 383,975,028	\$ 350,828,537	\$ 330,611,055

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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	146,893,157	\$ 128,743,917	\$ 125,771,498	\$ 125,753,595	\$ 119,683,245	\$ 116,293,034
	11,942,335	11,426,061	10,272,642	8,962,377	8,253,845	7,874,996
	1,192,403	1,065,615	2,213,908	2,163,358	3,765,114	3,371,236
	347,251	240,489	409,266	7,461	107,822	119,252
	419,357	374,967	329,449	317,431	263,040	234,386
	162,531	130,421	113,856	140,079	149,316	155,151
	485,388	438,822	422,746	395,533	393,897	407,045
	602,186	532,341	445,537	369,152	365,537	380,034
	3,752,541	3,482,090	3,231,279	3,041,181	3,287,903	3,405,656
	1,281,823	226,523	504,051	467,703	429,445	702,107
	<u>14,026,168</u>	<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>181,105,140</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>
	56.49%	53.48%	55.57%	56.37%	56.89%	53.77%
	12.80%	1.88%	2.24%	-0.44%	7.03%	3.72%
	110,657,525	110,698,549	99,266,300	94,217,158	92,081,509	89,658,449
	853,284	822,307	739,717	625,412	646,205	574,597
	4,268,796	4,223,447	4,284,015	3,718,717	3,688,982	3,751,521
	118,888	—	—	—	—	—
	—	—	—	—	—	—
	1,749,927	1,716,606	1,738,573	1,616,537	1,609,591	1,634,798
	780,458	793,178	282,384	266,701	238,756	231,220
	266,829	262,308	254,141	253,784	247,250	241,813
	880,511	803,461	283,762	—	—	—
	88,812	77,740	83,753	63,541	64,511	67,739
	544,745	344,680	181,672	146,583	131,099	—
	136,514	135,829	112,044	108,073	106,069	99,092
	<u>528,201</u>	<u>671,145</u>	<u>535,909</u>	<u>337,254</u>	<u>645,506</u>	<u>531,873</u>
	<u>120,874,490</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>
	37.70%	40.15%	38.00%	37.07%	36.55%	35.98%
	0.27%	11.87%	6.32%	1.90%	2.76%	5.66%
	—	—	—	—	—	18,734
	218,598	—	117,567	118,462	128,526	138,421
	4,897,571	4,842,809	4,403,769	4,363,909	4,185,960	3,821,203
	<u>13,498,743</u>	<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>18,614,912</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>
	5.81%	6.37%	6.44%	6.57%	6.57%	10.26%
	-2.71%	4.83%	1.64%	0.49%	-35.28%	47.10%
\$	<u><u>320,594,542</u></u>	<u><u>300,229,511</u></u>	<u><u>283,593,910</u></u>	<u><u>273,441,274</u></u>	<u><u>272,144,914</u></u>	<u><u>269,049,633</u></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⁾	
2020	\$ 534,441,808	\$ 60,197,858	\$ 474,243,950	1.27 %	\$ 2,109	\$ 15,855	
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	0.34	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	

Other Governmental Activities Debt							
Fiscal Year	Certificates of Participation	Capital Leases	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⁾
2020	\$ —	\$ —	\$ 534,441,808	1.43 %	\$ 2,377	\$ 17,867	— %
2019	—	—	571,448,217	1.79	2,637	19,250	3.01
2018	—	—	167,225,991	0.56	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

⁽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 2020.

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 2020

Assessed value	\$ 3,947,392,615
Debt limit (20% of assessed value)	789,478,523
Debt applicable to limit:	
General obligation bonds	480,235,000
Less debt service funds available	<u>60,197,858</u>
Total net debt applicable to limit	<u>420,037,142</u>
Legal debt margin	<u>\$ 369,441,381</u>

Actual value	\$ 37,289,512,536
Debt limit (6% of actual value)	2,237,370,752
Debt applicable to limit:	
General obligation bonds	480,235,000
Less debt service funds available	<u>60,197,858</u>
Total net debt applicable to limit	<u>420,037,142</u>
Legal debt margin	<u>\$ 1,817,333,610</u>

