

PUEBLO SCHOOL DISTRICT NO. 60

FINANCIAL STATEMENTS
With Independent Auditors' Report

Year Ended June 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Pueblo School District No. 60

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 Pueblo School District No. 60, as of and for the year ended June 30, 2021, 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 Chavez/Huerta K-12 Preparatory Academy, which represent 90.3 percent, 69.1 percent, and 61.5 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Chavez/Huerta K-12 Preparatory Academy, is based on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditor, 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 Pueblo School District No. 60, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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 Pueblo School District No. 60's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2022, on our consideration of the Pueblo School District No. 60's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pueblo School District No. 60's internal control over financial reporting and compliance.

Hoelting & Company, Inc.

Colorado Springs, Colorado
January 27, 2022

PUEBLO CITY SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of and for the fiscal year ended June 30, 2021

Management of Pueblo City Schools (the "District") offers readers of the District's annual financial report this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the District's financial statements, notes to the financial statements, and various supplementary information, which, follow this section.

FINANCIAL HIGHLIGHTS

The District was required to implement GASB No. 68 in 2015. As of June 30, 2021, the net pension liability increased from \$223,043,223 in 2020, to \$242,541,993 a net of \$19,498,770. Under GASB No. 68 the proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association, is recorded as a liability of the District.

The District's total combined net position increased by \$93,409,520 to \$(134,639,993) at June 30, 2021, which compares to \$(228,474,687) as of June 30, 2020. The largest portion of the District's net position is its investment in capital assets of \$96,120,885 net of accumulated depreciation and related debt compared to \$100,485,781 the previous year, an decrease of \$4,364,896.

During the year, the District had \$97,343,915 in expenses related to governmental activities, of which \$50,818,232 of these expenses offset by program specific charges or grants and contributions.

The District decreased its outstanding long-term debt by \$1,313,596. The outstanding long-term debt includes \$284,941,959 in general obligation bonds and capital lease agreements. Additional long-term liabilities include accrued compensated absences of \$3,900,654, the net pension liability of \$242,541,993 and the net OPEB obligations of \$16,450,673.

Of the total \$317,051,142 ending fund balance in the governmental funds; \$4,450,000 is restricted for TABOR as required under Article X, Section 20 of the Colorado Constitution, \$17,642,323 is restricted for debt service, \$237,700,154 is for capital projects, \$1,461,939 is for multi-year obligations, and \$1,874,501 is restricted for preschool activities. The assigned portion of fund balance is \$27,684,897, includes funds related to Athletics, Risk Management, Capital Projects, School obligations, and Board of Education required contingencies. The committed portion of fund balance is \$8,984,541, includes funds related to food service operations, Pupil Activities and Education Foundation activities. The non-spendable fund balance of \$1,440,713 is related to inventory and prepaid expenditures. The unassigned portion is \$15,812,074.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two 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. However, fluctuations from year to year need to be reviewed in light of the timing of funding.

The statement of activities presents information reporting 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 result in cash flows in future fiscal periods. Earned but unused vacation leave and accrued interest expense are examples of these types of items. However, the largest increase in total liabilities occurred due to the recognition of the net pension liability because of the implementation of the GASB No. 68, Accounting and Financial Reporting for Pensions – an amendment to GASB No. 27.

The governmental activities of the District include instruction, pupil activities, instructional support, general and school administration, business and central services and transportation. Nutrition services activities are reported in a Special Revenue Fund, Risk related activities, are reported in the Internal Service Funds and are considered governmental activities in the government-wide financial statements.

The government-wide financial statements include not only the District itself (known as the primary government), but also two legally separate entities (charter schools) for which the district is financially accountable. Financial information for these component units reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All District funds fall into one of two categories: governmental funds, and proprietary funds.

Governmental funds: Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information provides a detailed short-term view of the District's general government operations and may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. To facilitate this comparison between

governmental funds and governmental activities, reconciliations are provided for the governmental fund Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance.

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the statement of revenues, expenditures, and changes in fund balance for the General Fund, Designated Purpose Grant Fund, Bond Redemption Fund, and the Building Fund all of which are considered major funds. Data from other non-major governmental funds are combined into a single, aggregated presentation. Combining statements for individual non-major governmental funds, if applicable, are presented elsewhere in the report.

Proprietary funds: The District maintains one proprietary fund. The District uses an internal service fund to account for its risk related expenditures. Because this service predominately benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, meaning they use the accrual basis of accounting rather than modified accrual.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. This information is provided on pages 13- 53.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District. The District adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General and Designated Purpose Grants funds to demonstrate compliance with the budget.

Other information

The statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator overtime of the District's financial position. For the District's primary government, excluding its component units (charter schools), liabilities plus deferred inflows of resources exceed its assets plus deferred outflows of resources by \$134,639,993 resulting in a deficit net position at June 30, 2021.

PUEBLO CITY SCHOOLS			
CONDENSED STATEMENT OF NET POSITION GOVERNMENTAL ACTIVITIES			
	6/30/2021	6/30/2020	CHANGE
CURRENT & OTHER ASSETS	\$353,765,950	\$357,780,413	\$(4,014,463)
CAPITAL ASSETS - NET OF DEPRECIATION	<u>144,437,803</u>	<u>127,025,270</u>	<u>17,412,533</u>
TOTAL ASSETS	<u>498,203,753</u>	<u>484,805,683</u>	<u>13,398,070</u>
DEFERRED OUTFLOWS			
DEFERRED ON REFUNDING	558,017	908,433	(350,416)
NET EFFECT OF ADDITIONAL PENSION RELATED			
RELATED TO PENSION AND OPEB	<u>63,767,165</u>	<u>27,494,243</u>	<u>36,272,922</u>
TOTAL DEFERRED OUTFLOWS	<u>64,325,182</u>	<u>28,402,676</u>	<u>35,922,506</u>
LIABILITIES			
LONG-TERM LIABILITIES	<u>543,934,625</u>	<u>529,041,453</u>	<u>14,893,172</u>
TOTAL LIABILITIES	<u>577,690,459</u>	<u>562,824,693</u>	<u>14,865,766</u>
DEFERRED INFLOWS PENSION AND OPEB	<u>119,478,469</u>	<u>178,858,353</u>	<u>(59,379,884)</u>
TOTAL DEFERRED INFLOWS	<u>119,478,469</u>	<u>178,858,353</u>	<u>(59,379,884)</u>
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	96,120,885	100,485,781	(4,364,896)
RESTRICTED	25,428,763	23,699,810	1,728,953
UNRESTRICTED	<u>(256,189,641)</u>	<u>(352,660,278)</u>	<u>96,470,637</u>
NET POSITION	<u>\$(134,639,993)</u>	<u>\$(228,474,687)</u>	<u>\$93,834,694</u>

Cash and investments make up 68.7% of total assets compared to 71.9% the prior year. 71.9% of cash and investments are restricted in the District for maintenance of capital assets and reserved to repay debt. Capital assets, which reflect the District's investment in real, personal property, and equipment, currently make up 29% of total assets compared to 26.2% the previous year, an increase net of depreciation of \$17,412,533.

Deferred inflows of resources exceeded deferred outflows of resources by \$55,153,287 with 99.99% attributed to the net pension liability.

A key component of the District's net governmental position is the large net pension liability of \$242,541,993. Prior to the implementation of Statement 68 from the Governmental Accounting Standards Board (GASB), the District was not required as a contributor to PERA to record their share of the net pension liability. Notes 1 and 10 to the basic financial statements outline the implementation of GASB No. 68.

A portion of the District's net position reflects its \$96,120,885 investment in capital assets net of accumulated depreciation and related debt. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position represents resources that are subject to external restriction on how they may be used. At June 30, 2021, net position totaling \$25,428,763 was restricted with \$17,642,323 restricted for debt service, \$1,874,501 restricted for preschool activities, \$1,461,939 restricted for multi-year obligations, and \$4,450,000 restricted for the TABOR emergency contingency.

At June 30, 2021, the District reported negative net position for the District as a whole. Had the District not implemented GASB 68, recording the net unfunded pension liabilities, the assets would have exceeded liabilities and net position balance would have been positive.

CONDENSED STATEMENT OF ACTIVITIES			
GOVERNMENTAL ACTIVITIES			
	2021	2020	NET CHANGE
REVENUES			
CHARGES FOR SERVICES	\$ 5,779,620	\$ 8,931,101	\$ (3,151,481)
OPERATING, CAPITAL GRANTS AND CONTRIBUTIONS	45,038,612	31,226,916	13,106,365
PROPERTY TAXES	49,075,014	48,658,850	416,164
SPECIFIC OWNERSHIP TAXES	4,636,960	3,937,933	699,027
STATE EQUALIZATION	82,816,244	91,782,757	(8,966,513)
OTHER	<u>3,406,985</u>	<u>7,308,994</u>	<u>(3,196,678)</u>
TOTAL REVENUES	<u>190,753,435</u>	<u>191,846,551</u>	<u>(1,093,116)</u>
EXPENDITURES			
INSTRUCTION	35,055,394	49,225,526	(14,170,132)
SUPPORTING SERVICES	38,472,148	45,723,260	(7,251,112)
COMMUNITY SERVICES	135,850	37,462	98,388
CAPITAL PROJECTS	8,620,282	994,317	7,625,965
NUTRITION SERVICE	6,749,497	8,151,522	(1,402,025)
INTEREST & OTHER CHARGES	<u>8,310,744</u>	<u>5,356,630</u>	<u>2,954,114</u>
TOTAL EXPENDITURES	<u>97,343,915</u>	<u>109,488,717</u>	<u>(12,144,802)</u>
CHANGE IN NET POSITION	<u>93,409,520</u>	<u>82,357,834</u>	<u>11,051,686</u>
NET POSITION – BEGINNING, AS RESTATED	(228,049,513)	(310,832,521)	82,783,008
NET POSITION - ENDING	<u>\$ (134,639,993)</u>	<u>\$ (228,474,687)</u>	<u>\$ 93,834,694</u>

Overall revenues for the District decreased in fiscal 2021 by \$1,093,116. This decrease was due in part by Per Pupil Revenue (PPR) decreasing from the School Finance Act. District and state taxpayers funded most District governmental activities. For fiscal year 2021, this portion of governmental activities funding included \$49,075,014 in property taxes, \$4,636,960 in specific ownership tax, and \$82,816,244 of unrestricted state equalization based on the statewide total program education funding formula, \$1,165,871 in investment income, \$835,644 in non-restricted grants and contributions, and miscellaneous revenues of \$1,405,470. Some users of the District's governmental programs paid \$5,779,620 for services provided. The federal and state governments subsidized specific programs with capital/operating grants and contributions totaling \$45,038,612.

ANALYSIS OF THE FUND FINANCIAL STATEMENTS

As noted earlier, Pueblo School District No. 60 used fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds: The focus of the Districts 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.

General Fund

The General Fund is the major operating fund of the District, providing most of the resources for the educational and support programs. Revenues and other financing resources for the General Fund totaled \$129,446,207 in fiscal year 2020-21, a decrease of \$11,497,159 from fiscal year 2019-20. The following table reflects the amount of revenue from various sources.

PUEBLO CITY SCHOOL DISTRICT No. 60 GENERAL FUND SCHEDULE OF REVENUE AND OTHER FINANCING SOURCES				
	2021	2020	INCREASE/ (DECREASE)	PERCENT CHANGE
SCHOOL FINANCE FUNDING				
PROPERTY & OTHER TAXES	\$ 30,002,255	\$ 29,187,883	\$ 814,372	2.79%
SPECIFIC OWNERSHIP TAXES	2,784,855	2,726,828	58,027	2.13%
STATE EQUALIZATION	<u>87,339,097</u>	<u>97,240,250</u>	<u>(9,901,153)</u>	-10.18%
SCHOOL FINANCE TOTAL	<u>120,126,207</u>	<u>129,154,961</u>	<u>(9,028,754)</u>	-6.99%
OTHER LOCAL SOURCES	2,667,250	2,904,350	(237,100)	-8.16%
OTHER STATE SOURCES	6,352,818	8,587,596	(2,234,778)	-26.02%
FEDERAL OTHER	<u>299,932</u>	<u>296,459</u>	<u>3,473</u>	1.17%
TOTAL SCHOOL FINANCE FUNDING AND OTHER REVENUES	<u>\$ 129,446,207</u>	<u>\$ 140,943,366</u>	<u>\$ (11,497,159)</u>	-8.16%

Property Taxes: Net property tax collections increased by \$814,372. An increase is indicative of an increase in the assessed values of property located in the District's boundaries and/or an increase in the number of residential or business properties.

Specific Ownership Tax: A specific ownership tax is applied to the fair market value of vehicles or other taxable personal property (i.e., boats) registered in Colorado. The tax is collected when owners renew their registrations each year. Revenue from specific ownership tax collected increased by \$58,027.

State Equalization: State equalization revenue is the state’s share of “total program funding” provided under the Public-School Finance Act for pre-kindergarten through 12th grade education. Public School Finance Act revenue made up 92.8% of general fund revenues in 2020-21 compared to 91.6% in 2019-20. For 2020-21 state equalization revenue provided 72.7% of “total program revenue” while local taxpayer revenue provided 27.3%.