	Fiscal Year				
	2020	2019	2018	2017	2016
Debt limit on actual valuation	\$ 2,237,370,752	\$ 1,913,648,970	\$ 1,874,819,732	\$ 1,524,317,477	\$ 1,483,257,181
Total net debt applicable to limit	<u>420,037,142</u>	<u>418,656,806</u>	<u>92,807,879</u>	<u>131,366,913</u>	<u>161,587,927</u>
Legal debt margin ⁽¹⁾	<u>\$ 1,817,333,610</u>	<u>\$ 1,494,992,164</u>	<u>\$ 1,782,011,853</u>	<u>\$ 1,392,950,564</u>	<u>\$ 1,321,669,254</u>
Total net debt applicable to limit as a percentage of debt limit	18.77%	21.88%	4.95%	8.62%	10.89%

	Fiscal Year				
	2015	2014	2013	2012	2011
Debt limit on actual valuation	\$ 1,268,341,500	\$ 1,237,128,873	\$ 1,193,812,075	\$ 1,187,083,924	\$ 1,204,350,984
Total net debt applicable to limit	<u>158,767,620</u>	<u>181,632,509</u>	<u>197,625,296</u>	<u>185,183,974</u>	<u>200,552,995</u>
Legal debt margin ⁽¹⁾	<u>\$ 1,109,573,880</u>	<u>\$ 1,055,496,364</u>	<u>\$ 996,186,779</u>	<u>\$ 1,001,899,950</u>	<u>\$ 1,003,797,989</u>
Total net debt applicable to limit as a percentage of debt limit	12.52%	14.68%	16.55%	15.60%	16.65%

⁽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, 2020
(Unaudited)

Taxing District	Debt Outstanding⁽¹⁾	Estimated Percentage Applicable to the District⁽²⁾	Estimated Share of Overlapping Debt Outstanding
Crystal Lakes Fire Protection District	\$ 550,000	100.00 %	\$ 550,000
Foothills Mall Metro District	71,510,000	100.00	71,510,000
Harmony Tech Park Metro District No. 2	10,930,000	100.00	10,930,000
Larimer County Smithfield P.I.D. No. 60	2,145,000	100.00	2,145,000
Northern Colorado Wather Conservancy District	3,193,045	13.99	446,707
Park Hosptial District	13,485,000	0.46	62,031
Serratoga Falls Metropolitan District No. 2	703,502	100.00	703,502
Serratoga Falls Metropolitan District No. 3	462,500	100.00	462,500
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
Rendezvous Metropolitan District No. 4	11,364,000	100.00	11,364,000
Town of Wellington	314,879	100.00	314,879
WildWing Metropolitan District No. 5	12,927,000	100.00	12,927,000
Windsor Highlands Metro District No. 4	12,715,000	1.54	195,811
Windsor Highlands Metro District No. 9	15,330,000	11.79	1,807,407
Windsor-Severance Fire Protection District	1,000,000	6.97	69,700
Total overlapping debt	203,834,926		160,693,537
Poudre School District direct debt	534,441,808	100.00 %	534,441,808
Total direct and overlapping debt			\$ 695,135,345

⁽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⁾
2020	\$ —	\$ —	9.2%	—	29,912	0.76%	29,922.2	3.89%	\$ 11,620
2019	20,288,280,554	56,846	2.0%	224,846	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

⁽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 June 2020, from the Bureau of Labor Statistics. Personal income information and Per Capita Personal Income was obtained from regional data from the Larimer County 2019 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. The Larimer County CAFR reported the county population at 356,899

⁽³⁾ Includes charter schools.

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

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

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

<u>Employer</u>	<u>2020</u>			<u>2011</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>
University of Colorado Health ⁽¹⁾	7,760	1	3.45 %	4,414	2	1.47 %
Colorado State University	7,676	2	3.41	6,183	1	2.06
Poudre School District	3,784	3	1.68	4,030	3	1.34
Thompson School District	2,113	4	0.94	3,388	4	1.13
Larimer County	1,799	5	0.80	2,224	5	0.74
Avago Technologies/Broadcom Ltd.	1,690	6	0.75	—	—	0.00
City of Fort Collins	1,637	7	0.73	1,643	8	0.55
Woodward, Inc.	1,600	8	0.71	—	—	0.00
Banner Health	1,390	9	0.62	1,180	10	0.39
City of Loveland	1,158	10	0.52	—	—	0.00
Center Partners	—	—	—	2,000	6	0.67
Hewlett-Packard	—	—	—	1,500	9	0.50
Walmart Super Center	—	—	—	2,000	7	0.67
Total	<u>30,607</u>		<u>13.61 %</u>	<u>28,562</u>		<u>9.52 %</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 2019 CAFR.



POUDRE SCHOOL DISTRICT

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

School/Location	Service Start Date	Fiscal Year									
		2020 As of October 2019	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
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		557	528	500	525	524	519	503	565	519	474
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		526	520	501	494	496	520	535	584	539	546
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		300	291	276	303	294	280	282	319	288	292
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		453	481	485	496	494	509	492	493	478	468
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		638	643	633	616	590	569	543	496	435	363
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		328	305	317	313	313	293	314	328	313	288
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		409	408	413	398	410	410	415	412	400	408
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		603	599	587	562	506	494	443	480	463	458
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		310	301	297	290	296	296	289	320	288	291
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		328	336	322	337	325	309	305	393	326	321
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		403	399	388	401	405	419	413	421	454	452
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		499	472	488	496	520	524	524	547	517	498
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		417	463	448	445	436	423	421	442	406	382
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		384	411	406	430	449	446	420	460	439	447
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		40	36	30	35	41	44	42	33	42	43
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		376	386	375	381	393	411	404	397	382	372
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		410	409	421	441	452	473	475	504	466	494
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		467	448	465	446	459	424	412	426	382	336
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		399	417	409	429	430	431	427	478	419	367
Polaris (Moore) ⁽¹⁾	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	393	403	399	278	—	—	—	—	—

Continued on next page

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

School/Location	Service Start Date	Fiscal Year									
		2020 As of October 2019	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
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		268	282	297	279	329	317	318	376	332	356
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		44	45	38	46	41	36	27	28	27	31
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		439	444	458	461	444	439	400	457	373	347
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		557	556	542	491	470	425	373	412	313	272
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		404	398	406	385	387	364	351	356	347	342
Stove Prairie	1896										
Square Footage		7,849	7,849	7,849	7,849	7,849	7,849	7,849	7,849	7,849	7,849
Enrollment		36	34	36	39	49	43	46	47	46	51
Tavelli	1968										
Square Footage		62,537	62,537	62,537	62,537	62,537	62,537	62,537	62,537	62,537	62,537
Enrollment		575	585	589	579	595	582	550	564	520	540
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		424	396	343	350	302	305	299	329	300	303
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		450	455	448	447	451	451	449	478	453	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		482	506	528	489	538	541	555	559	560	502
Zach	2002										
Square Footage		67,002	63,092	63,092	63,092	63,092	63,092	63,092	63,092	63,092	63,092
Enrollment		562	570	604	602	638	666	641	616	609	607
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		627	614	652	583	598	557	545	507	511	526
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		627	604	591	590	580	623	614	542	570	592
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		335	310	323	303	324	301	304	323	329	346
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		839	826	813	806	822	807	774	777	761	781
Lesher	1960										
Square Footage		93,686	93,686	93,686	93,686	93,686	93,686	93,686	93,686	93,686	93,686
Enrollment		791	770	761	769	754	766	733	748	693	683
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		607	615	568	532	548	504	488	498	506	478
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		1,131	1,147	1,146	1,154	1,095	1,113	1,058	1,001	889	753
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		805	778	809	814	786	804	799	792	762	761
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		551	566	552	507	461	450	423	396	385	360