Other Local Sources: Other local sources of revenue include interest income, tuition paid by other school districts for detention center services, services purchased by the district’s charter schools, indirect cost recovery from federal grants and a variety of other miscellaneous revenue sources. The \$237,100 decrease in local revenue is mostly related to the decrease in E-Rate revenues and decrease in external printing revenues due to COVID 19.

Other State Sources: This revenue decreased by \$2,234,778 in 2021 from \$8,587,596 the previous year. Included in this total is categorical revenue from the state (i.e. Additional at Risk and ECEA funding). Decreases from the previous year were primarily due to an increase in state grant revenues and a decrease in the District’s recognition of its proportionate share of the State of Colorado contribution to the District’s pension plan.

Federal Sources: The primary sources of federal revenue in the general fund are Reserve Officer Training Corp (ROTC) reimbursements, Impact Aid revenue, and Charter School start-up grants. The increase in federal revenue of \$3,473 attributed to an increase in Impact Aid of \$1,478 and \$1,995 in JROTC.

PUEBLO CITY SCHOOL DISTRICT No. 60
GENERAL FUND
SCHEDULE OF EXPENDITURES

	2021	2020	INCREASE/ (DECREASE)	PERCENT CHANGE
INSTRUCTION	\$ 64,672,642	\$ 72,923,445	\$ (8,250,803)	-11.31%
STUDENT SUPPORT	8,713,337	8,512,545	200,792	2.36%
INSTRUCTIONAL STAFF SUPPORT	4,040,810	4,843,366	(802,556)	-16.57%
GENERAL ADMINISTRATION	1,429,343	1,614,939	(185,596)	-11.49%
SCHOOL ADMINISTRATION	9,196,221	9,001,178	195,043	2.17%
BUSINESS SERVICES	1,931,795	1,990,534	(58,739)	-2.95%
OPERATIONS & MAINTENANCE	16,109,400	15,957,042	152,358	0.95%
STUDENT TRANSPORTATION	2,347,494	2,543,315	(195,821)	-7.70%
CENTRAL SUPPORT SERVICES	5,772,414	5,330,747	441,667	8.29%
OTHER SUPPORT SERVICES	1,581,508	1,411,280	170,228	12.06%
DEBT SERVICE	578,924	584,608	(5,684)	-0.97%
FACILITY ACQUISITION & CONSTRUCTION	<u>423,133</u>	<u>380,073</u>	<u>43,060</u>	<u>11.33%</u>
GRAND TOTAL EXPENDITURES	<u>\$ 116,797,021</u>	<u>\$ 125,093,072</u>	<u>\$ (8,296,051)</u>	<u>-6.63%</u>

Instruction: Instruction costs for fiscal year 2020-21 decreased by \$8,250,803 or 11.31% when compared to the prior year. The decreases in costs were primarily as a response to the districts decrease in overall costs due to COVID-19. The use of Coronavirus Aid, Relief, and Economic Security (CARES) funding, to offset General Fund Instructional Staff Salary and Benefit expenditures of \$7,296,431

Student Support Services: Student support services (guidance, counselors, health/nurses, psychologists, social workers, audiologists, student intervention, physical and occupational therapists) expenditures increased 2.36% up \$200,792 from the previous year. The increases were in salary benefit and supplies.

Instructional Staff Support: Instructional staff support service expenditures had a 16.57% decrease, down \$802,556 from the prior year. The decreases were in salaries, benefits and purchased services.

General Administration: General administration expenditures decreased \$185,596, salary increased, benefits decreased as did purchased services.

School Administration: School administration costs increased \$195,043 or 2.17%. The increases were in salaries, benefits and supplies.

Business Services: Business services expenditures decreased 2.95%, down \$58,739 from the prior year. The decreases were in all categories of expenditures.

Maintenance and Operations: Facilities operations and maintenance increased \$152,358. Due in part to increase in salary and benefits increases based upon negotiated contracts.

Transportation Services: Transportation costs decreased \$195,821 or 7.70% over the prior year.

Central Services: Central services are comprised of Human Resources, Technology and Workman's Compensation costs. Spending in this category increased \$441,667.

OTHER MAJOR FUNDS

Bond Redemption Fund: Property tax collections in the Bond Fund totaled \$19,974,221 in 2020-21 compared to \$19,138,520 for 2019-20. Expenditures totaled \$19,347,514 in 2020-21 compared to \$11,523,271 in the prior year. The fund balance at June 30, 2021 is \$17,642,323 compared to \$16,994,557 in 2019-20. The fund balance is reserved for future debt payments (principal and interest) associated with the 2009 and 2020 refunding bonds.

Building Fund: The Building Fund was created to acquire capital assets, buildings and equipment. Revenues in the Building Fund totaled \$11,687,576 during the year. Expenditures totaled \$29,373,866 during the year. The fund balance at June 30, 2021 is \$237,700,154.

Governmental Designated Purpose Grant Fund: The governmental designated purpose grants fund maintains separate accounts for each federal, state and local grant funded program. Grant funds are awarded for a specific use as defined in the grant application. The funds are used for the purposes for which they were granted, primarily to improve student achievement. Grant revenues in FY 2020-21 were \$29,560,089, an increase of \$12,143,938 from the prior year. The increase can be attributed to several changes in funding during FY 2020-21 mainly due to Federal CARES Act and Elementary and Secondary School Emergency Relief (ESSER) legislation.

OTHER GOVERNMENTAL FUNDS

The District reports the Education Foundation and Food Services Funds in the non-major governmental fund group. Information for the non-major governmental funds is aggregated and reported as other governmental funds on the statement of revenues, expenditures and changes in fund balances. Further detail by fund is reported as part of the other supplementary information section of this report.

Education Foundation Fund: The Education Foundation Fund accounts for private gifts and donations to support the instructional functions of the District and its students through scholarships. Donations, gifts and miscellaneous revenue totaled \$88,855 for 2020-21 compared to \$80,976 for 2019-20 an increase of \$7,879.

Pupil Activity Fund: The Pupil Activity Fund accounts for revenues and expenditures related to school sponsored student interscholastic and interscholastic athletic and other related activities.

Capital Projects Fund: The Capital Projects Fund accounts for significant capital expenditures. Revenues in the Capital Projects Fund totaled \$9,483,570, which included \$6,800,000 of transfers, compared to \$8,792,864 in the prior year. Expenditures totaled \$2,279,708 compared to \$5,619,721 in the prior year. The Fund balance at June 30, 2021 is \$17,547,188 compared to \$10,343,326 in 2019-20.

Food Service Fund: As of July 1, 2015, the Food Service Fund was reclassified as a Special Revenue Fund from an Enterprise Funds. Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is for the cost of providing goods or services to be financed or recovered primarily through user charges. Due to the implementation of GASB 68, the Food Service Fund could no longer be classified as an Enterprise Fund since it could not sustain the burden of recording a net pension liability. The Food Service Fund accounts for financial activities associated with the school lunch and breakfast programs.

Revenues primarily come from the Federal Child Nutrition Act. Fiscal year 2020-21, local revenues totaled \$260,062 compared to \$507,366 the prior year. Local revenues are impacted by the adoption by the District of the Community Eligibility Provision (CEP). The CEP is a meal service option for school districts in low-income areas. The CEP allows the District to serve breakfast and lunch at no cost to all enrolled students. However, the District has had several locations move from free and reduced classification to pay as the district approaches the five-year renewal process. The resulting government reimbursements totaled \$7,167,762 for 2020-21 compared to \$7,554,492 for the previous year in part by changes in the Free and Reduced population and the at-risk population. Net position of the Food Service Fund totaled \$6,837,106 as of June 30, 2021, compared to \$6,066,929 the prior year. Modifications to the reimbursement rates due to the COVID 19 pandemic, loss of in-class instruction days, and remote feeding activities all had a positive impact on the net position.

PROPRIETARY FUNDS

The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds account for operations that are organized to be self-supporting through user charges. The District's proprietary funds consist of one internal service funds.

Internal Service Fund: Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the District on a cost reimbursement basis. The District's internal service funds are used to account for risk related activities.

Risk Management Fund: Is an internal service fund, used to account for the District's self-insured programs and risk management functions. The risk management fund provides the ability to analyze risk programs by both balance sheet and income statement categories. The District maintains a self-insured dental and workers' compensation program. Revenues to support these activities originate from two main sources: 1) employee payroll deductions and District contribution for dental premiums, and 2) workers' compensation user fees, charged to funds that pay salaries. Expenditures include claims and plan administration for dental, and workers compensation self-insurance. Stop-loss insurance to cover costs in excess of costs related to work related injuries including loss of compensation and other expenditures to cover the consulting costs to manage the above programs.

Reserves must be adequate to provide financial stability for the District's self-funded risk management programs. Reserves should be accumulated to address fluctuations in the annual cost of workers' compensation and dental self-insured programs.

Charges for services totaled \$1,757,226 and expenses totaling \$1,427,134 in 2020-21 compared to \$1,698,195 and expenses totaling \$1,587,595 in 2019-20, respectively. Net position at June 30, 2021 totaled \$3,051,000 compared to \$2,720,901 at the beginning of the year an increase of \$330,099.

MAJOR FUND BUDGETARY HIGHLIGHTS

The budget for fiscal year 2020-21 adopted by the Board of Education on June 23, 2020 and amended January 26, 2021 with total appropriations of \$597,339,540 made up of the following:

- \$147,011,980 for the general fund
- \$329,100 for education foundation fund
- \$71,108,500 for the governmental designated purpose grants fund
- \$19,389,494 for the capital projects fund
- \$36,775,964 for the bond redemption fund
- \$14,368,142 for the nutrition services fund
- \$4,448,951 for the risk management fund
- \$2,825,767 for the pupil activity fund
- \$301,081,642 for the building fund

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets: The District's investment in capital assets for its governmental and business-type activities as of June 30, 2021 totaled \$144,437,803 (net of accumulated depreciation). Capital assets include land, buildings, improvements, machinery, vehicles and equipment, and construction in progress. The reader should refer to Note 6 of the Notes to the Financial Statements for further information relative to capital assets.

Long-term Debt: At June 30, 2021, the District had total long-term debt outstanding of \$284,941,959 of which \$8,250,815 is due during the next twelve months. Long-term debt includes general obligation bonds and obligations on capital leases. The reader should refer to Note 8 of the Notes to the Financial Statements for further information relative to long-term debt.

Component Units

Only summary information regarding component units appears in the District's financial statements. The reader should review the audited financial statements of each component unit, if available, for additional information. The District's component units, Chavez Huerta K-12 Preparatory Academy and Pueblo School for the Arts and Sciences, issue separate audited financial statements.

FACTORS AFFECTING FUTURE FINANCIAL CONDITIONS

Colorado public schools receive funding from a variety of sources. However, most revenues to Colorado's 178 school districts are provided through the Public-School Finance Act of 1994 (as amended).

The District received \$8,278.67, after rescissions, in per pupil finding for 2020-21 compared to \$8,591.11 for 2019-20 a decrease of \$314.44 per pupil.

Pueblo City Schools may experience a decrease in per pupil funding should enrollment decrease. Since the majority of general operating funds come from the number of students, changes in student population will adversely affect the future financial condition of the District.

REQUESTS FOR INFORMATION

This financial report is designed to provide the District's citizens, taxpayers, customers, 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 and requests for additional financial information can be obtained by contacting the Chief Financial Officer at 315 West 11th Street, Pueblo, CO 81003.

BASIC FINANCIAL STATEMENTS

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Governmental Activities	Component Units
ASSETS		
Cash and investments	\$ 92,659,551	\$ 5,124,893
Restricted cash and investments	237,529,285	24,108,194
Cash with fiscal agents	12,257,170	-
Taxes receivable	1,692,587	-
Intergovernmental receivables	7,734,737	252,864
Other receivables	451,907	1,197,763
Inventories and prepaid items	1,440,713	-
Deposits	-	7,500
Capital assets, not being depreciated	24,808,886	3,077,719
Capital assets, net of accumulated depreciation	119,628,917	10,653,487
Total assets	<u>498,203,753</u>	<u>44,422,420</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	558,017	-
Deferred pension outflows	63,230,212	8,468,327
Deferred OPEB outflows	536,953	178,762
Total deferred outflows of resources	<u>64,325,182</u>	<u>8,647,089</u>
LIABILITIES		
Accounts payable and other current liabilities	11,363,064	872,122
Accrued salaries and benefits	14,157,382	557,271
Compensated absences	328,055	-
Intergovernmental payable	-	49,878
Unearned revenue	7,484,808	68,765
Accrued interest	422,525	1,917,517
Long-term liabilities:		
Due within one year	8,250,815	128,808
Due in more than one year	276,691,144	36,783,948
Net pension liability	242,541,993	21,318,281
Net OPEB liability	16,450,673	774,667
Total liabilities	<u>577,690,459</u>	<u>62,471,257</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred pension inflows	115,272,175	9,259,873
Deferred OPEB inflows	4,206,294	255,702
Total deferred inflows of resources	<u>119,478,469</u>	<u>9,515,575</u>
NET POSITION		
Net investment in capital assets	96,120,885	(22,614,064)
Restricted for:		
Emergency reserve (TABOR)	4,450,000	597,000
Debt service	17,642,323	24,415,857
Other purposes	3,336,440	32,925
Unrestricted	(256,189,641)	(21,349,041)
Total net position	<u>\$ (134,639,993)</u>	<u>\$ (18,917,323)</u>

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>	<u>Component Units</u>
Primary government						
Governmental activities						
Instruction	\$ 35,055,393	\$ 5,191,658	\$ 34,661,004	\$ 423,133	\$ 5,220,402	\$ -
Supporting services	38,472,148	546,641	1,535,094	-	(36,390,413)	
Food service operations	6,749,497	41,321	7,238,410	-	530,234	
Community services	135,850	-	-	-	(135,850)	
Facilities acquisition	8,620,283	-	-	1,180,971	(7,439,312)	
Interest	8,310,744	-	-	-	(8,310,744)	
Total primary government	<u>\$ 97,343,915</u>	<u>\$ 5,779,620</u>	<u>\$ 43,434,508</u>	<u>\$ 1,604,104</u>	<u>(46,525,683)</u>	
Component units						
Charter schools	<u>\$ 19,075,342</u>	<u>\$ 1,086,169</u>	<u>\$ 3,863,926</u>	<u>\$ 423,134</u>		<u>(13,702,113)</u>
General revenues:						
Property taxes					49,075,014	-
Specific ownership taxes					4,636,960	-
State equalization					82,816,244	-
Per pupil revenue					-	15,611,290
Grants and contributions not restricted to specific programs					835,644	-
Unrestricted investment earnings					1,165,871	13,403
Miscellaneous					1,405,470	531,590
Total general revenues					<u>139,935,203</u>	<u>16,156,283</u>
Change in net position					93,409,520	2,454,170
Net position - beginning, as restated (deficit)					<u>(228,049,513)</u>	<u>(21,371,493)</u>
Net position - ending (deficit)					<u>\$(134,639,993)</u>	<u>\$ (18,917,323)</u>

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

PUEBLO SCHOOL DISTRICT NO. 60
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Governmental Designated- Purpose Grants Fund	Bond Redemption Fund	Building Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 75,686,116	\$ -	\$ -	\$ -	\$ 16,968,822	\$ 92,654,938
Restricted cash and investments	-	-	17,242,030	220,287,255	-	237,529,285
Cash with fiscal agents	-	-	-	12,207,170	-	12,207,170
Taxes receivable	1,021,652	-	531,852	-	139,083	1,692,587
Intergovernmental receivables	1,684,228	4,385,076	-	-	1,665,433	7,734,737
Other receivables	364,926	-	556	-	27,365	392,847
Due from internal balances	4,812,440	5,027,167	-	13,696,599	8,551,631	32,087,837
Inventories and prepaid items	1,382,758	-	-	-	57,955	1,440,713
	<u>\$ 84,952,120</u>	<u>\$ 9,412,243</u>	<u>\$ 17,774,438</u>	<u>\$ 246,191,024</u>	<u>\$ 27,410,289</u>	<u>\$ 385,740,114</u>
Total assets						
LIABILITIES						
Accounts payable and other current liabilities	\$ 1,695,484	\$ 387,438	\$ -	\$ 8,490,870	\$ 138,103	\$ 10,711,895
Accrued salaries and benefits	12,581,867	1,377,741	-	-	197,774	14,157,382
Compensated absences	328,055	-	-	-	-	328,055
Due to interfunds	34,994,153	367,045	400	-	314,735	35,676,333
Unearned revenue	34,796	7,280,019	-	-	169,993	7,484,808
	<u>49,634,355</u>	<u>9,412,243</u>	<u>400</u>	<u>8,490,870</u>	<u>820,605</u>	<u>68,358,473</u>
Total liabilities						
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-property taxes	198,784	-	131,715	-	-	330,499
	<u>198,784</u>	<u>-</u>	<u>131,715</u>	<u>-</u>	<u>-</u>	<u>330,499</u>
Total deferred inflows of resources						
FUND BALANCES						
Nonspendable for:						
Inventories and prepaid items	1,382,758	-	-	-	57,955	1,440,713
Restricted for:						
Emergency reserve (TABOR)	4,450,000	-	-	-	-	4,450,000
Debt service	-	-	17,642,323	-	-	17,642,323
Capital projects	-	-	-	237,700,154	-	237,700,154
Multi-year obligations	1,461,939	-	-	-	-	1,461,939
Preschool	1,874,501	-	-	-	-	1,874,501
Committed for:						
Food service operations	-	-	-	-	6,779,151	6,779,151
Pupil Activities	-	-	-	-	1,974,811	1,974,811
Foundation activities	-	-	-	-	230,579	230,579
Assigned for:						
Risk management	847,316	-	-	-	-	847,316
Capital projects	-	-	-	-	17,547,188	17,547,188
Athletics	701,693	-	-	-	-	701,693
Contingencies	6,880,142	-	-	-	-	6,880,142
School & BOE carryover	1,708,558	-	-	-	-	1,708,558
Unassigned	15,812,074	-	-	-	-	15,812,074
	<u>35,118,981</u>	<u>-</u>	<u>17,642,323</u>	<u>237,700,154</u>	<u>26,589,684</u>	<u>317,051,142</u>
Total fund balances						
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 84,952,120</u>	<u>\$ 9,412,243</u>	<u>\$ 17,774,438</u>	<u>\$ 246,191,024</u>	<u>\$ 27,410,289</u>	<u>\$ 385,740,114</u>

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

PUEBLO SCHOOL DISTRICT NO. 60
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2021

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

Total fund balance - governmental funds		\$ 317,051,142
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, not being depreciated	\$ 24,808,886	
Capital assets, net of depreciation	119,628,917	144,437,803
Property tax receivable is not available to pay current period expenditures and, therefore, is not reported in the funds.		
		330,499
Internal service funds are used by the District's management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included with governmental activities in the statement of net position.		
		3,051,000
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in government funds:		
Deferred charges on refunding	\$ 558,017	
Net pension liabilities	(242,541,993)	
Pension outflows	63,230,212	
Pension inflows	(115,272,175)	
Net OPEB liabilities	(16,450,673)	
OPEB outflows	536,953	
OPEB inflows	(4,206,294)	
Accrued interest	(422,525)	
Compensated absences	(3,572,599)	
Capital leases	(5,630,511)	
Bonds payable	(275,738,849)	(599,510,437)
Net position of governmental activities in the statement of net position		\$ (134,639,993)

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Governmental Designated- Purpose Grants Fund	Bond Redemption Fund	Building Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Local sources	\$ 35,454,360	\$ 109,130	\$ 19,995,196	\$ 2,859,587	\$ 2,993,032	\$ 61,411,305
State sources	93,691,915	3,956,165	84	-	708,924	98,357,088
Federal sources	299,932	25,494,794	-	-	7,167,762	32,962,488
Total revenues	<u>129,446,207</u>	<u>29,560,089</u>	<u>19,995,280</u>	<u>2,859,587</u>	<u>10,869,718</u>	<u>192,730,881</u>
EXPENDITURES						
Instruction	64,672,642	16,679,889	-	-	589,178	81,941,709
Supporting services	51,117,322	12,744,350	-	109,559	2,436,420	66,407,651
Food service operations	5,000	-	-	-	6,728,295	6,733,295
Community services	-	135,850	-	-	-	135,850
Facilities acquisition and construction	423,133	-	-	29,106,952	-	29,530,085
Debt service	578,924	-	19,347,514	157,354	-	20,083,792
Total expenditures	<u>116,797,021</u>	<u>29,560,089</u>	<u>19,347,514</u>	<u>29,373,865</u>	<u>9,753,893</u>	<u>204,832,382</u>
Excess (deficiency) of revenues over expenditures	<u>12,649,186</u>	<u>-</u>	<u>647,766</u>	<u>(26,514,278)</u>	<u>1,115,825</u>	<u>(12,101,501)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	6,800,000	6,800,000
Transfers out	(6,800,000)	-	-	-	-	(6,800,000)
Proceeds from the sale of bonds	-	-	-	10,640,000	-	10,640,000
Other sources	-	-	-	(1,812,012)	-	(1,812,012)
Total other financing sources (uses)	<u>(6,800,000)</u>	<u>-</u>	<u>-</u>	<u>8,827,988</u>	<u>6,800,000</u>	<u>8,827,988</u>
Net change in fund balances	5,849,186	-	647,766	(17,686,290)	7,915,825	(3,273,513)
Fund balances - beginning, as restated	<u>29,269,795</u>	<u>-</u>	<u>16,994,557</u>	<u>255,386,444</u>	<u>18,673,859</u>	<u>320,324,655</u>
Fund balances - ending	<u>\$ 35,118,981</u>	<u>\$ -</u>	<u>\$ 17,642,323</u>	<u>\$ 237,700,154</u>	<u>\$ 26,589,684</u>	<u>\$ 317,051,142</u>

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

PUEBLO SCHOOL DISTRICT NO. 60
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

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

Net change in fund balances - total governmental funds: \$ (3,273,513)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlays	\$ 22,321,400	
Depreciation	<u>(4,865,543)</u>	17,455,857

In the statement of activities, the disposition of capital assets generates a gain or loss and is reported as such. The gain or loss on disposition is not a current financial resource or use and, thus, is not reported in the funds. (43,324)

Governmental funds do not present property tax revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned. (901,462)

Internal service funds are used by the District to charge the cost of certain activities to individual funds. The net revenue of the internal service funds are reported with governmental activities. 330,099

Interest expense is reported when incurred in the statement of activities but is not reported in the funds until paid. 18,458

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Loan proceeds	\$ (10,640,000)	
Repayment of principal	9,292,538	
Amortization of deferred on refunding	(350,416)	
Accretion of bond premium	<u>2,812,468</u>	1,114,590

Some expenses related to post employment benefits reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 555,830

Governmental funds measure compensated absences by the amount of financial resources used, whereas these expenses are reported in the statement of activities based on the amounts incurred during the year. (151,410)

Certain pension and OPEB expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Pension expenses	\$ 77,274,781	
OPEB expenses	<u>1,029,614</u>	<u>78,304,395</u>

Change in net position of governmental activities \$ 93,409,520

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2021

	Governmental Activities
	Internal Service Fund
ASSETS	
Current assets	
Cash and investments	\$ 4,613
Cash with fiscal agents	50,000
Receivables	59,060
Due from other funds	3,589,481
Total assets	\$ 3,703,154
LIABILITIES	
Current liabilities	
Accounts Payable	\$ 10,389
Due to other funds	985
Claims and judgments	640,780
Total liabilities	652,154
NET POSITION	
Unrestricted	\$ 3,051,000

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Governmental Activities
	Internal Service Fund
OPERATING REVENUES	
Charges for services	\$ 1,757,226
OPERATING EXPENSES	
Insurance claims and expenses	1,427,134
Operating income (loss)	330,092
NON-OPERATING REVENUES (EXPENSES)	
Interest and investment revenue	7
Change in net position	330,099
Net position - beginning	2,720,901
Net position - ending	\$ 3,051,000

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

**PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Activities
	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers and users	\$ 1,770,500
Cash payments to suppliers	(1,498,157)
Net cash provided (used) by operating activities	272,343
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Advances from (to) other funds	(222,343)
Net cash provided (used) by non-capital financing activities	(222,343)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	7
Net increase (decrease) in cash and cash equivalents	50,007
Cash and cash equivalents - beginning	4,606
Cash and cash equivalents - ending	\$ 54,613

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Governmental Activities
	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 330,092
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	13,275
Deposits	100,000
Increase (decrease) in:	
Accounts payable	322
Claims payable	(171,346)
Total adjustments	(57,749)
Net cash provided (used) by operating activities	\$ 272,343

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

PUEBLO SCHOOL DISTRICT NO. 60
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>PSAS</u>	<u>CHAVEZ/ HUERTA</u>	<u>TOTAL</u>
ASSETS			
Cash and investments	\$ 2,640,829	\$ 2,484,064	\$ 5,124,893
Restricted cash	-	24,108,194	24,108,194
Accounts receivable	-	1,197,763	1,197,763
Deposits	7,500	-	7,500
Intergovernmental receivable	252,864	-	252,864
Capital assets, not being depreciated	72,828	3,004,891	3,077,719
Capital assets, net of accumulated depreciation	1,317,553	9,335,934	10,653,487
	<u>4,291,574</u>	<u>40,130,846</u>	<u>44,422,420</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension outflows	3,386,564	5,081,763	8,468,327
Deferred OPEB outflows	100,081	78,681	178,762
	<u>3,486,645</u>	<u>5,160,444</u>	<u>8,647,089</u>
LIABILITIES			
Accounts payable and accrued liabilities	107,126	764,996	872,122
Accrued salaries and benefits	309,043	248,228	557,271
Intergovernmental payable	49,878	-	49,878
Accrued interest	-	1,917,517	1,917,517
Unearned revenue	49,229	19,536	68,765
Long-term liabilities			
Due within one year	128,808	-	128,808
Due in more than one year	604,821	36,179,127	36,783,948
Net pension liability	8,613,687	12,704,594	21,318,281
Net OPEB liability	313,135	461,532	774,667
	<u>10,175,727</u>	<u>52,295,530</u>	<u>62,471,257</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension inflows	3,343,957	5,915,916	9,259,873
Deferred OPEB inflows	100,838	154,864	255,702
	<u>3,444,795</u>	<u>6,070,780</u>	<u>9,515,575</u>
NET POSITION			
Net investment in capital assets	1,224,238	(23,838,302)	(22,614,064)
Restricted for:			
Emergency reserve (TABOR)	217,000	380,000	597,000
Debt service	-	24,415,857	24,415,857
Capital Construction	32,925	-	32,925
Unrestricted	(7,316,466)	(14,032,575)	(21,349,041)
	<u>\$ (5,842,303)</u>	<u>\$ (13,075,020)</u>	<u>\$ (18,917,323)</u>