Continued on next page

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

School/Location	Service Start Date	Fiscal Year									
		2020 As of October 2019	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
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		107	119	129	150	150	132	139	161	146	150
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		1,825	1,812	1,788	1,687	1,621	1,599	1,499	1,572	1,655	1,661
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		2,101	2,041	1,995	1,956	1,970	1,930	2,085	2,075	1,959	1,912
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		1,815	1,752	1,805	1,781	1,840	1,727	1,756	1,754	1,798	1,833
Rocky Mountain	1973										
Square Footage		291,858	291,858	291,858	291,858	291,858	291,858	291,858	291,858	291,858	291,858
Enrollment		1,998	2,007	1,979	1,981	1,972	1,954	1,935	1,967	1,962	2,001
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 ⁽²⁾		302,361	302,361	302,361	302,361	302,361	302,361	302,361	302,361	304,544	303,144

⁽¹⁾ Moore Elementary was closed in 2011 and became Polaris Expeditionary Learning School.

⁽²⁾ 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									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction	2,193.37	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
Support Services:										
Students	329.48	310.78	303.83	279.61	274.81	266.96	257.28	254.72	245.10	233.57
Instructional Staff	194.31	200.50	195.95	216.23	222.32	221.34	206.98	208.15	200.54	196.00
General Administration	11.25	10.00	11.00	9.00	7.00	14.12	14.00	13.00	11.50	11.50
School Administration	232.58	227.51	227.41	226.67	208.47	211.48	195.89	200.04	181.02	176.15
Business Services	31.58	36.08	32.50	32.32	31.32	30.31	27.01	27.51	26.91	27.16
Operations and Maintenance	228.15	242.29	226.42	223.39	228.38	229.27	227.39	229.27	227.14	227.82
Transportation	165.32	155.73	154.52	150.69	151.79	147.24	146.29	145.16	147.16	139.54
Central	68.53	65.52	60.86	59.67	58.48	58.87	52.13	49.55	46.30	43.28
Other	2.00	31.14	2.00	15.48	15.05	4.80	4.17	4.92	5.48	5.73
Food Service Operations	100.09	105.48	107.22	110.12	109.92	107.15	105.04	101.66	96.67	98.80
Community Services	2.10	2.80	2.80	2.80	3.50	3.50	3.50	3.50	3.50	3.50
Property	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	<u>3,558.76</u>	<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>

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, 2020**

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

Bachelor's Degree	Master's Degree	Doctorate Degree
28.65%	69.76%	1.59%

Funded pupil count per instructional staff was 14.91 for the 2019-20 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 \$81,596.

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	1,820	492	27.03%	109	5.99%	33.02%
Fossil Ridge	2,089	133	6.37%	31	1.48%	7.85%
Poudre	1,779	530	29.79%	127	7.14%	36.93%
Rocky Mountain	1,988	365	18.36%	126	6.34%	24.70%
Total	7,676	1,520	19.80%	393	5.12%	24.92%
Middle School						
Blevins	616	233	37.82%	56	9.09%	46.91%
Boltz	631	232	36.77%	60	9.51%	46.28%
Cache La Poudre	338	65	19.23%	26	7.69%	26.92%
Kinard	836	44	5.26%	16	1.91%	7.17%
Leshner	794	221	27.83%	46	5.79%	33.62%
Lincoln	604	331	54.80%	62	10.26%	65.06%
Preston	1,142	102	8.93%	17	1.49%	10.42%
Webber	814	165	20.27%	66	8.11%	28.38%
Wellington	561	142	25.31%	48	8.56%	33.87%
Total	6,336	1,535	24.23%	397	6.27%	30.50%
Elementary						
Bacon	596	103	17.28%	13	2.18%	19.46%
Bauder	592	278	46.96%	49	8.28%	55.24%
Beattie	373	159	42.63%	32	8.58%	51.21%
Bennett	486	148	30.45%	27	5.56%	36.01%
Bethke	654	17	2.60%	11	1.68%	4.28%
Cache La Poudre	358	104	29.05%	16	4.47%	33.52%
Dunn	403	69	17.12%	20	4.96%	22.08%
Eyestone	657	169	25.72%	45	6.85%	32.57%
Harris Bilingual	326	153	46.93%	31	9.51%	56.44%
Irish	397	260	65.49%	39	9.82%	75.31%
Johnson	444	119	26.80%	28	6.31%	33.11%
Kruse	533	139	26.08%	33	6.19%	32.27%
Laurel	446	214	47.98%	23	5.16%	53.14%
Linton	414	230	55.56%	21	5.07%	60.63%
Livermore	42	4	9.52%	0	0.00%	9.52%
Lopez	432	120	27.78%	44	10.19%	37.97%
McGraw	437	89	20.37%	13	2.97%	23.34%
O'Dea	479	176	36.74%	39	8.14%	44.88%
Olander	436	128	29.36%	25	5.73%	35.09%
Putnam	332	273	82.23%	17	5.12%	87.35%
Red Feather	57	15	26.32%	3	5.26%	31.58%
Rice	499	123	24.65%	34	6.81%	31.46%
Riffenburgh	559	105	18.78%	30	5.37%	24.15%
Shepardson	432	79	18.29%	9	2.08%	20.37%
Stove Prairie	36	7	19.44%	3	8.33%	27.77%
Tavelli	608	166	27.30%	3	0.49%	27.79%
Timnath	472	107	22.67%	49	10.38%	33.05%
Traut Core Knowledge	511	51	9.98%	9	1.76%	11.74%
Werner	488	49	10.04%	6	1.23%	11.27%
Zach	571	30	5.25%	5	0.88%	6.13%
Total	13,070	3,684	28.19%	677	5.18%	33.37%
Alternative						
Centennial	129	57	44.19%	11	8.53%	52.72%
Journey	35	17	48.57%	5	14.29%	62.86%
Polaris	388	55	14.18%	16	4.12%	18.30%
Poudre Community Academy	287	174	60.63%	20	6.97%	67.60%
Poudre Global Academy	253	68	26.88%	10	3.95%	30.83%
PSD Options	146	23	15.75%	0	0.00%	15.75%
Total	1,238	394	31.83%	62	5.01%	36.84%
Grand Total	28,320	7,133	25.19%	1,529	5.40%	30.59%