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

PUEBLO SCHOOL DISTRICT NO. 60
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>PSAS</u>	<u>CHAVEZ/ HUERTA</u>	<u>TOTAL</u>
REVENUES			
Per pupil revenue	\$ 6,963,582	\$ 8,647,708	\$ 15,611,290
Charges for services	26,140	1,060,029	1,086,169
Operating grants and contributions	1,159,366	2,704,560	3,863,926
Capital grants and contributions	118,151	304,983	423,134
Unrestricted investment earnings	5,249	8,154	13,403
Miscellaneous	15,512	516,078	531,590
	<u>8,288,000</u>	<u>13,241,512</u>	<u>21,529,512</u>
EXPENSES			
Instruction	3,118,601	3,814,947	6,933,548
Supporting services	2,969,293	6,436,011	9,405,304
Facilities acquisition and construction	73,625	-	73,625
Interest	-	2,662,865	2,662,865
	<u>6,161,519</u>	<u>12,913,823</u>	<u>19,075,342</u>
Change in net position	2,126,481	327,689	2,454,170
Net position - beginning (deficit)	<u>(7,968,784)</u>	<u>(13,402,709)</u>	<u>(21,371,493)</u>
Net position - ending (deficit)	<u><u>\$ (5,842,303)</u></u>	<u><u>\$ (13,075,020)</u></u>	<u><u>\$ (18,917,323)</u></u>

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

NOTES TO FINANCIAL STATEMENTS

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Pueblo School District No. 60 (the District) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. REPORTING ENTITY

The legislative power of the District is vested in the Board of Education, consisting of five members who are elected for staggered four-year terms. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Aggregate discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the district. The District has presented the following component units:

Blended Component Unit

School District No. 60 Education Foundation, Inc. is an Internal Revenue Code 501(c)(3) nonprofit entity organized to further educational programs for District students. Although it is legally separate from the District, the Education Foundation is reported as if it were part of the primary government because of financial accountability. Separate financial statements are not available.

Discretely Presented Component Units

The Board of Education approved two charter schools for operation: Pueblo School for Arts and Sciences (PSAS) and Chavez Huerta K-12 Preparatory Academy (Chavez Huerta). The charter schools were formed in accordance with state statute as District charter schools. The charter schools are deemed to be fiscally dependent on the District since the District provides the majority of support to each charter school in the form of per pupil revenue. In addition, the nature and significance of the charter schools' relationship with the District is such that exclusion would cause the District's financial statements to be incomplete.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. REPORTING ENTITY (CONTINUED)

Discretely Presented Component Units (continued)

The amount of per pupil revenue allotted to each charter school during the year ended June 30, 2021 is as follows:

<u>Charter School</u>	<u>Amount</u>
PSAS	\$ 6,963,582
Chavez Huerta	<u>8,647,708</u>
	<u>\$ 15,611,290</u>

The members of each charter school’s governing board are appointed separately from the District. These charter schools have been deemed to be separate legal entities based on the formation of the schools in accordance with state statutes. Separately issued financial statements for the charter schools may be obtained by writing to the following:

Pueblo School for Arts and Sciences 2415 Jones Avenue Pueblo, Colorado 81004	Chavez Huerta K-12 Preparatory Academy 2727 W. 18 th Street Pueblo, Colorado 81003
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C. BASIS OF PRESENTATION—GOVERNMENT-WIDE FINANCIAL STATEMENTS

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds.

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

The statement of activities demonstrates the degree to which direct expenses of given functions or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities.

D. BASIS OF PRESENTATION—FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the government’s funds, including its blended component units. Separate statements for each fund category are presented. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained by the District is consistent with legal and managerial requirements.

The emphasis of fund financial statements is on major governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BASIS OF PRESENTATION—FUND FINANCIAL STATEMENTS (CONTINUED)

The District reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Governmental Designated-Purpose Grants Fund* is used to record financial transactions for grants received for designated programs funded by federal, state or local governments.

The *Bond Redemption Fund* accounts for the servicing of the District's general obligation bonds.

The *Building Fund* is used to account for all resources available for acquiring capital sites, buildings, and equipment.

Additionally, the District reports the following fund types:

Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes (not including major capital projects).

The *School District No. 60 Education Foundation, Inc. Fund* is used to present the activities of the blended component unit.

The *Pupil Activity Fund* is used to account for the revenues and expenditures related to school sponsored student intrascholastic and interscholastic athletic and other related activities. This fund receives subsidies from the General Fund

The *Food Service Fund* accounts for the District's food service program. This fund is required to account for USDA school breakfast and lunch funds received by the District.

The *Capital Projects Fund* is used to account for significant capital expenditures.

Internal Service Funds account for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis.

The *Risk Management Fund* accounts for risk management activities of the District.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BASIS OF PRESENTATION—FUND FINANCIAL STATEMENTS (CONTINUED)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide 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 when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of grants which have a 120 day availability period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual are property taxes, interest revenue and charges for services. Specific ownership taxes collected and held by the county at year-end on behalf of the District are also recognized as revenue. Other revenues, such as transportation, vocational and special education, are not susceptible to accrual because, generally, they are not measurable until received in cash. Entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria are met. Expenditure-driven grants recognize revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash and cash equivalents

The District's cash and cash equivalents are considered to be cash on hand; cash in the bank; and liquid investments which have a maturity of one month or less when purchased or which are subject to withdrawal.

Restricted cash and cash equivalents

The use of certain cash and investments of the District may be restricted. These cash items are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by debt agreements.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are valued at the pool's share price, the price at which the investment could be sold.

Receivables

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

Inventories and prepaid items

Inventories are valued at the lower of cost or market using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

In the Food Service Fund, commodity inventories are stated at USDA's assigned values, which approximate fair value at the date of receipt. Expenses for food items are recorded when used. The federal government donates surplus commodities to supplement the national school lunch programs.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Capital Assets

Capital assets, are reported in the governmental activities columns in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. The capitalization level for equipment is \$5,000 in all funds. Donated capital assets are valued at their estimated fair market value on the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Land improvements, buildings and improvements, and equipment of the government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	15-100 years
Buildings and improvements	15-100 years
Equipment	5 - 15 years

Pensions

Pueblo School District No. 60 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP 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.

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 made changes to certain benefit provisions. Most of these changes were in effect as of June 30, 2021.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Health Care Trust Fund

Pueblo School District No. 60 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 (FNP) and additions to/deductions from the FNP 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.

Deferred outflows/inflows of resources

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

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

Long-term liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net position flow assumption

The District may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted—net position and unrestricted—net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted—net position to have been depleted before unrestricted—net position is applied.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Fund balance flow assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available to be used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. REVENUES AND EXPENDITURES/EXPENSES

Program revenues

Amounts reported as *program revenues* include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on December 31 and are payable in full by April 30 or are payable in two equal installments due February 28 and June 15. The Pueblo County Treasurer bills and collects the District's property tax. District property tax revenues are recognized when levied to the extent they result in current receivables.

The District is permitted to levy taxes on the assessed valuation for general governmental services and for the payment of principal and interest on long-term debt. The tax rate for the year ended December 31, 2021 is 27.021 mills for general operating expenses and 18.000 mills for the payment of long-term debt. The District's assessed valuation for the collection year 2021 is \$1,090,911,538.

Specific Ownership Taxes

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

Compensated Absences

The District affords all full time employees vacation and sick pay benefits. Vacation benefits generally vest after one year of service but do not accumulate and, thus, are not carried over to subsequent periods. Other employees, including 12 month administrators, professionals and executive assistants, are allowed to carry over up to 30 days of unused vacation benefits that can be paid upon termination. Certain employees are afforded sick pay benefits which are vesting, accumulating rights and are carried forward to subsequent years. The sick pay benefits are limited depending on the length of service and the number of days of unused leave days. All of these benefits, including payroll-related costs, are measured based on established District policy and generally accepted accounting principles.

A liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignation or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Proprietary Funds Operating and Non-operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service fund are charges for insurance premiums. Operating expenses for the Internal Service Fund include the cost of claims and benefits. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. ESTIMATES

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At the May board meeting of the Board of Education, the Chief Financial Officer and Superintendent of Schools submit to the Board of Education, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at Board of Education meetings to obtain taxpayers comments.
3. Prior to July 1, the budget is adopted by the Board of Education.
4. Any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except for proprietary funds which are budgeted on the cash basis. Budgeted amounts in this report are as originally adopted or amended.
7. All original and supplemental appropriations for all funds lapse at the end of the fiscal year.

NOTE 3 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of June 30, 2021 is as follows:

Deposits	\$ 181,729
Investments	<u>330,007,107</u>
Total	<u><u>\$330,188,836</u></u>

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

Cash and investments	\$ 92,659,551
Restricted cash and investments	<u>237,529,285</u>
Total	<u><u>\$ 330,188,836</u></u>

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Cash deposits with financial institutions

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The carrying amount of the School’s deposits at June 30, 2021 was \$181,729 and the bank balances were \$193,284. Of the bank balances, all were covered by federal deposit insurance and the balance was uninsured but collateralized in accordance with the provisions of the PDPA.

Investments

The District is authorized by Colorado statutes to invest in the following:

- ◆ Obligations of the United States and certain U.S. government agencies’ securities;
- ◆ Certain international agencies’ securities;
- ◆ General obligation and revenue bonds of U.S. local government entities;
- ◆ Bankers’ acceptances of certain banks;
- ◆ Certain commercial paper;
- ◆ Local government investment pools;
- ◆ Written repurchase agreements collateralized by certain authorized securities;
- ◆ Certain money market fund;
- ◆ Guaranteed investment contracts.

At June 30, 2021 the District’s investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities</u>
ColoTrust	\$ 76,597,728	Less than 90 days
Money Market	40,344,187	Less than 90 days
Commercial Paper	12,850,557	Up to one year
US Treasuries	89,012,038	Up to five years
US Agencies	47,585,579	Up to five years
CD’s	31,196,882	Up to five years
US Corporate	<u>32,420,136</u>	Up to five years
	<u>\$ 330,007,107</u>	

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

The District has invested in the Colorado Government Liquid Asset Trust (COLOTRUST). COLOTRUST is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. This investment vehicle operates similarly to money market funds and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares.

The designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. However, the District does not categorize investments with COLOTRUST because they are not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk – The District has a board approved investment policy that limits investment maturities to five years or less, as a means of managing its exposure to fair value loss resulting from increasing interest rates. The Colorado revised statute 24-75-601 also limits investment maturities to five years or less.

Credit Risk – State law limits investments for school districts to U.S. treasury issues, other federally backed notes and credits, and other agency offerings. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds to those institutions with over \$1 billion in assets or the highest credit rating from one or more of a nationally recognized rating agency. The District has no investment policy that would further limit its investment choices. ColoTrust net assets were over \$9 billion on December 31, 2020. The entity maintains a constant net asset value of \$1 per share. Financial statements for ColoTrust may be obtained from the www.ColoTrust.com website.

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer. More than 5 percent of the District's investments are in ColoTrust, Wells Fargo Money Market Funds, Commercial Paper, US Treasuries, US Agencies, Certificates of Deposit, and US Corporate Bonds. These investments are 23.0%, 12.0%, 4.0%, 27.0%, 14.0%, 10% and 10% respectively, of the District's total investments.

In accordance with state law, the District has designated Wells Fargo as the third party custodian for the bond redemption fund. Funds held at June 30, 2021 total \$17,242,031 and are included with the ColoTrust investments above.

NOTE 4 – FAIR VALUE MEASUREMENT

The District records assets and liabilities in accordance with GASB 72, which establishes general principles for measuring fair value, provides additional fair value application guidance and enhances disclosures about fair value measurements.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – FAIR VALUE MEASUREMENT (CONTINUED)

GASB 72 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement for a particular asset or liability based on assumptions that market participants would use in pricing the asset or liability. Such assumptions include observable and unobservable inputs of market data, as well as assumptions about risk and the risk inherent in the inputs to the valuation technique. As a basis for considering market participant assumptions in fair value measurements, GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels.

- Level 1 inputs reflect prices quoted in active markets.
- Level 2 inputs reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 inputs reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment’s risk.

Investments classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Investments classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments				
ColoTrust	\$ 76,597,728	\$ -	\$ -	\$ 76,597,728
Money Markets	40,344,187	-	-	40,344,187
Commercial Paper	-	12,850,557	-	12,850,557
CD’s	-	31,196,882	-	31,196,882
US Corporate	-	32,420,136	-	32,420,136
US Treasuries	-	89,012,038	-	89,012,038
US Agencies	-	47,585,579	-	47,585,579
Total Investments	<u>\$ 116,941,915</u>	<u>\$ 213,065,192</u>	<u>\$ -</u>	<u>\$330,007,107</u>

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Receivables and Payables

Interfund receivables and payables are created in conjunction with the District’s pooled cash and investment portfolios. Balances are routinely cleared as a matter of practice.