¹ Enrollment is from the Colorado Department of Education 2019-2020 K-12 Pupil Membership Free and Reduced Eligibility by School Report (charter schools and preschools are not included).

Source: Colorado Department of Education



POUDRE SCHOOL DISTRICT



Colorado State Mandated Schedule



Colorado Department of Education

Auditors Integrity Report

District: 1550 - Poudre R-1

Fiscal Year 2019-20

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	51,428,199	312,823,261	287,739,546	76,511,914
18	Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19	Colorado Preschool Program Fund	0	0	0	0
Sub- Total		51,428,199	312,823,261	287,739,546	76,511,914
11	Charter School Fund	10,469,641	27,468,035	25,429,726	12,507,950
20,26-29	Special Revenue Fund	0	0	0	0
06	Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07	Total Program Reserve Fund	0	0	0	0
21	Food Service Spec Revenue Fund	1,348,600	7,438,569	8,079,000	708,170
22	Govt Designated-Purpose Grants Fund	0	25,532,638	25,532,638	0
23	Pupil Activity Special Revenue Fund	3,985,409	5,583,898	5,511,571	4,057,735
24	Full Day Kindergarten Mill Levy Override	0	0	0	0
25	Transportation Fund	0	0	0	0
31	Bond Redemption Fund	68,092,990	45,921,183	53,816,314	60,197,858
39	Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41	Building Fund	425,357,717	7,770,338	54,892,637	378,235,418
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		560,682,556	432,537,921	461,001,432	532,219,045
Proprietary					
50	Other Enterprise Funds	-8,035	180,334	796,847	-624,549
64 (63)	Risk-Related Activity Fund	0	0	0	0
60,65-69	Other Internal Service Funds	10,377,404	9,351,722	4,065,184	15,663,942
Totals		10,369,369	9,532,056	4,862,032	15,039,393
Fiduciary					
70	Other Trust and Agency Funds	0	0	0	0
72	Private Purpose Trust Fund	112,026	28,181	40,096	100,111
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		112,026	28,181	40,096	100,111

FINAL



POUDRE SCHOOL DISTRICT

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.



Business Services
2407 LaPorte Avenue
Fort Collins, CO 80521
(970) 482-7420
e-mail: info@psdschools.org
www.psdschools.org