The composition of interfund balances at June 30, 2021 is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 4,812,440	\$ 34,994,153
Governmental Designated Purpose Grants Fund	5,027,167	367,045
Bond Redemption Fund	-	400
Building Fund	13,696,599	-
Nonmajor Funds	8,551,631	314,735
Risk Management Fund	<u>3,589,481</u>	<u>985</u>
Total	<u>\$ 35,677,318</u>	<u>\$ 35,677,318</u>

Interfund transfers

Interfund transfer activity for the year ended June 30, 2021 is as follows:

	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
General Fund	\$ -	\$ 6,800,000
Capital Projects Fund	<u>6,800,000</u>	<u>-</u>
Total	<u>\$ 6,800,000</u>	<u>\$ 6,800,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move capital assets from one fund to another fund when the fund using the capital assets changes.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities</u>				
Capital assets not being depreciated:				
Land	\$ 1,837,103	\$ -	\$ -	\$ 1,837,103
Construction in progress	<u>1,804,187</u>	<u>22,023,970</u>	<u>(856,374)</u>	<u>22,971,783</u>
Total capital assets not being depreciated	<u>3,641,290</u>	<u>22,023,970</u>	<u>(856,374)</u>	<u>24,808,886</u>
Capital assets being depreciated:				
Land improvements	18,724,584	80,510	-	18,805,094
Buildings and improvements	167,486,267	911,946	(34,016)	168,364,197
Equipment	<u>24,560,470</u>	<u>161,348</u>	<u>(1,660,756)</u>	<u>23,061,062</u>
Total capital assets being depreciated	<u>210,771,321</u>	<u>1,153,804</u>	<u>(1,694,772)</u>	<u>210,230,353</u>
Less accumulated depreciation for:				
Land improvements	(12,536,406)	(537,908)	-	(13,074,314)
Buildings and improvements	(58,086,072)	(3,214,018)	8,373	(61,291,717)
Equipment	<u>(16,764,863)</u>	<u>(1,113,617)</u>	<u>1,643,075</u>	<u>(16,235,405)</u>
Total accumulated depreciation	<u>(87,387,341)</u>	<u>(4,865,543)</u>	<u>1,651,448</u>	<u>(90,601,436)</u>
Total capital assets being depreciated, net	<u>123,383,980</u>	<u>(3,711,739)</u>	<u>(43,324)</u>	<u>119,628,917</u>
Governmental activities capital assets, net	<u>\$ 127,025,270</u>	<u>\$ 18,312,231</u>	<u>\$ (899,698)</u>	<u>\$ 144,437,803</u>

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

Governmental Activities

Instruction	\$ 1,281,973
Support services	<u>3,583,570</u>
	<u>\$ 4,865,543</u>

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – ACCRUED COMPENSATION / COMPENSATED ABSENCES

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately ten months. The salaries and benefits earned, but unpaid, as of June 30, 2021, are \$14,157,382. Accordingly, the accrued compensation is reflected as a liability in the accompanying Government-Wide Statement of Net Position.

NOTE 8 - LONG-TERM LIABILITIES

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. All general obligation bonds have been issued for governmental activities.

General Obligation bonds payable at June 30, 2021 are as follows:

	<u>Principal Balance</u>
\$63,340,000 of general obligation refunding bonds series 2009; payable in annual installments ranging from \$3,011,412 to \$7,953,087 including interest through December 15, 2022; interest accrues at an annual rate ranging from 2.00% to 5.00%; debt is serviced by the debt service fund.	\$ 15,095,000
\$207,610,000 of general obligation bonds series 2020; payable in annual installments ranging from \$9,391,650 to \$17,466,650 including interest through December 15, 2039; interest accrues at an annual rate ranging from 3.00% to 5.00%; debt is serviced by the debt service fund.	205,755,000
\$10,640,000 of general obligation bonds series 2021; payable in annual installments ranging from \$428,025 to \$657,163 including interest through December 1, 2040; interest accrues at an annual rate of 2.351%; debt is serviced by the debt service fund.	<u>10,640,000</u>
Total Outstanding Bonds	<u>\$ 231,490,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 7,793,025	\$ 10,201,590
2023	8,162,530	9,816,999
2024	8,517,698	9,414,486
2025	8,928,106	8,990,205
2026	9,363,758	8,545,053
2027-2031	54,117,552	35,240,017
2032-2036	68,689,039	20,453,761
2037-2040	<u>65,918,292</u>	<u>5,994,177</u>
Total	<u>\$231,490,000</u>	<u>\$ 108,656,288</u>

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 - LONG-TERM LIABILITIES (CONTINUED)

Legal Debt Margin

Actual valuation	<u>\$8,252,026,264</u>
Debt limit – 6% of actual valuation	\$ 495,121,576
General obligation debt	<u>(231,490,000)</u>
Legal Debt Margin Available	<u>\$ 263,631,576</u>

Capital Leases

A capital lease was issued in 2015 in the amount of \$7,685,573 to purchase property for energy conservation measures, payable in quarterly payments through 2030 and bearing interest at 2.481%.

The above agreements qualify as capital leases for accounting purposes and; therefore, have been recorded at the present value of future minimum lease payments as of each inception date.

The future minimum lease obligations and the net present value of these minimum lease payments for capital leases as of June 30, 2021, were as follows:

<u>Year Ending June 30</u>	
2022	\$ 593,302
2023	618,410
2024	644,637
2025	672,032
2026	700,650
2027-2030	<u>3,112,957</u>
Total minimum lease payments	6,341,988
Less: amount representing interest	<u>(711,477)</u>
Present value of minimum lease payments	<u>\$ 5,630,511</u>

Changes in Long-Term Liabilities

The following is a summary of long-term liabilities of the District for the year ended June 30, 2021:

	<u>Balance</u> <u>06/30/20</u>	<u>Debt Issued</u> <u>And Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/21</u>	<u>Due Within</u> <u>One year</u>
<i>Governmental Activities</i>					
General obligation bonds	\$ 229,710,000	\$ 10,640,000	\$ (8,860,000)	\$ 231,490,000	\$ 7,793,025
Unamortized bond premium	<u>47,061,317</u>	-	<u>(2,812,468)</u>	<u>44,248,849</u>	-
Total bonds payable	276,771,317	10,640,000	(11,672,468)	275,738,849	7,793,025
Capital Leases	6,063,049	-	(432,538)	5,630,511	457,790
Compensated absences	<u>3,703,183</u>	<u>4,054,002</u>	<u>(3,856,531)</u>	<u>3,900,654</u>	<u>328,055</u>
<i>Total Governmental Activities</i>	<u>\$ 286,537,549</u>	<u>\$ 14,694,002</u>	<u>\$(15,961,537)</u>	<u>\$ 285,270,014</u>	<u>\$ 8,578,870</u>

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 - LONG-TERM LIABILITIES (CONTINUED)

Payments on the general obligation bonds are made by the debt service fund with property taxes. The qualified zone academy bonds are serviced by the capital projects fund. The compensated absences liabilities are paid by the fund for which the employee worked, while the self-insured workmen’s compensation claims are paid by the risk management internal service fund. Payments for post-employment benefits obligations are made by the general fund.

NOTE 9 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, property and casualty, errors and omissions, workers’ compensation, general liability, unemployment, and employee benefit expenses related to health programs. For torts, property and casualty, and errors and omissions, these risks are covered through the District’s participation in the Colorado School District Self-Insurance Pool. The Colorado School District Self-Insurance Pool is a public entity risk pool which provides various types of property and liability insurance coverage to its approximate 175 members. The membership agreement provides that the pool be self-sustaining through member contributions and will reinsure with commercial companies for claims in excess of \$1,000,000 per occurrence. In addition, settlement claims for each of the last three years did not exceed insurance coverage amounts in areas where commercial insurance is used to cover the risk of loss.

The District has elected to self-insure for workers’ compensation with specific risk retention of \$425,000 per accident with a statutory maximum liability limit. The District has a \$1,000,000 employers’ liability maximum limit of indemnity per occurrence. Aggregate loss funds for the period July 1, 1992 through June 30, 2006 will remain open until all claims in each fiscal year are closed. The District chose not to purchase aggregate coverage effective July 1, 2006. Claims and insurance costs are recognized as expenses in the risk management internal service fund. A reserve for workers’ compensation claims is presented in the risk management internal service fund which represents the discounted present value of expected losses and includes claims incurred but not yet reported. Changes in the claims liability for the year ended June 30, 2021 are as follows:

Estimated claims liability, beginning	\$ 812,126
Incurred claims	(687,637)
Payments	<u>516,291</u>
Estimated claims liability, ending	<u>\$ 640,780</u>

The estimated claims liability is an actuarially determined loss reserve and represents the discounted present value of expected losses using a discount rate of 5% and includes claims incurred but not yet reported.

NOTE 10 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. Eligible employees of the Pueblo School District No. 60 are provided with pensions through the 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 (Annual Report) that can be obtained at www.copera.org/investments/pera-financial-reports.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits provided as of December 31, 2020. 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, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lessor of an annual increase of 1.25 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 0.25 percent based on the parameters specified in 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 formula(s) 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.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions provisions as of June 30, 2021: Eligible employees of, Pueblo School District No. 60 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. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 10.00 percent of their PERA-includable salary during the period of July 1, 2020 through June 30, 2021. Employer contribution requirements are summarized in the table below:

	July 1, 2020 Through June 30, 2021
Employer contribution rate	10.90%
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	9.88%
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	19.88%

**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. § 24-51-414, the State is required to contribute \$225 million (actual dollars) 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. House Bill (HB) 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Pueblo School District No. 60 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Pueblo School District No. 60 were \$17,167,656 for the year ended June 30, 2021.

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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The Pueblo School District No. 60 proportion of the net pension liability was based on Pueblo School District No. 60 contributions to the SCHDTF for the calendar year 2020 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

Due to the aforementioned suspension of the July 1, 2020, direct distribution payment, the nonemployer contributing entity's proportion is zero percent. Pursuant to C.R.S. § 24-51-414, the direct distribution payment from the State of Colorado is to recommence annually starting on July 1, 2021. For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

At June 30, 2021, the Pueblo School District No. 60 reported a liability of \$242,541,993 for its proportionate share of the net pension liability. The amount recognized by the Pueblo School District No. 60 as its 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 Pueblo School District No. 60 were as follows:

Pueblo School District No. 60 proportionate share of the net pension liability	\$ 242,541,993
The State’s proportionate share of the net pension liability as a nonemployer contributing entity associated with the Pueblo School District No. 60	-
Total	\$ 242,541,993

At December 31, 2020, the Pueblo School District No. 60 proportion was 1.6043277254 percent, which was an increase of 0.1113795148 from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Pueblo School District No. 60 recognized pension expense of (\$77,274,781). At June 30, 2021, the Pueblo School District No. 60 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 13,326,477	\$ -
Changes of assumptions or other inputs	23,331,786	40,769,256
Net difference between projected and actual earnings on pension plan investments	-	53,389,011
Changes in proportion and differences between contributions recognized and proportionate share of contributions	17,847,017	21,113,908
Contributions subsequent to the measurement date	8,724,932	N/A
Total	\$ 63,230,212	\$ 115,272,175

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

\$8,724,932 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, 2022. 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 ended June 30:	
2022	\$ (52,668,494)
2023	7,745,463
2024	(7,421,448)
2025	(8,422,416)
2026	-
Thereafter	-

Actuarial assumptions. The total pension liability in the December 31, 2019 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% – 9.70%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; and DPS benefit structure (compounded annually)	1.25%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

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.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Post-retirement non-disabled mortality assumptions 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.

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

The actuarial assumptions used in the December 31, 2019, valuation 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 PERA’s Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA’s Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020.

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	3.40%-11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, 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 percentages and then adding expected inflation.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives ¹	6.00%	4.70%
Total	100.00%	

¹ The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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 nominal 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 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
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NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020, for the State’s 2020-21 fiscal year.
- 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 FNP, 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 FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the SCHDTF's FNP 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 index 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 Pueblo School District No. 60 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:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 330,847,143	\$ 242,541,993	\$ 168,954,705

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

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
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NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

Health Care Trust Fund

Plan description. Eligible employees of the Pueblo School District No. 60 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 (Annual Report) that can be obtained at www.copera.org/investments/pera-financial-reports.

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

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

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

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 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.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

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.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

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 Pueblo School District No. 60 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Pueblo School District No. 60 were \$880,838 for the year ended June 30, 2021.

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

At June 30, 2021, the Pueblo School District No. 60 reported a liability of \$8,817,728 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The Pueblo School District No. 60 proportion of the net OPEB liability was based on Pueblo School District No. 60 contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the Pueblo School District No. 60 proportion was 0.9279621416 percent, which a decrease of 0.0478481586 from its proportion measured as of December 31, 2019.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

For the year ended June 30, 2021, the Pueblo School District No. 60 recognized OPEB expense of (\$1,029,614). At June 30, 2021, the Pueblo School District No. 60 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 23,403	\$ 1,938,559
Changes of assumptions or other inputs	65,885	540,696
Net difference between projected and actual earnings on OPEB plan investments	-	360,300
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	1,366,739
Contributions subsequent to the measurement date	447,665	N/A
Total	\$ 536,953	\$ 4,206,294

\$447,665 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, 2022. 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 ended June 30:	
2022	\$ (1,001,081)
2023	(950,675)
2024	(958,396)
2025	(840,807)
2026	(343,897)
Thereafter	(22,150)

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

Actuarial assumptions. The total OPEB liability in the December 31, 2019 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	8.10% in 2020, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.50% in 2020, gradually increasing to 4.50% in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2020 for the PERA Benefit Structure:

Medicare Plan	Initial Costs for Members without Medicare Part A		
	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/Self- Insured Rx	\$588	\$227	\$550
Kaiser Permanente Medicare Advantage HMO	621	232	586

The 2020 Medicare Part A premium is \$458 (actual dollars) per month.

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

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

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

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 industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Year	PERACare Medicare Plans	Medicare Part A
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
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 used in the December 31, 2019 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were 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.

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.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

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

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA’s Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA’s Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December 31, 2020.

	Trust Fund			
	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Price inflation	2.30%	2.30%	2.30%	2.30%
Real wage growth	0.70%	0.70%	0.70%	0.70%
Wage inflation	3.00%	3.00%	3.00%	3.00%
Salary increases, including wage inflation:				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40% ¹	N/A

¹ C.R.S. § 24-51-101 (46), as amended, expanded the definition of “State Troopers” to include certain employees within the Local Government Division, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA’s 2020 Annual Report for more information.

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25 percent.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the roll forward calculation for the HCTF, using a headcount-weighted basis.

Pre-retirement mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
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**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

The pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation 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 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, 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 percentages and then adding expected inflation.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives ¹	6.00%	4.70%
Total	100.00%	

¹ The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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 nominal rate of return assumption of 7.25 percent.

Sensitivity of the Pueblo School District No. 60 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:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
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	\$8,589,821	\$8,817,728	\$9,083,042

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, 2020, 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 3.00 percent.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

- 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.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the Pueblo School District No. 60 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:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 10,100,868	\$ 8,817,728	\$ 7,721,387

OPEB plan fiduciary net position. Detailed information about the HCTF’s fiduciary net position is available in PERA’s Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 12 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

The District’s defined benefit OPEB plan, Pueblo City Schools Retiree Benefits Plan (PCSRBP), provides life insurance benefits to a closed group of retired employees. PCSRBP is a single-employer defined benefit OPEB plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. This OPEB plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or a report of another entity.

Benefits Provided

PCSRBP provides a term life insurance policy whose face value is equal to the employee’s salary at termination and is provided to all full-time salaries personnel (except educational assistants) employed prior to July 1, 1980 and who retired before September 1, 1995.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Employees Covered by Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

Retired participants: 276

The plan is closed to new entrants.

Total OPEB Liability

The District's total OPEB liability of \$7,632,945 was measured as of June 30, 2021, and was determined by an actuarial valuation date of July 1, 2019.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age
Amortization	Immediate recognition of actuarial gains and losses
Mortality	PR 2014 Mortality Table projected to 2024 with Scale BB
Discount Rate	2.10% - based on the Bond Buyer 20-Bond General Obligation Index
Inflation	1.10%
Expenses	None

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 6/30/20, as restated	\$ 8,188,775
Changes for the year:	
Service cost	-
Interest cost	180,153
Benefit payments	(968,864)
Differences between expected and actual experience	226,420
Changes in benefit terms	-
Changes in assumptions	<u>6,461</u>
Net changes	<u>(555,830)</u>
Balance at 6/30/21	<u>\$ 7,632,945</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.10 percent) or 1-percentage-point higher (3.10 percent) than the current discount rate:

	1% Decrease (1.10%)	Current Discount Rate (2.10%)	1% Increase (3.10%)
Total OPEB liability	\$ 8,235,184	\$ 7,632,945	\$ 7,098,639

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in the Healthcare Cost Trend Rates	Current Healthcare Cost Trend Rates	1% Increase in the Healthcare Cost Trend Rates
Total OPEB liability	\$ 7,632,945	\$ 7,632,945	\$ 7,632,945

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

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

For the year ended June 30, 2021, the District recognized an OPEB expense of \$413,034. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Total	\$ -	\$ -

For the year ended June 30, 2021 there are no amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB that will be recognized in OPEB expense.

NOTE 13 – JOINT VENTURE

The District is a participant with other school districts in a joint venture known as South Central Board of Cooperative Educational Services (Cooperative). The Cooperative is organized under provisions of Colorado law to provide special education services to member school districts in the Cooperative’s general area. The member school districts provide approximately 60% of the Cooperative’s total annual financial resources and each member district appoints a member of its board of education to serve on the governing body of the Cooperative. For the year ended June 30, 2021, the District purchased no services from the Cooperative. Complete financial statements for the Cooperative can be obtained from their administrative office at 323 S. Purcell Boulevard; Pueblo West, CO, 81007.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Grants

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

Legal

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 counsel the resolution of these matters will not have a material adverse effect on the financial condition of the District.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Operating Leases

The District leases wide area telecommunication services and copier equipment under non-cancelable operating leases. Total costs for such leases were \$255,600 for the year ended June 30, 2021. The future minimum lease payments for these leases are as follows:

<u>Year Ending June 30</u>		
2022	\$	99,054
2023		99,054
2024		63,476
2025		27,454
2026		<u>13,727</u>
Total	\$	<u>302,765</u>

NOTE 15 - TAX, SPENDING, AND DEBT LIMITATIONS

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

The Amendment requires Emergency Reserves to be established. These reserves must be at least 3 percent of Fiscal Year Spending. The entity is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases. At June 30, 2021, the District’s reserve of \$4,450,000 was reported as restricted fund balance in the General Fund.

Spending and revenue limits are determined based on the prior year’s spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

On November 7, 2000, voters within the District passed an amendment allowing the District to retain excess revenues in 2000 and all future years.

The Amendment is complex and subject to judicial interpretation. The entity believes it is in compliance with the requirements of the amendment. However, the entity has made certain interpretations of the amendment’s language in order to determine its compliance.

NOTE 16 – COLORADO SCHOOL DISTRICT/BOCES, ELECTRONIC DATA INTEGRITY CHECK FIGURES

The School Finance Act requires inclusion of the Colorado School District/BOCES, Electronic Financial Data Integrity Check Figures as a supplement schedule to the audited financial statements. The Report is based on a prescribed basis of accounting that demonstrates compliance with the financial policies and procedures of the Colorado Department of Education.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 17 – RESTATEMENT OF NET POSITION

Restatement of OPEB – Life Insurance Balance

The Actuarial report for the post retirement life insurance plan restated the beginning balance for June 30, 2020. The beginning net position for the governmental activities has been restated to reflect the cumulative effect of the restatement.

Correction of Accrued Salaries Balance

During the year, it was determined that prior year accrued salaries were understated in the Food Service fund. Net position and the total fund balance of governmental funds as of June 30, 2020 have been restated to reflect the cumulative effect of the correction.

Restatements had the following impact on previously reported balances:

Governmental Activities

Net Position, June 30, 2020, as originally stated	\$ (228,474,687)
Correction of OPEB – life insurance balance	585,812
Correction of accrued salaries balance	<u>(160,638)</u>
Net Position, June 30, 2020, as Restated (deficit)	<u>\$ (228,049,513)</u>

Governmental Funds

Total fund balances, June 30, 2020, as originally stated	\$ 320,485,293
Correction of accrued salaries balance	<u>(160,638)</u>
Fund Balance, June 30, 2020, as Restated	<u>\$ 320,324,655</u>

REQUIRED SUPPLEMENTARY INFORMATION

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net pension liability (asset)	1.6043277254%	1.4929482106%	1.5859063798%	1.8692159744%	1.9206432718%	1.8187015096%	1.8692872735%	1.9222776421%
District's proportionate share of the net pension liability (asset)	\$ 242,541,993	\$ 223,043,223	\$ 280,817,299	\$ 604,438,014	\$ 571,849,773	\$ 278,157,556	\$ 253,351,215	\$ 245,185,994
State's proportionate share of the net pension liability (asset) associated with the District	-	28,290,196	38,397,866	-	-	-	-	-
Total	<u>\$ 242,541,993</u>	<u>\$ 251,333,419</u>	<u>\$ 319,215,165</u>	<u>\$ 604,438,014</u>	<u>\$ 571,849,773</u>	<u>\$ 278,157,556</u>	<u>\$ 253,351,215</u>	<u>\$ 245,185,994</u>
District's covered payroll	\$ 85,812,934	\$ 87,735,054	\$ 87,185,791	\$ 86,224,724	\$ 86,201,909	\$ 79,258,595	\$ 78,309,727	\$ 77,493,133
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	282.64%	254.22%	322.09%	701.00%	663.38%	350.95%	323.52%	316.40%
Plan fiduciary net position as a percentage of the total pension liability	67.0%	64.5%	57.0%	44.0%	43.1%	59.2%	62.8%	64.1%

* The amounts presented for each year were determined as of 12/31.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - PENSION
JUNE 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 17,167,656	\$ 16,817,470	\$ 16,800,644	\$ 16,411,944	\$ 15,706,892	\$ 14,809,067	\$ 12,949,268	\$ 11,703,594
Contributions in relation to the contractually required contribution	<u>(17,167,656)</u>	<u>(16,817,470)</u>	<u>(16,800,644)</u>	<u>(16,411,944)</u>	<u>(15,706,892)</u>	<u>(14,809,067)</u>	<u>(12,949,268)</u>	<u>(11,703,594)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 86,356,419	\$ 86,777,449	\$ 87,823,545	\$ 86,927,669	\$ 85,456,431	\$ 83,525,479	\$ 76,713,676	\$ 73,239,010
Contributions as a percentage of covered payroll	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%	16.88%	15.98%

* The amounts presented for each fiscal year were determined as of 6/30.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
JUNE 30, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion of the net OPEB liability (asset)	0.9279621416%	0.9758103002%	1.0308512728%	1.0620805913%	1.0919635522%
District's proportionate share of the net OPEB liability (asset)	\$ 8,817,728	\$ 10,968,088	\$ 14,025,165	\$ 13,802,799	\$ 14,157,679
District's covered payroll	\$ 85,812,934	\$ 87,735,054	\$ 87,185,791	\$ 86,224,724	\$ 86,201,909
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	10.28%	12.50%	16.09%	16.01%	16.42%
Plan fiduciary net position as a percentage of the total OPEB liability	24.5%	24.5%	17.0%	17.5%	16.7%

* The amounts presented for each year were determined as of 12/31.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - OPEB
JUNE 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 880,838	\$ 885,115	\$ 895,809	\$ 886,595	\$ 871,498
Contributions in relation to the contractually required contribution	<u>(880,838)</u>	<u>(885,115)</u>	<u>(895,809)</u>	<u>(886,595)</u>	<u>(871,498)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 86,356,419	\$ 86,777,449	\$ 87,823,545	\$ 86,927,669	\$ 85,456,431
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%

* The amounts presented for each fiscal year were determined as of 6/30.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
PUEBLO CITY SCHOOLS RETIREMENT LIFE INSURANCE PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
JUNE 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest cost	180,153	338,756	374,878	375,699
Benefit payments	(968,864)	(773,688)	(563,200)	(608,117)
Differences between expected and actual experience	226,420	(1,847,869)	(151,454)	(285,200)
Changes in benefit terms	-	-	-	-
Changes in assumptions	6,461	792,835	281,436	(181,379)
Net change in total OPEB liability	(555,830)	(1,489,966)	(58,340)	(698,997)
Total OPEB liability - beginning, as restated	8,188,775	9,678,741	9,737,081	10,436,078
Total OPEB liability - ending	<u>\$ 7,632,945</u>	<u>\$ 8,188,775</u>	<u>\$ 9,678,741</u>	<u>\$ 9,737,081</u>
Covered-employee payroll	\$ -	\$ -	\$ -	\$ -
Total OPEB liability as a percentage of covered-employee payroll	0%	0%	0%	0%
Notes to Schedule:				
Changes of assumptions - effects of discount rate each period	2.10%	3.50%	3.50%	3.60%

* The amounts presented for each fiscal year were determined as of 6/30.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

GENERAL FUND

The General Fund accounts for all transactions of the District not required to be accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed primarily from property taxes and state aid. It is the most significant fund of the District.

Included in this presentation are the Athletics, Risk-Management, and Preschool Sub-Funds of the General Fund. These funds allow the District to separate the accounting and maintain a self-balancing set of records specific to these activities.

The General Fund is deemed to be a major fund for financial reporting purposes.

PUEBLO SCHOOL DISTRICT NO. 60
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Local sources:				
Property taxes	\$ 26,253,549	\$ 29,449,611	\$ 30,002,255	\$ 552,644
Specific ownership taxes	2,307,513	1,638,759	2,784,855	1,146,096
Other local sources	2,704,682	2,316,300	2,667,250	350,950
Total local sources	31,265,744	33,404,670	35,454,360	2,049,690
State sources:				
State equalization	109,589,210	106,883,158	87,339,097	(19,544,061)
Special education	4,544,728	4,544,728	4,540,789	(3,939)
Other state funding	2,111,981	1,629,085	1,812,029	182,944
Total state sources	116,245,919	113,056,971	93,691,915	(19,365,056)
Federal sources	272,000	302,000	299,932	(2,068)
Total revenues	147,783,663	146,763,641	129,446,207	(17,317,434)
EXPENDITURES				
Instruction	76,489,382	72,541,521	64,672,642	7,868,879
Supporting services:				
Student services	8,761,929	9,429,661	8,713,337	716,324
Instructional staff	5,390,582	5,835,973	4,040,810	1,795,163
General administration	1,862,553	1,920,613	1,429,343	491,270
School administration	9,269,302	9,818,921	9,196,221	622,700
Business services	2,227,948	2,392,241	1,931,795	460,446
Operation and maintenance	16,595,014	17,611,409	16,109,400	1,502,009
Student transportation	3,928,000	3,963,000	2,347,494	1,615,506
Central services	6,437,359	7,015,068	5,772,414	1,242,654
Other support services	2,419,285	2,617,005	1,576,508	1,040,497
Food service operations	-	-	5,000	(5,000)
Facilities acquisition and construction	359,000	444,000	423,133	20,867
Debt service	584,608	584,608	578,924	5,684
Contingency reserves	12,626,837	12,837,961	-	12,837,961
Total expenditures	146,951,799	147,011,981	116,797,021	30,214,960
Excess (deficiency) of revenues over expenditures	831,864	(248,340)	12,649,186	12,897,526
OTHER FINANCING SOURCES (USES)				
Transfers in	1,331,160	1,531,160	-	(1,531,160)
Transfers out	(27,911,022)	(30,552,570)	(6,800,000)	23,752,570
Total other financing sources (uses)	(26,579,862)	(29,021,410)	(6,800,000)	22,221,410
Net change in fund balance	(25,747,998)	(29,269,750)	5,849,186	35,118,936
Fund balance - beginning	25,747,998	29,269,750	29,269,795	45
Fund balance - ending	\$ -	\$ -	\$ 35,118,981	\$ 35,118,981

See the accompanying independent auditors' report.

GOVERNMENTAL DESIGNATED-PURPOSE GRANTS FUND

This fund is authorized by Colorado state law to record financial transactions for grants received for designated programs funded by federal, state or local resources.

The Governmental Designated-Purpose Grants Fund is deemed to be a major fund for financial reporting purposes.

PUEBLO SCHOOL DISTRICT NO. 60
GOVERNMENTAL DESIGNATED-PURPOSE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Local sources:				
Other local sources	\$ 901,000	\$ 901,000	\$ 109,130	\$ (791,870)
State sources:				
Other state funding	5,735,440	8,357,360	3,956,165	(4,401,195)
Federal sources	39,128,691	61,850,140	25,494,794	(36,355,346)
Total revenues	<u>45,765,131</u>	<u>71,108,500</u>	<u>29,560,089</u>	<u>(41,548,411)</u>
EXPENDITURES				
Instruction	25,823,918	40,124,435	16,679,889	23,444,546
Supporting services:				
Student services	3,655,459	5,679,743	2,361,092	3,318,651
Instructional staff	7,833,341	12,171,213	5,059,622	7,111,591
General administration	354,086	550,168	228,707	321,461
School administration	106,913	166,118	69,056	97,062
Business services	122,349	190,102	79,026	111,076
Operation and maintenance	2,136,335	3,319,374	1,379,877	1,939,497
Student transportation	111,565	173,347	72,061	101,286
Central services	3,953,423	6,142,712	2,553,550	3,589,162
Other support services	1,457,418	2,264,493	941,359	1,323,134
Community services	210,324	326,795	135,850	190,945
Total expenditures	<u>45,765,131</u>	<u>71,108,500</u>	<u>29,560,089</u>	<u>41,548,411</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

BOND REDEMPTION FUND

This fund is used to account for the accumulation of resources for and the payment of principal, interest, and related expenses on long-term general obligation debt or long-term voter-approved lease-purchase debt.

The Bond Redemption Fund is deemed to be a major fund for financial reporting purposes.

PUEBLO SCHOOL DISTRICT NO. 60
BOND REDEMPTION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Local sources:			
Property taxes	\$ 19,636,407	\$ 19,974,221	\$ 337,814
Other local sources	145,000	20,975	(124,025)
Total local sources	<u>19,781,407</u>	<u>19,995,196</u>	<u>213,789</u>
State sources:			
Other state funding	<u>-</u>	<u>84</u>	<u>84</u>
Total revenues	<u>19,781,407</u>	<u>19,995,280</u>	<u>213,873</u>
EXPENDITURES			
Debt service	19,344,614	19,347,514	(2,900)
Contingency reserves	<u>17,431,350</u>	<u>-</u>	<u>17,431,350</u>
Total expenditures	<u>36,775,964</u>	<u>19,347,514</u>	<u>17,428,450</u>
Net change in fund balance	(16,994,557)	647,766	17,642,323
Fund balance - beginning	<u>16,994,557</u>	<u>16,994,557</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 17,642,323</u>	<u>\$ 17,642,323</u>

See the accompanying independent auditors' report.

BUILDING FUND

This fund is used to account for all resources available for acquiring capital sites, buildings, and equipment.

The Building Fund is deemed to be a major fund for financial reporting purposes.

PUEBLO SCHOOL DISTRICT NO. 60
BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Local sources:			
Other local sources	\$ 2,960,000	\$ 2,859,587	\$ (100,413)
EXPENDITURES			
Supporting services:			
Operation and maintenance	284,050	109,559	174,491
Facilities acquisition and construction	131,102,490	29,106,952	101,995,538
Debt service	114,000	157,354	(43,354)
Contingency reserves	169,581,102	-	169,581,102
Total expenditures	301,081,642	29,373,865	271,707,777
Excess (deficiency) of revenues over expenditures	(298,121,642)	(26,514,278)	271,607,364
OTHER FINANCING			
SOURCES (USES)			
Proceeds from the sale of bonds	10,640,000	10,640,000	-
Other sources	32,095,198	(1,812,012)	(33,907,210)
Total other financing sources (uses)	42,735,198	8,827,988	(33,907,210)
Net change in fund balance	(255,386,444)	(17,686,290)	237,700,154
Fund balance - beginning	255,386,444	255,386,444	-
Fund balance - ending	\$ -	\$ 237,700,154	\$ 237,700,154

See the accompanying independent auditors' report.

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specified purposes. The District has the following Special Revenue Funds:

Food Service Fund

This fund accounts for all financial activities associated with the District's school food service program.

Pupil Activity Fund

Used to record financial transactions related to school-sponsored pupil intrascholastic and interscholastic athletic and related events. These activities are supported by revenues from pupils, gate receipts and other fund-raising activities.

School District No. 60 Education Foundation, Inc.

A non-profit entity organized to further educational programs for District students.

Capital Projects Fund

This fund is used to account for the purposes and limitations specified by Section 22-45-103(1)(c), C.R.S., including the acquisition of sites, buildings, equipment, and vehicles.

PUEBLO SCHOOL DISTRICT NO. 60
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Food Service Fund	Pupil Activity Fund	Education Foundation, Inc.	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and investments	\$ 5,842,784	\$ 1,995,985	\$ 237,006	\$ 8,893,047	\$ 16,968,822
Taxes receivable	-	-	-	139,083	139,083
Intergovernmental receivables	1,555,433	-	-	110,000	1,665,433
Other receivables	16,998	1,891	142	8,334	27,365
Due from internal balances	37,507	-	-	8,514,124	8,551,631
Inventories and prepaid expenses	57,955	-	-	-	57,955
	<u>\$ 7,510,677</u>	<u>\$ 1,997,876</u>	<u>\$ 237,148</u>	<u>\$ 17,664,588</u>	<u>\$ 27,410,289</u>
LIABILITIES					
Accounts payable and other current liabilities	\$ 28,261	\$ 6,510	\$ 6,286	\$ 97,046	\$ 138,103
Accrued salaries and benefits	197,774	-	-	-	197,774
Compensated absences	-	-	-	-	-
Due to interfunds	297,897	16,555	283	-	314,735
Unearned revenue	149,639	-	-	20,354	169,993
	<u>673,571</u>	<u>23,065</u>	<u>6,569</u>	<u>117,400</u>	<u>820,605</u>
FUND BALANCES					
Nonspendable for:					
Inventories and prepaid items	57,955	-	-	-	57,955
Committed for:					
Food service operations	6,779,151	-	-	-	6,779,151
Pupil Activities	-	1,974,811	-	-	1,974,811
Foundation activities	-	-	230,579	-	230,579
Assigned for:					
Capital projects	-	-	-	17,547,188	17,547,188
	<u>6,837,106</u>	<u>1,974,811</u>	<u>230,579</u>	<u>17,547,188</u>	<u>26,589,684</u>
Total liabilities and fund balances	<u>\$ 7,510,677</u>	<u>\$ 1,997,876</u>	<u>\$ 237,148</u>	<u>\$ 17,664,588</u>	<u>\$ 27,410,289</u>

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	Food Service Fund	Pupil Activity Fund	Education Foundation, Inc.	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES					
Local sources	\$ 260,062	\$ 598,821	\$ 88,855	\$ 2,045,294	\$ 2,993,032
State sources	70,648	-	-	638,276	708,924
Federal sources	7,167,762	-	-	-	7,167,762
Total revenues	7,498,472	598,821	88,855	2,683,570	10,869,718
EXPENDITURES					
Instruction	-	386,650	39,892	162,636	589,178
Supporting services	-	308,127	11,221	2,117,072	2,436,420
Food service operations	6,728,295	-	-	-	6,728,295
Total expenditures	6,728,295	694,777	51,113	2,279,708	9,753,893
Excess (deficiency) of revenues over expenditures	770,177	(95,956)	37,742	403,862	1,115,825
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	6,800,000	6,800,000
Net change in fund balances	770,177	(95,956)	37,742	7,203,862	7,915,825
Fund balances - beginning, as restated	6,066,929	2,070,767	192,837	10,343,326	18,673,859
Fund balances - ending	\$ 6,837,106	\$ 1,974,811	\$ 230,579	\$ 17,547,188	\$ 26,589,684

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local sources:			
Other local sources	\$ 487,000	\$ 260,062	\$ (226,938)
State sources:			
Other state funding	73,000	70,648	(2,352)
Federal sources	7,580,228	7,167,762	(412,466)
Total revenues	<u>8,140,228</u>	<u>7,498,472</u>	<u>(641,756)</u>
EXPENDITURES			
Food service operations	9,709,868	6,728,295	2,981,573
Contingency reserves	4,658,273	-	4,658,273
Total expenditures	<u>14,368,141</u>	<u>6,728,295</u>	<u>7,639,846</u>
Net change in fund balance	(6,227,913)	770,177	6,998,090
Fund balance - beginning, as restated	6,227,913	6,066,929	(160,984)
Fund balance - ending	<u>\$ -</u>	<u>\$ 6,837,106</u>	<u>\$ 6,837,106</u>

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
PUPIL ACTIVITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local sources:			
Other local sources	\$ 755,000	\$ 598,821	\$ (156,179)
EXPENDITURES			
Instruction	1,960,269	386,650	1,573,619
Supporting services:			
Instructional staff	455,000	308,127	146,873
Contingency reserves	410,498	-	410,498
Total expenditures	<u>2,825,767</u>	<u>694,777</u>	<u>2,130,990</u>
Net change in fund balance	(2,070,767)	(95,956)	1,974,811
Fund balance - beginning, as restated	<u>2,070,767</u>	<u>2,070,767</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 1,974,811</u>	<u>\$ 1,974,811</u>

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
EDUCATION FOUNDATION, INC.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local sources:			
Other local sources	\$ 136,263	\$ 88,855	\$ (47,408)
EXPENDITURES			
Instruction	175,000	39,892	135,108
Supporting services:			
General administration	15,263	8,622	6,641
Business services	4,000	2,599	1,401
Contingency reserves	134,837	-	134,837
Total expenditures	329,100	51,113	277,987
Net change in fund balance	(192,837)	37,742	230,579
Fund balance - beginning	192,837	192,837	-
Fund balance - ending	\$ -	\$ 230,579	\$ 230,579

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Local sources:			
Specific ownership taxes	\$ 1,200,000	\$ 1,852,104	\$ 652,104
Other local sources	229,991	193,190	(36,801)
	<u>1,429,991</u>	<u>2,045,294</u>	<u>615,303</u>
State sources:			
Other state funding	670,680	638,276	(32,404)
Total revenues	<u>2,100,671</u>	<u>2,683,570</u>	<u>582,899</u>
EXPENDITURES			
Instruction	436,402	162,636	273,766
Supporting services:			
Operation and maintenance	4,857,203	1,279,028	3,578,175
Central services	2,426,652	838,044	1,588,608
Contingency reserves	11,669,237	-	11,669,237
Total expenditures	<u>19,389,494</u>	<u>2,279,708</u>	<u>17,109,786</u>
Excess (deficiency) of revenues over expenditures	<u>(17,288,823)</u>	<u>403,862</u>	<u>17,692,685</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,945,500	6,800,000	(145,500)
Net change in fund balance	(10,343,323)	7,203,862	17,547,185
Fund balance - beginning	10,343,323	10,343,326	3
Fund balance - ending	<u>\$ -</u>	<u>\$ 17,547,188</u>	<u>\$ 17,547,188</u>

See the accompanying independent auditors' report.

INTERNAL SERVICE FUND

Internal service funds account for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis.

Risk Management Fund

This fund accounts for worker's compensation activities of the District.

PUEBLO SCHOOL DISTRICT NO. 60
RISK MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$ 1,728,000	\$ 1,757,226	\$ 29,226
OPERATING EXPENSES			
Insurance claims and expenses	1,974,000	1,427,134	546,866
Operating income (loss)	(246,000)	330,092	576,092
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment revenue	50	7	(43)
Change in net position	(245,950)	330,099	576,049
Net position - beginning	2,720,901	2,720,901	-
Net position - ending	<u>\$ 2,474,951</u>	<u>\$ 3,051,000</u>	<u>\$ 576,049</u>

See the accompanying independent auditors' report.

SINGLE AUDIT

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture				
<i>Child Nutrition Cluster</i>				
Passed Through Colorado Department of Education				
National School Lunch Program	10.555	4555	\$ -	\$ 1,408,787
Summer Food Service Program for Children	10.559	4559		4,985,771
Passed Through Colorado Department of Human Services				
National School Lunch Program	10.555	4555		498,981
<i>Total Child Nutrition Cluster</i>				<u>6,893,539</u>
Passed Through Colorado Department of Education				
Fresh Fruit and Vegetable Program	10.582	4582		210,195
Passed Through Colorado Department of Public Health and Environment				
Child and Adult Care Food Program	10.558	4558		64,028
Total U.S. Department of Agriculture				<u>7,167,762</u>
U.S. Department of Defense				
Direct Programs				
Reserve Officer Training Corps (ROTC)	12.Unknown	9001		287,081
Total Department of Defense				<u>287,081</u>
U.S. Department of the Treasury				
Passed Through Colorado Department of Education				
Coronavirus Relief Fund	21.019	4012, 5012, 6012		10,303,502
U.S. Department of Education				
Direct Programs				
Impact Aid	84.041	4041		12,851
				<u>12,851</u>
Passed Through Colorado Department of Education				
<i>Special Education Cluster</i>				
Special Education: Grants to States IDEA Part B	84.027	4027		3,385,305
Special Education: Preschool Grants	84.173	4173		80,773
<i>Total SPED Cluster</i>				<u>3,466,078</u>
No Child Left Behind, Title I, Part A	84.010	4010, 5010		6,630,503
Grants for Infants and Families with Disabilities	84.181	5181		266
Charter Schools	84.282	4282		30,905
English Language Learners, Title III, Part A	84.365	4365		92,200
Quality Teacher, Title II, Part A	84.367	4367		964,541
Student Support and Academic Enrichment Program	84.424A	4424		465,068
Education Stabilization Fund	84.425D	4420, 4425		2,271,328
Passed through Colorado Community College System				
Vocational Education - Carl Perkins	84.048	4048		111,456
Total U.S. Department of Education				<u>14,045,196</u>
Total Federal Awards			<u>\$ -</u>	<u>\$ 31,803,541</u>

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Pueblo School District No. 60 under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Pueblo School District No. 60, it is not intended to and does not present the financial position, changes in net position, or cash flows of Pueblo School District No. 60.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified-accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Pass-through entity identifying numbers are presented where available. ROTC does not have a CFDA number, so the Federal CFDA number on the Schedule of Expenditures of Federal Awards identifies the Department followed by "Unknown".

NOTE 3 – INDIRECT COST RATE

Pueblo School District No. 60 has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – NON-CASH ASSISTANCE

During the year end June 30, 2021, Pueblo School District No. 60 received \$498,981 in non-cash assistance in the form of food commodities. Commodities are valued at current market value at the time of receipt.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Education
Pueblo School District No. 60

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pueblo School District No. 60, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Pueblo School District No. 60's basic financial statements, and have issued our report thereon dated January 27, 2022. Our report includes a reference to other auditors who audited the financial statements of discretely presented component units, as described in our report on Pueblo School District No. 60's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Pueblo School District No. 60's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pueblo School District No. 60's internal control. Accordingly, we do not express an opinion on the effectiveness of Pueblo School District No. 60's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pueblo School District No. 60's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hoelting & Company Inc.

Colorado Springs, Colorado
January 27, 2022



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Education
Pueblo School District No. 60

Report on Compliance for Each Major Federal Program

We have audited Pueblo School District No. 60's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Pueblo School District No. 60's major federal programs for the year ended June 30, 2021. Pueblo School District No. 60's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Pueblo School District No. 60's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Pueblo School District No. 60's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Pueblo School District No. 60's compliance.

Opinion on Each Major Federal Program

In our opinion, Pueblo School District No. 60, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and

questioned costs as items 2021-001 and 2021-002. Our opinion on each major federal program is not modified with respect to these matters.

Pueblo School District No. 60's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Pueblo School District No. 60's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Pueblo School District No. 60 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Pueblo School District No. 60's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Pueblo School District No. 60's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency: 2021-001.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hoelting & Company, Inc.

Colorado Springs, Colorado
January 27, 2022

**PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

Section I—Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes x no
- Significant deficiency(ies) identified? ___ yes x none reported

Noncompliance material to financial statements noted? ___ yes x no

Federal Awards

Internal control over major programs?

- Material weakness(es) identified? ___ yes x no
- Significant deficiency(ies) identified? x yes ___ none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes ___ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
CFDA 21.019	Coronavirus Relief Fund
CFDA 10.555, 10.559	Child Nutrition Cluster
CFDA 84.425D	Education Stabilization Fund
CFDA 84.027, 84.173	Special Education Cluster
CFDA 84.367	Quality Teacher, Title II, Part A
CFDA 84.424A	Student Support and Academic Enrichment Grants

Dollar threshold used to distinguish between type A and type B programs? \$954,106

Auditee qualified as low-risk auditee? x yes ___ no

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

Section II—Financial Statement Findings

No findings reported.

Section III—Findings and Questioned Costs for Federal Awards

2021-001 Eligibility for Title I, Part A Grant Funding

<i>Federal program:</i>	CFDA 84.010	Title I, Part A
<i>Federal agency:</i>		U.S. Department of Education
<i>Pass-through entity:</i>		Colorado Department of Education

Criteria: A local education agency's (LEA) eligibility to participate in Title I, Part A funding is determined by the selection of a poverty measure such as family income and family size and the submission of an annual application or statement which furnishes such information. A LEA must determine eligibility by comparing the data reported by the child's household to published income eligibility guidelines.

Condition: While the District did select an appropriate poverty measure and obtained annual applications from families, a number of students were included in the measure that did not meet the income eligibility requirements.

Questioned costs: None noted.

Context: Of the first 16 of 60 files selected for testing for the 2019-2020 audit, 2 (12.5%) reported higher household income than allowed for the free or reduced category the student was selected from. Per discussion with client, this was not corrected in 2020-2021.

Effect: The District may be receiving Title I, Part A funding that they are not eligible for.

Cause: Controls to detect ineligible students are not properly designed or operating effectively.

Recommendation: Management should implement procedures that include a closer review of free and reduced applications as compared to income eligibility guidelines.

Views of responsible officials and planned corrective action: Management agrees with this finding and has taken steps to implement a more detailed review of 2021-2022 free and reduced applications.

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

Section III—Findings and Questioned Costs for Federal Awards (Continued)

2021-002 Eligibility for Child Nutrition Grant Funding

<i>Federal program:</i> CFDA 10.555, 10.559	Child Nutrition Cluster
<i>Federal agency:</i>	U.S. Department of Agriculture
<i>Pass-through entity:</i>	Colorado Department of Education

Criteria: A student's eligibility for free and reduced lunch is determined by submission of an annual application and meeting income eligibility guidelines. A LEA must determine eligibility by comparing the data reported by the child's household to published income eligibility guidelines.

Condition: While the District did obtain annual applications from families, a number of students were included in the measure that did not meet the income eligibility requirements.

Questioned costs: None noted.

Context: Of the first 16 of 60 files selected for testing for the 2019-2020 audit, 2 (12.5%) reported higher household income than allowed for the free or reduced category the student was selected from. Per discussion with client, this was not corrected in 2020-2021.

Effect: The District may be receiving Child Nutrition Cluster funding that they are not eligible for.

Cause: Controls to detect ineligible students are not properly designed or operating effectively.

Recommendation: Management should implement procedures that include a closer review of free and reduced applications as compared to income eligibility guidelines.

Views of responsible officials and planned corrective action: Management agrees with this finding and has taken steps to implement a more detailed review of 2020-2021 free and reduced applications.



315 West 11th St, Pueblo, CO 81003

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021**

The Summary Schedule of Prior Audit Findings (the Summary) summarizes the status of the audit findings reported in the Pueblo School District No. 60 Schedule of Findings and Questioned Costs for the year ended June 30, 2020. If the prior audit finding was fully addressed, the Summary indicates that the corrective action described in the prior audit report was taken or that corrective action is no longer needed. Otherwise, the Summary references the page number of the June 30, 2021 single audit report where a repeat recommendation, description of the planned corrective action, or reason for not implementing the recommendation is presented.

<u>Finding Number</u>	<u>CFDA Number</u>	<u>Program/ Cluster Title</u>	<u>Finding</u>	<u>Status of Finding</u>
2020-001	84.010	Title I, Part A	Eligibility – not meeting poverty measures	Not Corrected. Reported as finding 2021-001. See page 77.
2020-002	10.555 & 10.559	Child Nutrition Cluster	Eligibility – not meeting poverty measures	Not Corrected. Reported as finding 2021-002. See page 78.



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**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2021**

2021-001 Eligibility for Title I, Part A Grant Funding

<i>Federal program:</i>	CFDA 84.010	Title I, Part A
<i>Federal agency:</i>		U.S. Department of Education
<i>Pass-through entity:</i>		Colorado Department of Education

Criteria: A local education agency’s (LEA) eligibility to participate in Title I, Part A funding is determined by the selection of a poverty measure such as family income and family size and the submission of an annual application or statement which furnishes such information. A LEA must determine eligibility by comparing the data reported by the child’s household to published income eligibility guidelines.

Condition: While the District did select an appropriate poverty measure and obtained annual applications from families, a number of students were included in the measure that did not meet the income eligibility requirements.

Management Response and Planned Corrective Actions: Management agrees with this finding and has taken steps to implement a more detailed review of 2021-2022 free and reduced applications.

Responsibility for Corrective Action: Dana Elkins-Greene, Interim Director of Nutrition Services

Anticipated Completion Date: Fall of 2022.

2021-002 Eligibility for Child Nutrition Cluster Grant Funding

<i>Federal program:</i>	CFDA 10.555, 10.559	Child Nutrition Cluster
<i>Federal agency:</i>		U.S. Department of Agriculture
<i>Pass-through entity:</i>		Colorado Department of Education

Criteria: A student’s eligibility for free and reduced lunch is determined by submission of an annual application and meeting income eligibility guidelines. A LEA must determine eligibility by comparing the data reported by the child’s household to published income eligibility guidelines.

Condition: While the District did obtain annual applications from families, a number of students were included in the measure that did not meet the income eligibility requirements.



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2021-002 Eligibility for Child Nutrition Cluster Grant Funding (continued)

Management Response and Planned Corrective Actions: Management agrees with this finding and has taken steps to implement a more detailed review of 2021-2022 free and reduced applications.

Responsibility for Corrective Action: Dana Elkins-Greene, Interim Director of Nutrition Services

Anticipated Completion Date: Fall of 2022.

STATE COMPLIANCE

H*c*
Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON
COLORADO SCHOOL DISTRICT/BOCES
AUDITOR'S INTEGRITY REPORT**

To the Board of Education
Pueblo School District No. 60

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pueblo School District No. 60, as of and for the year ended June 30, 2021, which collectively comprise Pueblo School District No. 60's basic financial statements, and our report thereon dated January 27, 2022, which expressed an unmodified opinion on those financial statement, appears as listed in the table of contents. Other auditors audited the financial statements of the discretely presented component units, as described in our report on the District's financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pueblo School District No. 60's financial statements. The accompanying *Colorado School District/BOCES, Auditor's Integrity Report* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Hoelting & Company Inc.

Colorado Springs, Colorado
January 27, 2022



Colorado Department of Education
Auditors Integrity Report
 District: 2690 - Pueblo City 60
 Fiscal Year 2020-21
 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	26,409,984	116,732,674	110,745,493	32,397,165
18 Risk Mgmt Sub-Fund of General Fund	604,558	1,390,680	1,147,923	847,316
19 Colorado Preschool Program Fund	2,255,253	4,522,853	4,903,605	1,874,501
Sub- Total	29,269,795	122,646,207	116,797,021	35,118,981
11 Charter School Fund	3,994,486	20,114,387	19,376,534	4,732,340
20,26-29 Special Revenue Fund	2,086,202	37,824,753	15,264,519	24,646,436
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	6,066,929	7,498,472	6,728,295	6,837,106
22 Govt Designated-Purpose Grants Fund	0	29,560,089	29,560,089	0
23 Pupil Activity Special Revenue Fund	2,070,767	598,821	694,777	1,974,811
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	16,994,557	19,995,280	19,347,514	17,642,323
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	255,386,443	11,687,576	29,373,865	237,700,154
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	10,343,326	9,483,570	2,279,708	17,547,188
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	326,212,506	259,409,155	239,422,323	346,199,338
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	2,720,901	51,943	-278,156	3,051,000
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	2,720,901	51,943	-278,156	3,051,000
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
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	0	0	0	0

FINAL